

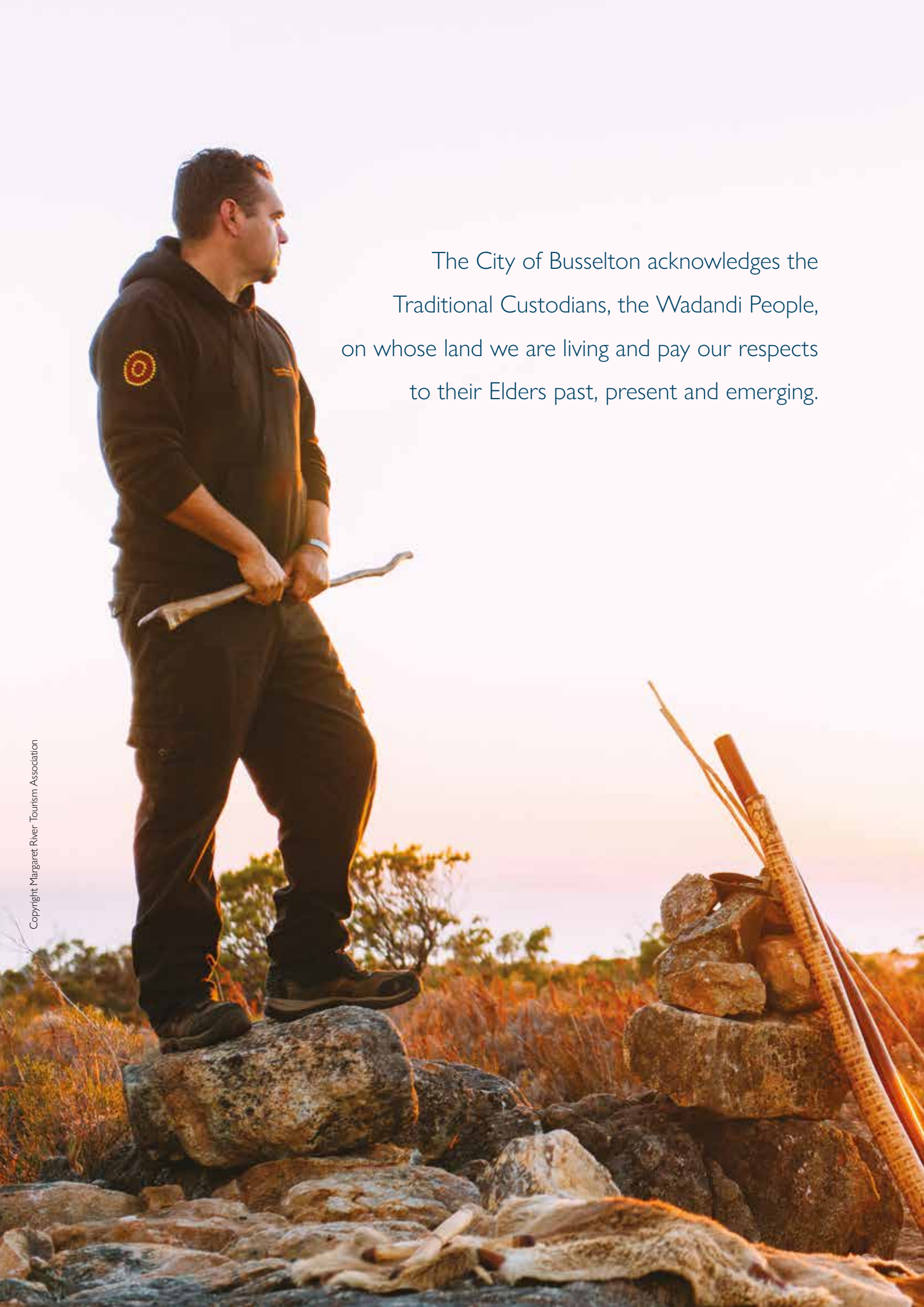


2022-2023

# Annual Report

*Where environment, lifestyle  
and opportunity meet*





The City of Busselton acknowledges the  
Traditional Custodians, the Wadandi People,  
on whose land we are living and pay our respects  
to their Elders past, present and emerging.

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The City of Busselton 2022 - 2023 annual report outlines the City's operational and financial performance between 1 July 2022 and 30 June 2023.

The report is a means of communicating with our community, employees, partners, stakeholders and visitors with information about our achievements over the course of the year.

*Feedback or questions about this Annual Report are welcome.*

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## Message from the Mayor

### It is with pleasure that I present on behalf of the Council, the 2022- 2023 Annual Report.

This annual report documents key service outcomes across a broad range of services, from our rangers to our planning and building services, our construction work, parks maintenance, and design and asset management, to our customer and library services and all the corporate support services employees provide.

The City of Busselton continues to be an attractive place to live, visit and invest, with a beautiful natural environment, an enviable lifestyle and opportunities that continue to drive growth in our population and visitor numbers.

After commencing in April 2022, flights between Busselton and Melbourne sustained strong demand. In total 137,500 passengers transited through the Busselton Margaret River Regional Airport, almost double the prior year's numbers.

The City also continues to experience strong levels of development activity across the District, and has commenced work on a new local planning scheme to guide development. To guide the growth of the Dunsborough town centre, the Council resolved at its December 2022 meeting to adopt the Dunsborough Precinct Structure Plan. The plan was developed with community input and reflects the community's desire for low rise (3 storey) development that reflects the considered village feel of Dunsborough. It is currently awaiting a decision from WAPC and Minister for Planning.

The City also engaged with the Dunsborough community in relation to recreation and community infrastructure. Community input will help to inform review of the City's strategic direction and long-term planning for how we sustainably provide for recreation and community facility needs.

Construction of Saltwater Busselton, a key arts and culture recreation asset progressed during the year, with the structure starting to take shape.

Council elections were held in October 2023, and I was privileged to be elected as Mayor, for the first time by the electors of the district. I look forward to working with Councillors, CEO and employees. In presenting this plan, I'd like to acknowledge and thank the efforts of the Councillors for 2022/2023, the community for their many individual and collective contributions and City employees for the pride they take in the City of Busselton. I'd like to close by

extending my thanks to former Mayor Grant Henley and acknowledge his many years of dedicated service and leadership. I'd like to close by extending my thanks to former Mayor Grant Henley and acknowledge his many years of dedicated service and leadership.



Phill Cronin  
Mayor



## Message from the CEO

**I am privileged to present, alongside the Mayor, the City's 2022 – 2023 Annual Report.**

Having commenced in the position of CEO in December 2022, I have taken the opportunity this year to explore what we do well as an organisation, and what we need to focus on to continue to deliver on a clear and aligned organisational vision. The what we do well part was easy! There is evidence of that all around us, with the City of Busselton well established as one of the best places to live in Western Australia.

An organisational review identified some great opportunities for improvement, with key areas of focus being:

- Aligning vision, values and culture
- Clarifying and communicating service levels
- Monitoring and celebrating performance
- Business systems improvement
- Process improvement

A structural realignment has also been progressed as an outcome of the review, with a new dedicated directorate focused on economic and business development, an increased focus on organisational strategy and performance, a new management role focused on environment parks and reserves, and the bringing together of community planning with development planning and regulatory services.

The results of the review are important as we move towards our goal to be a

values-based organisation, with a focus on people – our community and our staff.

It will also support us in achieving the community vision for the district – to create a place where Environment, Lifestyle and Opportunity meet. These three words represent the things we love about where we live – our beautiful natural environment, the lifestyle we enjoy with a good range of facilities and services, and the opportunities that come with being a growing regional community. Of course, achieving the right balance across these aspirations can be challenging, but we continue to work hard to meet community aspirations.

In presenting this report I would like to thank the City's employees for their efforts over the past year, through a period of change.



Tony Nottle  
Chief Executive Officer



## ***Our Vision***

# **Where environment, lifestyle and opportunity meet**

***Our vision was created with the help of our community.***

# Our Community

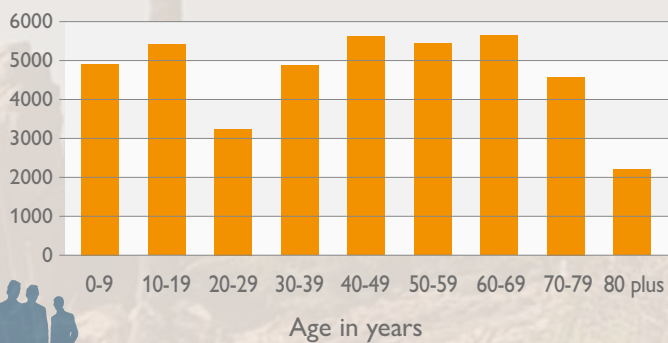
The City of Busselton is an important regional centre covering 1,454 square kilometres in the lower south- west region of Western Australia.

Our City is part of the Noongar Country that is called the Wadandi Boodja. The Wadandi people are the traditional custodians, and have lived in this area for over 50,000 years. Wadandi Boodja was and continues to be a place of plenty. Within the City's 1,454km2 area is a diversity of people, environment, heritage and opportunities; attributes that continue to attract residents, visitors and investors to the region.

## Total estimated population



## Estimated Population Age Distribution <sup>1</sup>



## Businesses

Total number

4,283

## Electors

Total number

30,688<sup>2</sup>

## Population growth

Estimated 2021-2022

2.1%<sup>1</sup>

## Languages other than English spoken at home

German, Italian, Afrikaans, French, Southern European, Mandarin, Dutch, Indonesian, Hazaraghi, Tagalog

## Families & Households



0.7%

Average number of children per family (average for all households)

2.5

Average number of people per household

\$1459

Median weekly household income

1. Regional population 2021-2022 financial year: <https://www.abs.gov.au/statistics/people/population/regional-population/2021-22#data-downloa> 2. VWA Electoral Commission 31 March 2023

# Council 2022-2023



**MAYOR**  
**Grant Henley**  
Term expiry Oct 2025  
*Resignation October 2023*



**DEPUTY MAYOR**  
**Paul Carter**  
Term expiry Oct 2023



**COUNCILLOR**  
**Kate Cox**  
Term expiry Oct 2023



**COUNCILLOR**  
**Phill Cronin**  
Term expiry Oct 2023



**COUNCILLOR**  
**Mikayla Love**  
Term expiry Oct 2025



**COUNCILLOR**  
**Ross Paine**  
Term expiry Oct 2023



**COUNCILLOR**  
**Sue Riccelli**  
Term expiry Oct 2023



**COUNCILLOR**  
**Jodie Richards**  
Term expiry Oct 2025



**COUNCILLOR**  
**Anne Ryan**  
Term expiry Oct 2025

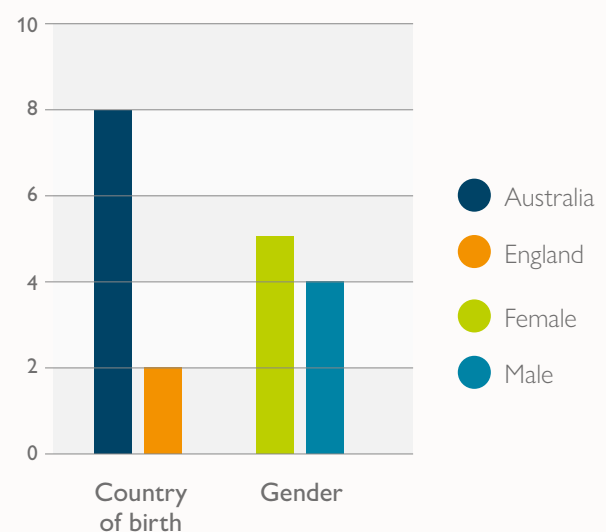
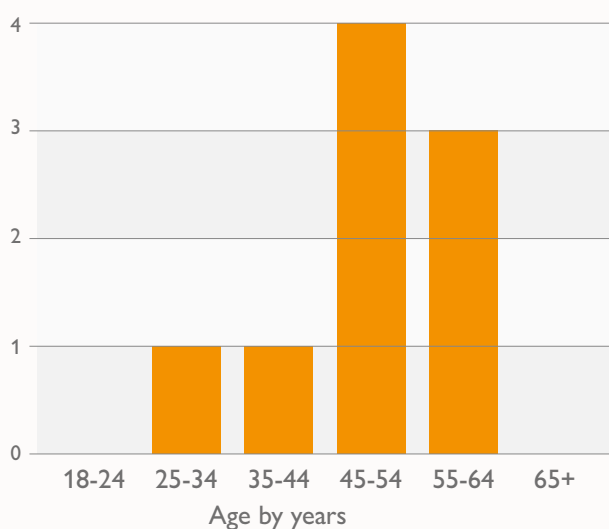
## Council 2022 - 2023

The City of Busselton has nine Councillors and a Mayor, from 2023, elected by the electors of the District. Councillors are elected for a term of four years, with half of the terms expiring every two years.

Council meetings are held on third Wednesday evening of the month, with Community Access Sessions and Public Agenda Presentations being held on the first and second Wednesday's of the month respectively.

## Councillor Diversity

	Gender	Linguistic Background	Country of Birth	Age range	Aboriginal or Torres Strait Islander
Cr Henley	Male	English	Australia	55-64	No
Cr Carter	Male	English	Australia	45-54	No
Cr Ryan	Female	English	England	55-64	No
Cr Richards	Female	English	Australia	45-54	No
Cr Love	Female	English	Australia	25-34	No
Cr Cox	Female	English	Australia	45-54	No
Cr Cronin	Male	English	England	45-54	No
Cr Paine	Male	English	Australia	35-44	No
Cr Riccelli	Female	English	Australia	55-64	No



## Council and Committee meeting attendance

Elected Member Attendance July 2022 – June 2023

### Council Meetings

	Ordinary Council	Special Council
Mayor Grant Henley	12	7
Councillor Paul Carter	12	8
Councillor Mikayla Love	11	8
Councillor Kate Cox	11	8
Councillor Jodie Richards	12	7
Councillor Anne Ryan	12	8
Councillor Phill Cronin	11	8
Councillor Ross Paine	11	8
Councillor Sue Riccelli	12	8

#### Special Council meetings during the year included:

- Special Council Meeting (3 August 2022)
  - Adoption of the 2022/23 Annual Budget
  - Adoption of the 2022/23 Fees and Charges
- Special Council Meeting (7 September 2022)
  - Establishment of CEO Selection Committee and Endorsement of Job Description
- Special Council Meeting (12 October 2022)
  - Draft Chief Executive Officer Contract
- Special Council Meeting (2 November 2022)
  - CEO Selection Committee – 31/10/2022 – CEO Recruitment Shortlist
- Special Council Meeting (23 November 2022)
  - CEO Selection Committee – 21/11/2022 – CEO Recruitment
- General Meeting of Electors (30 January 2023)
  - Annual Report for the Year Ended 30 June 2022
- Special Council Meeting (1 March 2023)
  - CEO Performance Review Committee – 27/2/2023 – Establishment of CEO Performance Criteria
- Special Council Meeting (31 May 2023)
  - CEO Probation Review
  - Organisational and Structural Review Report

Committee Meetings	No of meetings	Cr Henley	Cr Carter	Cr Love	Cr Paine	Cr Ryan	Cr Richards	Cr Riccelli	Cr Cox	Cr Cronin
Finance	11	9	10	10	4 <sup>ⓓ</sup>	11		10		
Policy and Legislation	5	1 <sup>ⓓ</sup>			5	5	5		4	5
Airport Advisory	6		6	2 <sup>ⓓ</sup>		6	4			4
Audit	4	3	3			4	2 <sup>ⓓ</sup>			4
Bush Fire Advisory	3	2							1	2
Meelup Regional Park	1			1					1	
Behaviour Complaints	1		1		1	1	1	1	1	1
CEO Selection	3	3	3					3	3	
CEO Performance Review	1	1	1			1				
Local Emergency Management	2	2	2							
<b>TOTAL</b>		<b>21</b>	<b>26</b>	<b>13</b>	<b>10</b>	<b>28</b>	<b>12</b>	<b>14</b>	<b>10</b>	<b>16</b>

<sup>ⓓ</sup> Deputised

### Councillor Remuneration

In accordance with the *Local Government Act 1995*, Mayor Grant Henley received a Mayoral allowance of \$91,997, a Mayoral sitting fee of \$48,704.00, and a communications and IT allowance of \$3,500.

Each Councillor received a Councillor sitting fee of \$32,470 and a communications and IT allowance of \$3,500. Deputy Paul Carter received an additional \$22,999 Deputy Mayoral allowance.

# Our Organisation



## Our Organisational Structure

The City of Busselton completed an organisational review in 2022/2023 resulting in a realigned service structure under four refocused directorates, as outlined below. The Directorates took shape post the end of the year, with two new Directors appointed in September 2023.

Each Director is responsible for providing leadership, managing the operations of their specific Directorate and ensuring that the City's operations are ethical and accountable.

### Sarah Pierson

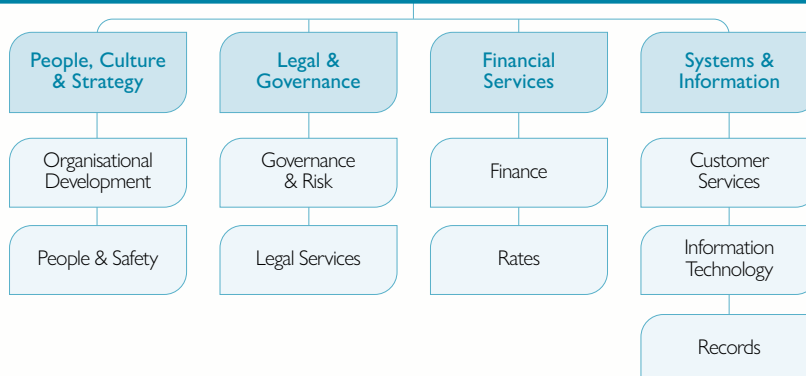
DIRECTOR



#### Directorate Mission:

Support the provision of City services by providing professional support, advice and information to ensure goals and objectives of the organisation are clear and performance reported on.

### Corporate Strategy and Performance



### Maxine Palmer

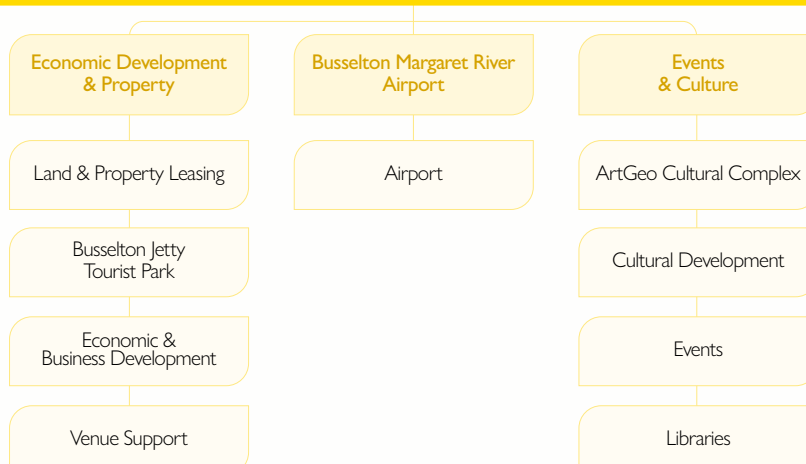
DIRECTOR



#### Directorate Mission:

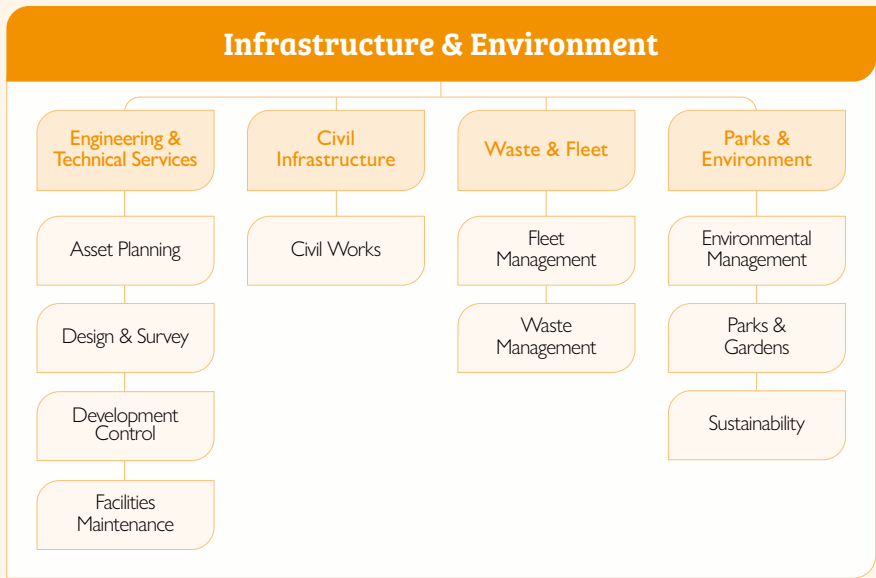
Responsible for services aimed at facilitating the best use of our key community and commercial assets, and driving economic development within our City.

### Economic & Business Development





**Directorate Mission:**  
Responsible for delivery of services to assist in planning for the growth and development of the people and places in our community, as well as providing regulatory and emergency services for a safe community.



**Directorate Mission:**  
Responsible for the design, delivery and maintenance of infrastructure assets, including roads, footpaths, cycleways, drainage, parks and gardens, as well as waste and environmental management, including nature reserves, waterways and coastal.

## Service Delivery at a Glance

### Development Activity 2022-2023



### Facilities



Airport  
Landings  
**135,700**



Leisure  
Centre  
Members  
**2,158**

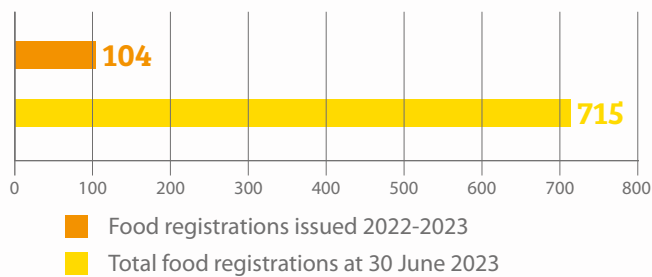


Lease  
Managed  
Properties  
**220**

### Food Services



Food premises  
inspected  
**365**



### Fire protection



Bushfire  
Vounteers  
2022-2023  
**382**



Bushfire  
Inspections  
2022-2023  
**2,257**



Fire  
Callouts  
2022-2023  
**71**

4. ABS Data by Region LGA Busselton (5120) 30 June 2022

## City Services



**56**

Playgrounds



**38.2 ha**

Ovals  
Maintained



**975 km**

Sealed  
Roads



**369 km**

Unsealed  
Roads



**155**

Carparks



**298 km**

Footpaths



**83**

Traffic &  
Pedestrian  
Bridges



**49,252**

Tonnes of  
Waste  
Processed



**1073**

Pools/Aquatics  
Sampled



**448 ha**

Mosquito  
Treated Areas

### Rates notices

Issued 2022-2023

**24,845**

### Customer Service Requests

2022-2023

**6,367**

### Website Page Views

2022-2023

**763,598**

### Record Registrations

2022-2023

**151,532**

### Invoices / Payments Processed

Published 2022-2023

**22,427**

## Libraries



Library  
Visitors<sup>5</sup>  
2022-2023

**160,527**



Physical  
Checkouts<sup>5</sup>  
2022-2023

**213,583**

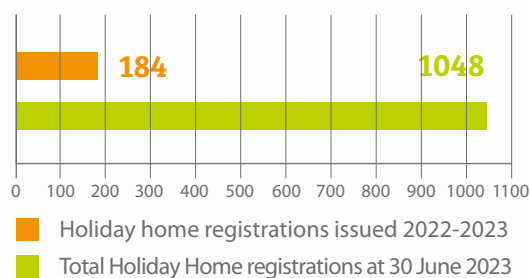


Digital  
Checkouts  
2022-2023

**68,345**

5. Combined totals for both Busselton and Dunsborough Libraries

## Holiday Homes



## Our Workforce

### Workplace Diversity



People with disability

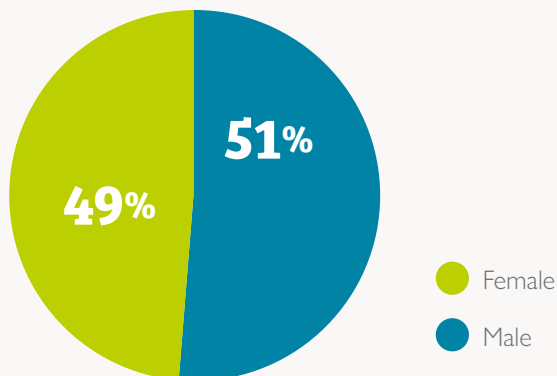


Aboriginal and Torres Strait Islander people

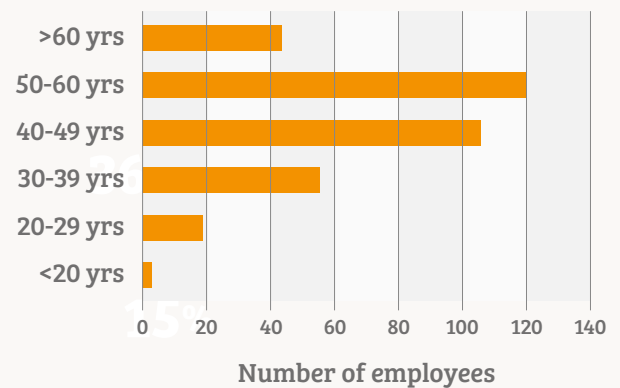


Culturally and linguistically diverse people

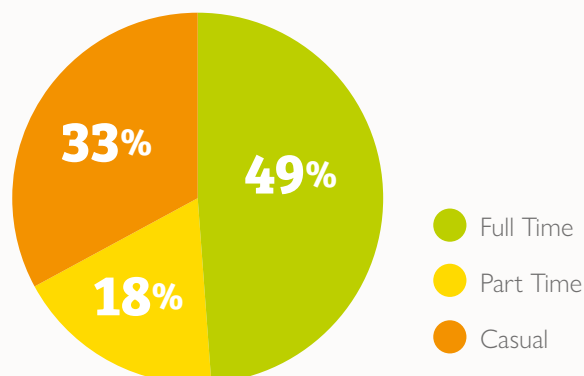
### Workforce Gender



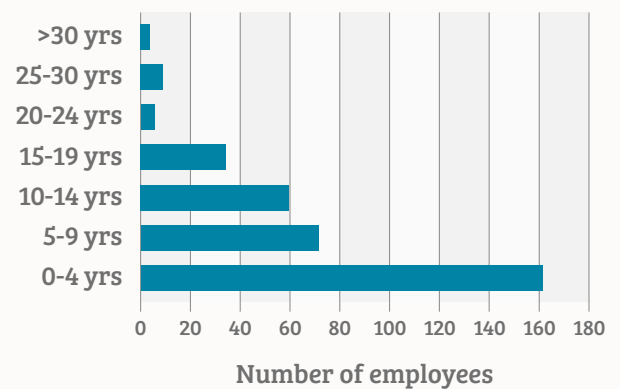
### Employee Age Profile



### Employment Type



### Employee Length of Service



# Achievements



## Highlights

### South-West Aboriginal Medical Service takes on Locke Estate

The City entered into a lease arrangement in July 2022 with the South-West Aboriginal Medical Service (SWAMS), as the successful proponent under an expression of interest for a campsite at Locke Estate, Siesta Park.

SWAMS is an Aboriginal Community Controlled Health Organisation that provides holistic wrap around health services to the Aboriginal community of the South-West region and beyond.

This lease arrangement will extend opportunity for SWAMS to offer important accessible programs and services of support, care and education to Aboriginal and non-Aboriginal people in Busselton and the greater South-West.



### You Choose Community Funding Pilot Program

In August 2022, the City's new You Choose Community Funding Pilot Program was well underway. The program gives the community the opportunity to vote for their favourite project. The success of the program, as evidenced by the success of two of the projects featured below, will see it continue in the coming year.



A volunteer run organisation that's all about keeping people and their pets together, **POOPS** sought funding through the You Choose program to continue to provide and expand dog walking services to those in need in our community.

Program co-ordinator Cathy Gibson said, "You Choose has raised POOPS profile, the highly visible attire creates conversation, improves visibility, and generates a social aspect far exceeding expectations ... Thank you for offering this unique way to source funding. The process was simple and easy to follow."

The **Vasse Fathering Project** is a schools-based community group that encourages fathers and father figures to be the best they can with their children. To support the group's 'fun' activities it sought funding for a multi-use self-contained trailer. The trailer is in use and provides great support for the Groups events and activities.

### Expanded Youth Services

The City of Busselton and Rio Tinto continue to work together to deliver valuable youth services across the region, and in February 2023 celebrated 10 years of running a 12-month youth-focused trainee program.

The official opening of 'The Break' in Dunsborough took place in September 2022 at the Naturaliste Community Centre with live music, skating, art workshops and various other activities at the opening event. Thank you to local businesses and community groups who contributed.

This exciting new space is open to local youth and provides a safe, inclusive and judgement free space for our young people. Local artist Sammy Allen worked with local youth to design and install the 12m mural on the walls of the new building which provides a dramatic fun background for the space.



### Lower Vasse River Funding Secured

Council resolved during the year for the City to continue in its role as interim Asset Manager for the Lower Vasse River. Sediment removal continues with stage 1 complete and stage 2 dewatering in progress. The City was also successful in securing grant funding from the State Natural Resource Management's Community Stewardship Grant Program to assist with further sediment removal works in the Lower Vasse River; in a section of the river upstream of the Strelly Street Bridge (Stage 3). The project is part of a multi-staged approach to reducing nutrients and improving the health of the river.

### Community Embraces Saltwater

In October 2022 the name of the new performing arts and convention centre was announced. The name 'Saltwater' was celebrated amongst the community as a name deeply connected to country – the natural landscape and an acknowledgement of the Wadandi (Saltwater) people, the traditional custodians of this part of the South-West of Western Australia.

Designed with multi-functionality in mind, Saltwater Busselton will attract world class entertainment and business events to Busselton, which is already renowned as the Events Capital of WA.





### E-scooter Trial

December 2022 saw the launch of the Neuron Mobility e-scooter 12-month trial within the City of Busselton. The trial provides 250 e-scooters as an alternate and sustainable transport option to traverse within the City. To date, the trial has seen over 24,000 user signups and some 283,900kms travelled.



### Community Infrastructure Plan Endorsed

A City-wide Community Infrastructure Plan was endorsed by Council in December 2022. The plan assists the City of Busselton with decisions about community facilities to meet community needs towards 2035.



### Funding secured to construct an accessible change facility

The City secured \$150,000 funding in June 2023 for the construction of a certified 'Changing Places' accessible change facility along the Busselton Foreshore, expected to be completed by mid-2025. Supported by the Department of Communities Office of Disability, the facility will include an accessible toilet, privacy screen, adult-sized change table and roof-mounted hoist.



### Dunsborough Townscape Works Completion

Stage 6 of the Dunsborough Townscape works were completed in December 2022 providing an improved road realignment, alfresco opportunity, and upgraded landscaping between the roundabout on Dunn Bay Road/Naturaliste Terrace and Cyrillian Way and a new roundabout at Cyrillian Way in Dunsborough. The new roundabout provides vehicular and pedestrian access to Cyrillian Way from Naturaliste Terrace. This project would not have been possible without the hard work and extra effort of City staff and contractors.

## Awards



### 2022 National Awards for Planning Excellence

In November 2022 the City was awarded the 2022 Planning Institute of Australia (WA) Award for Climate Change and Resilience; for Coastal Hazard Risk Management and Adaptation Plan (CHRMAP).

The CHRMAP is a strategic planning document that identifies the current and projected extent of risk to assets from coastal hazards, the potential consequences of these hazards, and necessary actions to adapt.

This document is important as the City has significant infrastructure and assets in close proximity to the coast.

### 2022 Local Government Road Safety Awards

The City of Busselton was recognised in October 2022, along with City of Kalamunda, Shire of Nannup and Shire of Toodyay for their contribution to road safety.

The Awards acknowledges outstanding achievements by Local Governments in the area of road safety.

The City achieved this award as part of the Hannay Lane Revitalisation Project for creating an intuitively low speed environment, making the space “feel” safer and inviting for pedestrians and cyclists.



### Dunsborough a finalist in the 2023 Wotif Aussie Town of the Year

Dunsborough was listed number 8 in the top 10 Wotif Aussie Towns of the Year for 2023.

Wotif promotes Dunsborough as “the perfect destination for explorers big and small”.

“Go for a walk-through native bushland full of wildflowers to a stunning coastline spotted with calm, turquoise bays. Have a dip, then head underground to check out the incredible natural cave systems.”

### Geographe Leisure Centre (GLC) AUSTSWIM

GLC AUSTSWIM Teacher, Tiffany Sweatman won the AUSTSWIM Western Australia Award of Excellence for Teacher of Infant and Preschool Aquatics. Tiffany was named as the state winner in July 2022, along with six other instructors across the state.

Nominated by her former mentor, it is an amazing recognition for Tiffany as a leader in the industry, recognising all her hard work over seven years of teaching babies and young children.



## Key Themes



### KEY THEME 1

## Environment

An environment that is valued, conserved and enjoyed by current and future generations.



### KEY THEME 2

## Lifestyle

A place that is relaxed, safe and friendly, with services and facilities that support healthy lifestyles and wellbeing.





KEY THEME 3

## Opportunity

A vibrant City with diverse opportunities and a prosperous economy.



KEY THEME 4

## Leadership

A Council that connects with the community and is accountable in its decision making.



## KEY THEME 1

### Environment

An environment that is valued, conserved and enjoyed by current and future generations.



A detailed review of the Meelup Regional Park Management Plan was completed through the year, in conjunction with the Meelup Regional Park Committee. Meelup Regional Park is a significant community environmental asset enjoyed by many, residents and visitors alike. Its management is a key focus for the City to ensure that it can continue to be enjoyed by current and future generations. Further consultation with the Karri Karrak Corporation has been identified to guide a further review, which will require adoption by Council.

Through the collaboration of the Injidup Residents Association and funding from both Lotterywest and the City of Busselton, the Warden Aboriginal Centre in Injidup has seen a comprehensive fire security program put in place. This includes a state-of-the-art fire sprinkler system across all buildings. Injidup is a fire prone area which placed the Centre at extreme risk. The importance of protecting this significant cultural asset was recognised both locally and by the State.

Coastal management continues to be a key focus, with an environmental survey awarded to develop a coastal vegetation map of the dunes along the Geographe Bay. This will allow us to better understand resilience to storm surges and plan mitigation works.

With respect to the Lower Vasse River, stage 2 dredging works have been completed with dewatering in progress. The securing of further grant funding will see Stage 3 commence in 2024, in a section of the river upstream of the Strelly Street Bridge. A new, broader, community and stakeholder engagement model will be implemented.

In terms of waste management, the Cell 2 liner installation at Vidler Road Waste Facility was completed. This new landfill cell will provide the community with a best practice landfill for the disposal of municipal solid waste over the next few years.

*The following is a report of progress against the City's corporate actions linked to Environment*



Primary Service Area	Primary Objective Link	Project / Action	Status	Achievements
Statutory Planning	1.1	<b>Western Ringtail Possum Habitat</b> Progress Scheme Amendment No. 49 which proposes a new special control area with the objective of protecting and enhancing Western Ringtail Possum habitat.		On hold pending the deferred gazettal of State Planning Policy 7.3 Medium Density Codes in September 2023.
	1.2	<b>Meelup Regional Park Management Plan</b> Complete the review of the Meelup Regional Park Management Plan following consultation with the community.		The Meelup Regional Park Management Plan was reviewed in conjunction with the Meelup Regional Park Committee in detail and completed. Further consultation with the Karri Karrak Corporation has been identified to guide a further review in the future, which will require adoption by Council.
Sustainability	1.3	<b>Lower Vasse River</b> Continue to work with the Lower Vasse River Management Advisory Group to refine and implement actions to significantly improve the health and amenity of the Lower Vasse River.		Lower Vasse River Sediment removal project: Stage 1 - completed, Stage 2 - dredging completed, dewatering in progress, Stage 3 - upstream from Strelley Street is due to start in April 2024. Once complete, stages 1 and 2 will be assessed for effectiveness. The phosphorus-binding clay, Phoslock, will be trialled in the Stage 1 area in the summer period of 2023/24. Council considered a report in May with respect to the City's role as interim Asset Manager in relation to the Lower Vasse River and Toby Inlet. A new, broader, community and stakeholder engagement model will be implemented.
	1.3	<b>Toby Inlet</b> In collaboration with the community, continue to implement management strategies to improve the water quality and amenity of the Toby Inlet.		Management of water quality and amenity in Toby Inlet was focussed around management of the inlet sand bar and culvert. Further work is planned, in collaboration with community organisations, to investigate opportunities for foreshore revegetation in areas prone to amenity issues.
	1.6	<b>Energy Strategy Implementation</b> Progress implementation of the City's Energy Strategy including shifting to green power; continued implementation of rooftop solar and exploring the introduction of battery storage and electricity powered fleet.		The City has completed its first year of a collective Power Purchasing Agreement committing to 100% renewable energy at 16 contested sites. The City has saved an estimated \$262,465 and offset 1,521 tonnes of carbon. In partnership with WALGA, the City commenced preparation of a business case for installing an EV charging station. However given the current prohibitive price of EVs, charging infrastructure was determined not to be required.



Completed



On track



On hold








Experiencing delays



Not scheduled to commence

## ACHIEVEMENTS

Primary Service Area	Primary Objective Link	Project / Action	Status	Achievements
<b>Engineering &amp; Technical Services</b>	1.5	<b>Coastal Management</b> Progressively implement coastal infrastructure that protects the City's coastlines.		Coastal Investigation (Flood Modelling) progressing. Oceanographic Monitoring is ongoing, with data being collected through tide and wave sensors within the Geographe Bay area. Land survey (LiDAR) of the dunes and the beach along with Nearshore Survey water penetrating LiDAR and hydro survey completed in January 2023. A modelling tender was advertised late in the 2022/23 financial year, and was awarded to Advisian in June 2023. It is anticipated that the modelling will be completed early in 2024.  Dune resilience works have commenced with the award of an environmental survey to develop a coastal vegetation map of the dunes along the Geographe Bay.  Coastal flood protection works are not scheduled to commence until later in 2023, with two grant funded projects to be implemented over the next three (3) financial years.
	1.5	<b>Food Organics Garden Organics</b> Explore the potential for establishing a Food Organics Garden Organics (FOGO) service, which includes identifying a possible site(s) suitable for processing the collected FOGO material.		Waste strategic directions workshop will occur in 2024 prior to the end of the FY.
	1.5	<b>Vidler Road Cell 2</b> Construction of Landfill Cell 2 at Vidler Road Waste Facility to provide for the future management of waste.		Liner installation completed and the compliance report approved by DWER. Currently awaiting final approvals to utilise the Cell.
	1.5	<b>Regional Waste Management</b> In conjunction with the South West Regional Waste Group continue to investigate regional solutions for the sustainable management of waste.		A formal EOI seeking alternatives to landfill was advertised during the year, however the SW Regional Waste Group paused further progress as a number of the local governments run a separate tender for their Collection, Processing and Disposal of Waste.
<b>Facilities Maintenance</b>	1.6	<b>LED Lighting Upgrades</b> Progressively convert lighting to LED to improve the energy efficiency of City owned lighting infrastructure.		The majority of the toilet blocks were fitted with LED lights and standardised light fittings in line with the Asset Management Plan. This program will be ongoing to ensure energy efficiency.

 Completed
  On track
  On hold
  Experiencing delays
  Not scheduled to commence



## KEY THEME 2

**Lifestyle**

A place that is relaxed, safe and friendly, with services and facilities that support healthy lifestyles and wellbeing.



The City provides a broad range of facilities and services to support our great lifestyle. As a guide for future planning Council adopted a new Community Development Plan, which sets out an integrated and collaborative approach to support the community. Additionally, a Youth Services Plan, developed in conjunction with relevant stakeholders, was developed. The plan will support the great work our Youth Services team does out in the community.

Planning for the delivery of recreation and community facilities in Dunsborough and surrounds was a focus for the year, with a master planning exercise undertaken seeking community input as to priority needs. The result of this work is currently under review, with the City also reviewing its broader Sport and Recreation Facilities Strategy and the future of the Geographe Leisure Centre.

Preparation of a Public Health Plan that guides the City's overall planning for public health delivery is on schedule. Opportunities to integrate this planning with the community development plan are being explored, looking at overall wellbeing.

Review of the Reconciliation Action Plan is ongoing. Importantly a new Aboriginal Community Development Officer was successfully recruited during the year, helping the City to foster its relationships with the Aboriginal community.

In terms of infrastructure, more than \$34M was spent on the upgrade and renewal of assets, including on roads, footpaths, cycleways, drainage and parks and ovals. Significant projects included the Dunsborough Naturaliste Terrace town centre upgrade, Sugarloaf Road reconstruction and widening, upgrades and renewal of sections of Acton Park Road, Queen Elizabeth Avenue, and Bussell Highway, a new dual use path along Causeway Road, and completion of facilities at the Dunsborough Lakes sporting precinct.

*The following is a report of progress against the City's corporate actions linked to Lifestyle*



## ACHIEVEMENTS



Primary Service Area	Primary Objective Link	Project / Action	Status	Achievements
<b>Cultural Services</b>	2.1	<b>Reconciliation Action Plan (RAP)</b> Implement the City's Reconciliation Action Plan by strengthening relationships with the Aboriginal community, celebrating and respecting Aboriginal culture and history and collaborating on projects.	▶	Formal review of the RAP was ongoing, with projects also completed and new ones initiated. A new Aboriginal Community Development Officer was appointed to progress the City in its reconciliation work.
	2.4	<b>Performing Arts and Convention Centre - Salwater</b> Progress planning for commission and operation of the centre.	▶	Construction delays resulted in the need for some replanning in relation to procurement, recruitment and system implementation works, however all are on track.
	2.5	<b>Cultural Precinct Strategy</b> Develop a Cultural Precinct Strategy to guide achievement of its potential as a significant visitor destination.	✓	Cultural Precinct Strategy endorsed by Council on 26 June 2023.
<b>Emergency Services</b>	2.2	<b>Bushfire Risk Management</b> Develop a four year plan to guide the implementation of bushfire risk treatments for City owned land.	⏸	Ongoing difficulties related to staffing of this area impacted completion of this action. A two year plan for implementation of bushfire risk treatments has however been developed and will be enhanced over the next financial year.
	2.2	<b>Fire and Community Facilities Building</b> Liaise with stakeholders to determine plans for a fire shed and community facility on City Reserve Lot 401 Balmoral Drive, Quindalup.	✓	Key stakeholder engagement completed. Next stage is concept design and costing.
<b>Environmental Health</b>	2.2	<b>Community Health and Wellbeing Plan</b> Following consultation with stakeholders, prepare a public health plan that meets the requirement of the Public Health Act 2016 and guides the City's planning for social and wellbeing outcomes.	▶	Project continuing, with the intention that the project be integrated with the review of the community development plan and a draft presented in the 23/24 financial year.

Completed
 On track
 On hold
 Experiencing delays
 Not scheduled to commence

Primary Service Area	Primary Objective Link	Project / Action	Status	Achievements
Recreation and Community Development	2.2	<b>Community Development Plan</b> Finalise and progressively implement the Community Development Plan.	✓	Completed and noted by Council. Guiding Business as Usual (BAU) operations.
	2.3	<b>Lot 100 Sues Rd</b> Upon acquisition, develop a master plan for the use of Lot 100 Sues Road.	○	Detailed contract negotiations to acquire the land and are nearing completion, after which this action will be prioritised
	2.3	<b>Geographe Leisure Centre (GLC) Aquatic Facilities</b> Develop a project plan to increase the carrying capacity of the indoor pool area by reconfiguring the 25m indoor pool and leisure/learn to swim pool.	○	An RFQ was awarded for a review of the 2017 masterplan with this action to form part of a broader review of the GLC masterplan.
	2.3	<b>Geographe Leisure Centre (GLC) Stadium</b> Assess the need for additional courts at the GLC and the current allocation of funding within the Long Term Financial Plan.	○	An RFQ was awarded for a review of the 2017 masterplan with this action to form part of a broader review of the GLC masterplan.
	2.3	<b>Sir Stewart Bovell Sport Park</b> Seek funding for the development of a future Sporting Talent Hub at Sir Stewart Bovell Sports Park Precinct.	○	Masterplan options completed and presented to Council. Seeking of funding is on hold due to increasing project costs.
	2.3	<b>Dunsborough Recreation and Community Facilities</b> Complete a master planning exercise to guide the delivery of recreation and community facilities across Dunsborough and surrounds.	▶	Masterplan options ( 2 for each site) were presented to Councillors at a briefing with feedback to the community underway.
	2.3	<b>Squash Court Facilities</b> Continue planning for the development of new squash court facilities, including the identification of a suitable location.	○	Part of the review of the Sport and Recreation Facilities Strategy (SRFS) which is ongoing.
Facilities Maintenance	2.3	<b>Vasse Sporting Precinct - Floodlights</b> Install flood lighting to the Vasse playing fields.	✓	The majority of the works were completed, with the lights to be commissioned by August 2023.
	2.3	<b>Lighting Upgrades Outdoor Playing Spaces</b> Improve the lighting facilities at various ovals and outdoor courts to improve user safety and carrying capacity.	▶	Lighting control systems installed with positive feedback from the community and user groups. This is an ongoing process including in relation to new projects.
Infrastructure and Environment	2.3	<b>Dunsborough Lakes Sports Precinct</b> Construct a pavilion, multi-use outdoor courts and additional car parking at the Dunsborough Lakes Sports Precinct.		The project is currently in its design phase to establish total budget requirements and scope of works, with some funding included in the 23/24 budget.
	2.4	<b>Performing Arts and Convention Centre - Saltwater Construction</b> Complete construction of Saltwater in the Busselton Cultural Precinct and commission operations.		The project is progressing with construction ongoing. Like all projects of this size, some delays have been experienced.
	2.11	<b>Busselton War Memorial Relocation</b> In consultation with stakeholders, relocate the Busselton War Memorial to Rotary Park to improve the aesthetic and use of the war memorial.	▶	Following community consultation, the Council endorsed a concept to proceed with the construction of a new War Memorial at Rotary Park while retaining the existing cenotaph in Victoria Square. City officers have commenced the detailed design and costing of this concept.



Completed



On track



On hold



Experiencing delays



Not scheduled to commence

## ACHIEVEMENTS

Primary Service Area	Primary Objective Link	Project / Action	Status	Achievements
<b>Youth Services</b>	2.6	<b>Youth Services Plan</b> Together with stakeholders, develop a five-year strategic plan for youth services.		Completed. Endorsed by Council in September 2023.
<b>Strategic Planning</b>	2.8	<b>Community Infrastructure Plan</b> Develop a City wide Community Infrastructure Network Plan to assist with informing the review of the City's Development Contributions Framework.		Completed. Plan was approved by Council in December 2022 and published on the City's website.
	2.8	<b>Developer Contributions Framework</b> Complete the review of the City's Developer Contributions Framework.		With the finalisation of the Community Infrastructure Plan, which sets out the infrastructure contribution precincts, a revised Community Infrastructure Development Contribution Plan is underway.
	2.8	<b>Local Planning Policy Review</b> Progressively review the City's Local Planning Policies to increase exemptions from the requirement for a development approval while maintaining adequate development controls.		As a result of competing workload priorities and continued staff shortages, only two Local Planning Policies were able to be progressed. Staff will be undertaking a review of the Special Character Area Local Planning Policies towards the end of the 2023 financial year.
	2.8	<b>New Local Planning Scheme</b> Prepare and progress Local Planning Scheme No. 22.		The Council resolved to prepare a new Scheme and a partial moratorium for Scheme Amendments. The Scheme is progressing, with a report to Council expected in early 2024.
	2.8	<b>Holiday Homes Regulations</b> Implement changes to the Holiday Homes Regulatory Framework.		Stage 3 on hold pending release of State Position Statement: Planning for Tourism.
<b>Design and Survey</b>	2.9	<b>Shared Path Network Improvements</b> Progressively implement the City of Busselton Cycling and Shared Path Network Strategy 2019-2023.		The Causeway Road shared path completed. City Officers are now investigating grant funding opportunities to continue implementation of the City of Busselton Cycling and Shared Path Network Strategy 2019-23.
	2.11	<b>Public Transport</b> Continue to advocate with key stakeholders toward improving public transport services and connections across the District.		The City in partnership with PTA successfully extended the number 816 bus service into Keady. This route was the primary focus based on community requests, noting the City has not received strong interest into other areas.
<b>Civil Works</b>	2.11	<b>Roads Upgrades</b> Continue to implement improvements to the road network in accordance with City's Road Asset Management Plan and traffic modelling.		Capital works program completed with the exception of Payne Road, Nuttman Road and part of Wilyabrup Road, which will be completed in the 2023/24 financial year.
	2.11	<b>Country Roads</b> Continue to upgrade the City's priority narrow country sealed roads.		Road projects completed during the 2022/23 financial year include Sugarloaf Road, North Jindong Road, Ludlow Hithergreen Road and Acton Park Road.
<b>Parks and Gardens</b>	2.12	<b>Churchill Park</b> Upgrade the oval at Churchill Park.		The Churchill Main Oval upgrade was re-listed into the 23/24 budget.

 Completed
  On track
  On hold
  Experiencing delays
  Not scheduled to commence



## KEY THEME 3

## Opportunity

A vibrant City with diverse opportunities and a prosperous economy.



The City continues to pursue funding to enable the construction of a new terminal at the Busselton Margaret River Airport, catering for domestic and international travel. Work in relation to a Master Plan and terminal concept design has been undertaken and will continue. Flight and passenger numbers continue to grow, with 135,700 passengers making their way through the airport in 2022/2023.

Activation of our communities and economy continued through implementation of the City's Events Strategy, and the development of new funding streams that support the City's Economic Development Strategy. Prioritised event attraction was also implemented to reflect the outcomes of the strategy work. The City continued to implement 'small business friendly' initiatives, establishing a business concierge service and website business hub. Busselton Jetty Tourist Park had a record year and the City continues to partner with Busselton Jetty Inc. to progress new marine experiences for locals and visitors. The foreshore saw the return of the Goose, construction of the

Hilton Garden Inn hotel and an expression of interest process for the old Tennis Centre with preferred proponents selected to develop a chocolate factory on the site.

The City is blessed with many natural and historical assets that not only draw tourists to our district but also provide great opportunities for the community to explore diverse experiences. The Wadandi Track (former rail corridor that connects Busselton to Augusta) is one of these great attractions celebrating the district's heritage and providing a unique experience. The City has worked closely with MRBTA and the Shire of Augusta Margaret River to develop a robust business plan and cost estimate for the seeking of grant funding to further this important regional link for tourism and recreation.

*The following is a report of progress against the City's corporate actions linked to Opportunity*



## ACHIEVEMENTS

Primary Service Area	Primary Objective Link	Project / Action	Status	Achievements
<b>Strategic Planning</b>	3.1	<b>Busseton Precinct Structure Plan</b> Complete a plan to guide the overall development and enhancement of the Busseton City Centre.		The Busseton Precinct Structure Plan was placed on hold given other priorities.
	3.1	<b>Dunsborough Precinct Structure Plan</b> Complete a plan to guide the overall development and enhancement of the Dunsborough Town Centre.		Dunsborough Precinct Structure Plan adopted by Council. To be held in abeyance by the WAPC however until a final decision on Amendment 52 is issued by the Minister for Planning.
	3.2	<b>Dunsborough Coastal Foreshore Planning</b> Develop a coastal foreshore plan for Dunsborough to identify infrastructure needs that will facilitate opportunity and activate the coastal areas of Dunsborough and surrounds.		This project has not yet commenced however more broadly a review of recreation and community facilities 'inland', completed through the year, will help to inform recommendations towards identification of future steps towards planning future coastal nodes associated with Dunsborough.
	3.5	<b>Rail Links to Regional Centres</b> Continue to advocate for a light rail link or similar between Busseton and Bunbury and a rail link between Bunbury and Perth.		The City has continued advocacy in relation to a potential extension of the Perth-Bunbury rail route onto Busseton. The Public Transport Authority (PTA) have continued with technical work associated with development of the route feasibility study, including community surveys and consultation in relation to travel behaviours and preferences.
<b>Parks and Gardens</b>	3.1	<b>Mitchell Park</b> Complete works to redevelop and enhance Mitchell Park in the Busseton City Centre.		Shade sails were installed. The playground and adjacent carpark delayed until the 23/24 financial year due to delays associated with the development of the Busseton Central shopping centre.
<b>Civil Works</b>	3.1	<b>Townscape Works Dunsborough</b> Complete Stage 6 works to further revitalise the Dunsborough town centre.		Project completed in December 2022.
<b>Economic and Business Development</b>	3.2	<b>Dunsborough Foreshore Café</b> Continue to facilitate commercial investment in a café and kiosk development at the Dunsborough foreshore.		The City met with the proponent and received construction costs estimates which have been forwarded onto DPLH for consideration in the Head lease terms.
	3.2	<b>Economic Development Strategy</b> Progressively implement the Economic Development Strategy and Implementation Plan		The Economic Development Strategy and Implementation Plan was delivered at an inaugural Economic Development Forum in 2022. Actions from the Implementation Plan have been prioritised and are being progressed. These include City of Busseton Business & Industry Engagement, Placemaking, Aviation, Eco Destination Certification and Advocacy.
<b>Events Services</b>	3.3	<b>Events Strategy</b> Progressively implement the City's Events Strategy enhancing the City's position as Events Capital of WA.		Actions arising from the adopted Events Strategy are underway, with changes to the City's Events Sponsorship Program and prioritised event attraction implemented to reflect the outcomes of the strategy.

 Completed
  On track
  On hold
  Experiencing delays
  Not scheduled to commence



Primary Service Area	Primary Objective Link	Project / Action	Status	Achievements
<b>Design and Survey</b>	3.3	<b>Wadandi Track</b> Continue to progressively develop and enhance the Wadandi Track as an important regional link for tourism and recreation.	▶	The City worked closely with Margaret River Busselton Tourism Association to develop a robust business plan and cost estimate for lodgement to the state. Contract documentation to design and deliver a section identified by Department of Biodiversity Conservation and Attractions is progressing.
<b>Busselton Jetty Tourist Park</b>	3.3	<b>Busselton Jetty Tourist Park</b> Complete the review of the Busselton Jetty Tourist Park Master Plan.	⏸	While some preliminary work was completed, additional resourcing is required to prioritise completion of this work.
<b>Airport Services</b>	3.1	<b>Busselton Margaret River Airport (BMRA) Opportunities</b> Continue to work with stakeholders to progress aviation opportunities, including the construction of general aviation hangars.	▶	Leases have been prepared for the GA precinct hangar lots and a valuation sought. Officers are progressing final negotiations with future lessees, including a proposal from the Busselton Aero Club.
	3.1	<b>Busselton Margaret River Airport (BMRA) Expansion</b> Continue to pursue funding to enable the construction of a new terminal at the Busselton Margaret River Airport (BMRA) that can cater for both domestic and international travel.	▶	A project working group has been formed with South West Development Commission as the lead agency to prepare a business case for the State Government to fund the Busselton Margaret River Airport (BMRA) Terminal construction. The City has progressed key deliverables to feed into the business case such as the master plan, terminal concept design and quantity surveyor costings and Department of Transport (DoT) asset and financial management framework.



Completed



On track



On hold



Experiencing delays



Not scheduled to commence



KEY THEME 4

## Leadership

A Council that connects with the community and is accountable in its decision making.



The year brought with it significant change, with the resignation of the City's previous CEO, Mr Mike Archer and the appointment of Mr Tony Nottle as the City's new CEO. Mr Nottle commissioned a comprehensive organisational review, resulting in a structural realignment and the identification of a range of opportunities for improvement. These will be a focus for the organisation over the coming years.

The City continued its efforts to increase its community engagement, with a 'Guide to Planning for Engagement' created for staff, and the Community Engagement Officer working collaboratively across the organisation to create numerous Community Engagement Plans.

A very successful community engagement program, You Choose, was formally evaluated by the Council. Run during 2021/2022, the pilot program was well supported by the community and provided a unique way for the community to have ownership over a portion of the community funding budget. Continuation of the program every second year was endorsed by Council, commencing from 2023/2024.

As part of the City's continuous improvement focus, a process improvement program progressed during the year, with the aim being to capture, assess and improve processes in relation to service delivery. This work will continue along with service analysis to ensure services remain effective and align to the needs of the community.

Key to enhancing our service delivery and our engagement with residents and ratepayers is the City's Information and Communications Technology (ICT). The City's first ICT Strategy was developed during the year. The strategy defines the underlying principles and priorities for ICT and will guide future investment. Investment in technology and the skills to use the technology is critical to ensuring we continue to provide the best level of service we can to our customers and community.

*The following is a report of progress against the City's corporate actions linked to Leadership*



Primary Service Area	Primary Objective Link	Project / Action	Status	Achievements
<b>Strategic Projects</b>	4.1	<b>You Choose Community Grants Program</b> Evaluate the pilot You Choose Community Grants Funding program to determine its future application.	✓	Completed with a formal evaluation report presented to Council on 19 April 2023. The pilot was successful and the program will run every 2 years.
<b>Stakeholder Relations</b>	4.1	<b>Community Engagement</b> Continue to embed the City's Community Engagement Framework across the organisation.	▶	A Guide to Planning for Engagement was developed for staff. The Community Engagement Officer has worked with various staff across all departments to create 13 Community Engagement Plans for current and future projects. Two staff training sessions have been held with 27 attendees across both sessions.
	4.4	<b>Website Improvements</b> Review the City's website to ensure information is accessible and informative.	▶	The City's website is regularly reviewed for structural and content improvements. Focus through the year was on the business section with new 'start your business' pages launched, providing increased information around the approvals and processes involved in starting key business types.
<b>People Culture and Strategy</b>	4.2	<b>Community Survey</b> Conduct a biennial survey to assess the level of community satisfaction with City services and facilities and to help with planning for the future.	—	Scheduled for the 2023/2024 financial year.
	4.2	<b>Service Improvement Review</b> Continue a process of continuous improvement in relation to service delivery.	▶	A formal process improvement program is progressing, with the aim being to capture, assess and improve processes. Service analysis work is ongoing as part of usual business planning processes, with a formalised service catalogue and reporting being relouked at as part of business improvement work.
	4.2	<b>Strategic Community Plan</b> Undertake a major review of the City's Strategic Community Plan 2021-2031 to ensure it continues to align with community aspirations.	—	Scheduled for the 2023/2024 and 2024/2025 financial years.
	4.4	<b>Employee Engagement</b> Undertake a survey to assess organisational engagement.	—	Scheduled for the 23/24 financial year.
<b>Governance</b>	4.2	<b>Strategic Performance Measures</b> Develop and implement a suite of key performance indicators to assist with measuring the performance and success of the City's Strategic Community Plan.	⏸	This action was not progressed during the year due to staffing shortages resulting from some turnover and recruitment being placed on hold while an organisational review was conducted by the newly appointed CEO. Review of the City's corporate reporting framework is a key action for progression in the next financial year.
<b>Information Technology</b>	4.4	<b>IT Strategy</b> Develop an IT Strategy to inform organisational direction and decision making in relation to the City's corporate IT systems.	✓	The ICT Strategy has been developed and endorsed by the Executive Leadership Team (ELT).
<b>Customer Services</b>	4.4	<b>Customer Experience / Service Training</b> Develop an organisational wide customer service program to continuously improve customer experience.	⏸	This item has been incorporated into the scope of the customer service KPI for the CEO. Work is in-progress, however has experienced some delays due to staffing issues. It is expected that this will be delivered early in 2024.
<b>Financial Services</b>	4.4	<b>Enterprise Budgeting</b> Implement the full Enterprise Budgeting system for the development of the 2023/2024 budget.	▶	Use of the Enterprise Budgeting program for a second year saw significant improvements, with involvement of all management staff. Further improvements will be made to the system for the next budget process as part of the City's continuous improvement focus.
	4.5	<b>Rating Strategy</b> Complete development of a rating strategy that delivers a fair and equitable rating burden, achieves long term financial plan targets, and aligns with new Local Government Act requirements.	⏸	Workload pressures and pending changes to the Local Government Act with respect to the development of a rating and revenue strategy, saw the development of a rating strategy paused through the year. This work will continue to be progressed through the 23/24 financial year.



Completed



On track



On hold



Experiencing delays



Not scheduled to commence

## Performance Indicator Results

Performance Indicators are adopted each year as part of the City's rolling four-year Corporate Business Plan (CBP). The performance indicators are monitored regularly to ensure plans, strategies and services are effectively managed and delivered. The information below provides a snapshot of performance indicator results for 2022 – 2023.

	Measure	Target/Trend	Result	Notes
Corporate Business Plan Progress	Percent of actions achieving milestones or targets	<10% Off track	3% Achieved	Only 3% (2 of 64) of actions to be progressed through the year were recorded as off track.
Financial Ratios	Standard Benchmark achieved as required by the Integrated Planning and Reporting Advisory Standard	100% of ratios achieved	75%	
			Operating Surplus Ratio Not achieved	With the City's asset base increasing significantly in recent years, the value of the depreciation expense has also increased. While not a direct cash expense, depreciation is having a negative effect on the City's Operating Surplus Ratio.  While not achieved, the ratio improved by 1.44% from the 2021-2022 financial year position of -4.33%. Should the steady increase in the rates base continue, along with a reduced rate of increase in the asset base, this ratio should continue to improve in subsequent years.
			Current Ratio Achieved	For the period ending 30 June 2023, the City's Current Ratio Indicator was 1.055. This ratio improved by 0.59 on the 2021 – 2022 financial year ratio of 0.465 due to the increased usage of the restricted reserve funds. Budget underspends also had a positive impact.
			Debt service coverage ratio Achieved	As at 30 June 2023, the City's Debt Service Coverage Ratio was 4.17, thus satisfying the basic standard.
			Own Source Revenue Coverage Ratio Achieved	As at 30 June 2023, the City achieved the target ratio of 0.90.
Asset Ratios	Standard Benchmark achieved as required by the Integrated Planning and Reporting Advisory Standard	90 - 100%	Not achieved	At the end of the 2022 – 2023 financial year, the City achieved an asset ratio of 64.2%. During the 2021 - 2022 financial year, the City undertook its 5 yearly revaluations of all Land, Buildings and Infrastructure. This resulted in a net increase in fair values, which in turn caused an uptick in depreciation expense.
Airport Services	(i) Net position compared to budget	Budget achieved	Net position better than budget	The net operating result (inclusive of depreciation) was a deficit of \$1,034,276 compared to a budget deficit of \$2,082,140. Excluding depreciation, the net operating result was a surplus of \$331,863.
	(ii) Charter and Regular Passenger Transport (RPT) numbers	Target trend achieved	Increasing	Regular Passenger Transport and Charter Passengers reached 135,700, an increase of 66,580 compared to 2021 - 2022.
Geographie Leisure Centre	(i) Net cost compared to budget	Budget achieved	Net cost marginally above budget	As at 30 June 2023, the net operating position, including depreciation was \$215,565 behind budget. However, the budget under-recognised insurance costs and depreciation costs of \$356,804, totalling \$431,335 in unbudgeted operating expenses. Excluding depreciation, the GLC finished \$141,239 better than budget with a deficit of \$959,258 against a budget of \$1,100,497.
	(ii) Member numbers	Increased	Increasing	Member numbers increased by 14% to 2158, the highest since 2018. This supports ongoing member confidence, population growth and both new and returning members.
	(iii) Member retention – average number of members renewing membership within 12 months of expiry date	55% Target achieved	Achieved	The annual membership retention exceeded the 55% retention target set. This was due to solid membership sales experienced during the July, November and February membership promotion period and retention strategies in place.

	Measure	Target/Trend	Result	Notes
Busselton Jetty Tourist Park	Net cost compared to budget	Budget achieved	Net position better than budget	The 2022 – 2023 end of year net operating position was a surplus \$824,036 compared to a YTD budget of \$432,700 (including depreciation). This positive result can be attributed to better-than-expected visitation with the overall average occupancy rate for all accommodation categories being 63.66% compared to 2021 – 2022.
Complaints	(i) Number of complaints received per head of population	Decreasing	Achieved	The City received 10 formal complaints during the year, the same as the previous year. With population increases this equates to a decrease in the complaints received per head of population from 1:4033 to 1:4201
	(ii) Average time taken to resolve complaints recorded	Decreasing	Decreasing	Average time has decreased from 41 to 12 days.
Waste	Percent of solid waste diverted from landfill (recycled/reused)	25%	30% Achieved	Result of 30.0% meets the target and is consistent for a residential two bin system. In the past 6 months, the percentage of waste diverted from landfill has seen an increase due to the concrete crushing program. This recycled concrete product was used in sections of the Dunsborough Townscape Redevelopment works and in the construction of the Lower Vasse River Sediments Processing Pad at the Busselton Transfer Station.
Development Assessment	(i) 21 calendar days to complete simple development applications	90% turnaround within 21 calendar days	17.8% Target not achieved	The Development Application (DA) workload continues to be high. As well as high volumes there has also been an increase in the number of complex and/or controversial applications. Timeframes associated with obtaining and submitting specialist advice and reports in support of applications e.g. traffic or bushfire related, meant that significant numbers of applications were not in a position to be determined.
	(ii) 42 calendar days to complete standard development applications	80% turnaround within 42 calendar days	4.77% Target not achieved	
	(iii) 70 calendar days to complete complex development applications	70% turnaround within 70 calendar days	9.34% Target not achieved	
Energy Use	Energy plan targets met	100% renewable energy 50% per capita reduction in carbon emissions compared to 2017-2018 emission levels	38% Reduction on track	In 2022/23, the City used 5,979,398 kWh of electricity, with 51% generated through renewables. The produced 38% less emissions compared to the base year of 2017-2018.
Safety	(i) Lost time injuries (LTIs)	< 10	10 Achieved	A total of 10 Lost Time Injuries (LTIs) were recorded to 30 June 2023. This compares to 12 for the 2021 – 2022 financial year.
	(ii) Lost time injury frequency rate (LTIFR)	< 17	17.42% Slightly over	The Lost Time Injury Frequency Rate (LTIFR) determines the number of lost-time injuries within a given period, relative to the total number of hours worked. While slightly over target for the year, this is a pleasing improvement from last year.

## Forward Planning



### KEY THEME 1

## Environment

- **Lower Vasse River**  
Continue to work with key stakeholders to improve the health and amenity of the Lower Vasse River.
- **Energy Strategy Implementation**  
Progress implementation of the City's Energy Strategy including shifting to green power; continued implementation of rooftop solar and exploring the introduction of battery storage and electricity powered fleet.
- **Strategic Waste Planning**  
Develop a strategic waste management plan looking at strategies, both local and regional, for the reduction of waste into landfill.



### KEY THEME 2

## Lifestyle

- **Performing Arts and Convention Centre**  
Progress planning for commission and operation of the centre.
- **Dunsborough Recreation & Community Facilities**  
Complete a master planning exercise to guide the delivery of recreation and community facilities across Dunsborough and surrounds.
- **Geographe Leisure Centre (GLC) Masterplan Review**  
Review the GLC masterplan to determine future direction, considering development constraints on the current site.
- **New Local Planning Scheme**  
Prepare and progress Local Planning Scheme 22.



### KEY THEME 3

## Opportunity

- **Events Strategy**  
Progressively implement the City's Events Strategy enhancing the City's position as Events Capital of WA.
- **South-West Cities Strategy**  
Finalise development of a South-West Cities Strategy identifying economic and social investment opportunities for the City of Busselton and the City of Bunbury to pursue collaboratively.
- **Busselton Margaret River Airport (BMRA) Masterplan**  
Develop a masterplan to guide the future strategic direction of the BMRA.



### KEY THEME 4

## Leadership

- **Customer Experience/Service Training**  
Develop an organisational wide customer service program.
- **Strategy Community Plan**  
Undertake a major review of the City's Strategic Community Plan 2021-2031 to ensure it continues to align with community aspirations.
- **Internal Audit**  
Develop an Internal Audit Plan for adoption and monitoring by the Audit and Risk Committee.

# Additional Statutory Information



## Disability Access and Inclusion Plan (DAIP) 2018 - 2022

**The Disability Services Act 1993 requires all local government authorities to report annually on the implementation of its Disability Access and Inclusion Plan (DAIP).**

The DAIP acts as a framework for the implementation of strategies and initiatives to ensure people with disability are supported to have the same opportunities as others to access services, facilities and information. Key achievements highlighted in the 2022/2023 DAIP Progress Report include:

- The City of Busselton, in partnership with APM Communities, the Disabled Surfers Association of Australia, and SUP Life Busselton came together to deliver an all-inclusive come and try day for stand-up paddle boarding.
- Through the Community Assistance Program, the City of Busselton funded Enable WA, to purchase two wheelchairs for inclusion in their Accessible Events Trailer.
- Construction of a footpath along the length of Anup Drive near Vasse Primary School to alleviate safety concerns but also improve access for people with disability.
- The City of Busselton secured \$150,000 funding for the construction of a Changing Places facility along the Busselton foreshore.
- Installation of accessible play equipment at the Ibis Gardens playground, located on Currawong Drive, Broadwater.
- A review of the accessibility of the City of Busselton Libraries website with several improvements implemented, including the addition of the User Way accessibility widget.
- Accreditation of the Geographe Leisure Centre (GLC) as an accredited Puggles Swim School, a nationally endorsed 'learn to swim' program that supports the communication needs of deaf and hard of hearing children.
- A six-week Swim and Survive Program was delivered in Term 1 2023, to offer students of Geographe Primary's Education Support Centre an opportunity for dedicated swimming lessons.
- Social inclusion and disability awareness training for staff members in customer-facing roles.

*The City are seeking to inform a new DAIP for 2023 – 2027 and are considering feedback received as part of a community consultation.*



## State Records Act Compliance



### Evaluation of Recordkeeping Systems

As part of a broader Information Technology strategy the electronic document and records management system Enterprise Content Management (ECM) was upgraded to the 2022B release and migrated to the Cloud. Assessment of its performance is ongoing and the City is continuously reviewing the system's functionality to improve efficiency for capture, document retrieval, storage and retention of corporate records.

A further review of the Subject Index will be conducted over the course of the year to ensure it continues to meet business needs and aligns with the General Disposal Authority for Local Government Records.

### Recordkeeping induction and training program

The City's online induction program incorporates recordkeeping responsibilities for employees. A total of 68 inductions were completed during 2022/2023.

Employees receive Records induction and ECM system training within the first 1-2 weeks of commencing their employment. A total of 44 new staff were trained in the use of the ECM during 2022/2023.

Support is also provided by way of one-to-one or group training. Internal reference guides and newsletters are all accessible via the Intranet with additional updates sent via email. Requests for assistance with recordkeeping and systems are tracked through the City's service desk program.

### Evaluation of the recordkeeping training program

Training is customised to suit roles. Reviews of the training program are conducted periodically.

All participants who attend ECM Training are asked to complete an online training feedback form. The forms are used to assess the program and incorporate any changes required to the delivery of training if necessary.

Functionality focussed training will be developed over the coming year to incorporate changes resulting from system enhancements. Training will be delivered with a view to improving recordkeeping culture and compliance with recordkeeping responsibilities under the City's Recordkeeping Plan.

## Other Statutory Information



### Freedom of Information

The City received 19 new freedom of information (FOI) applications during the 2022-2023 financial year. Of the 19 new applications received, 1 was carried over to the next financial year, resulting in 18 applications being finalised. These statistics relate to valid applications only and do not include FOI enquiries that were either resolved outside the FOI process or did not eventuate in a valid application being received.

### Complaints

A register of complaints records all complaints of minor breaches by Council members in relation to an alleged contravention of a rule or conduct or the contravention of a local government's local law.

The City received no complaints within the period under review.

*This comment is in relation to complaints that are minor breach in nature only.*

### Employee Remuneration

Employees entitled to an annual salary of \$130,000 or more:

130,000 - 139,999	8 employees
140,000 - 149,999	3 employees
150,000 - 159,999	2 employees
160,000 - 169,999	Nil
170,000 - 179,999	1 employee
180,000 - 189,999	Nil
190,000 - 199,999	Nil
200,000 - 210,000	4 employees

Remuneration package for CEO:

CEO 1	\$361,326.99
CEO 2	\$320,350.85

# Financial Report

For the year ended 30 June 2023



# Financial Sustainability

**The City of Busselton has continued its strong financial performance over the 2022-2023 year, finishing the year in surplus (\$1.95 million) and with an unqualified audit.**

The surplus was predominately a reflection of the higher than expected net operating result, mainly as a result of the following factors:

- much higher-than-expected interest rates received on invested funds, with loans fixed at much lower rates;
- higher than expected receipts of fees & charges; and
- higher than expected receipt of various operational grants funding opportunities.
- supply chain and labour market issues leading to underspends.

In discussions with Council, to complete several high priority operational, municipal funded activities that remained outstanding from the 22/23 financial year, a portion of the surplus was transferred to the Deferred Works Reserve to fund these activities in the 2023/2024 year.

The remaining portion of the surplus was, as is custom, transferred to the New Infrastructure Development Reserve, enabling Council to consider the allocation of funds for future infrastructure needs.

While no longer a requirement to report against financial ratios in the financial report, the City continues to report to Council internally. Pleasingly the City achieved an improved Current Ratio, a target level Own Source Revenue Coverage Ratio, and a Debt Service Coverage Ratio within the standard range. While the target ratio was not achieved for the Operating Surplus Ratio, it did improve from the prior year, and should continue to improve with a slowing increase in the City's asset base.

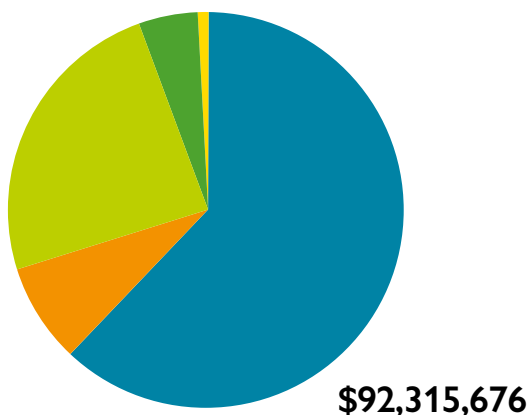
Over the last 12 months, the City has reviewed its cash reserves and rationalised the number of reserve accounts, as well as reaffirming the purpose of

each reserve. The City's creation and use of financial reserves had increased in complexity over recent years and commentary from the Office of the Auditor General (OAG) as part of the City of Busselton 2021/2022 Annual Financial Audit has prompted a review of the structure of our financial reserves, with the aim of optimising the use of reserves for asset management. The City has continued to maintain a healthy balance in cash backed reserves totalling \$78.1M as at 30 June 2023.

Finally, as resolved by Council, this report is to contain a record of the annual total cost to the City of rating exemptions, granted for charitable purposes in accordance with s 6.26 of the Local Government Act 1995. During the 2022-2023 financial year the total estimated rate exemptions was \$750,453.18 broken down as follows:

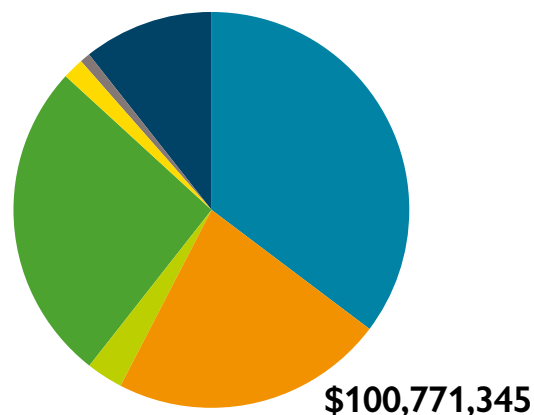
Education	Properties used as non-government schools	\$304,677.94
Religious	Properties used or held for religious purposes	\$91,248.70
Exempt	Properties used for charitable purposes	\$354,526.54

### Revenue From Ordinary Activities



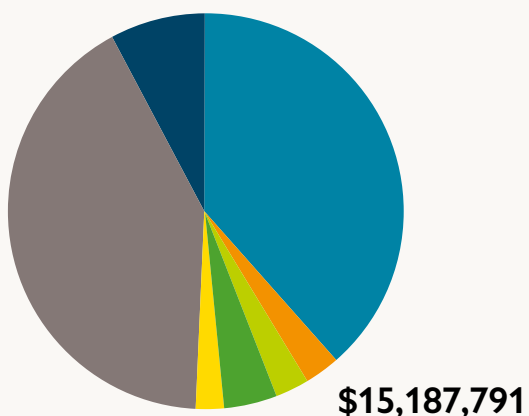
62.25%	Rates.....	57,470,528
8.06%	Operating Grants, Subsidies and Contributions.....	7,443,435
24.28%	Fees and Charges.....	22,417,681
4.74%	Interest Earnings.....	4,374,036
0.67%	Other Revenue.....	609,996

### Expenses From Ordinary Activities



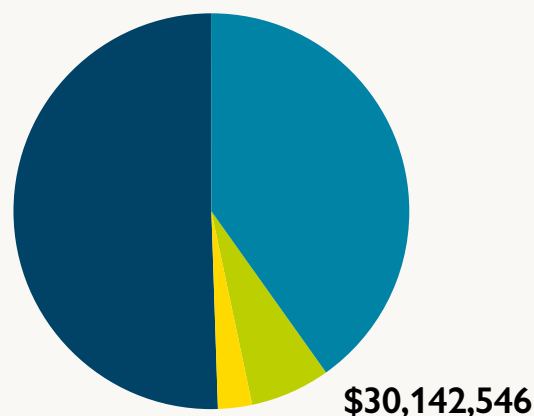
35.24%	Employee Costs.....	35,509,581
22.44%	Materials and Contracts.....	22,616,412
2.83%	Utility Charges.....	2,855,031
26.28%	Depreciation.....	26,481,887
1.71%	Interest Expenses.....	1,724,165
0.86%	Insurance Expenses.....	869,528
10.64%	Other Expenditure.....	10,714,741

### Total Capital Expenditure by Infrastructure Class



38.46%	Roads.....	5,841,495
2.96%	Bridges.....	450,000
2.72%	Car Parks.....	412,938
4.23%	Drainage.....	642,740
2.37%	Cycleways & Footpaths.....	359,379
41.49%	Parks, Gardens & Reserves.....	6,301,555
7.77%	Airport & Industrial Parks.....	1,179,684

### Capital Expenditure by Class



40.16%	Land & Buildings.....	12,105,402
6.53%	Plant and Equipment.....	1,968,598
2.92%	Furniture & Equipment.....	880,755
50.39%	Infrastructure.....	15,187,791

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## Auditor General

### INDEPENDENT AUDITOR'S REPORT 2023 City of Busselton

To the Council of the City of Busselton

#### Opinion

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

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity 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 2023 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, the 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.

#### Emphasis of Matter – Restatement of Comparative Balances

I draw attention to Note 27 to the financial report which states that the amounts reported in the previously issued 30 June 2022 financial report have been restated and disclosed as comparatives in this financial report. My opinion is not modified in respect of this matter.

#### 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 2023, 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

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 (CEO) of the City is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the 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](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf).

## **My independence and quality management 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 ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management 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 Busselton for the year ended 30 June 2023 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.



Patrick Arulsingham  
Acting Assistant Auditor General Financial Audit  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
1 November 2023

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The accompanying financial report of the City of Busselton has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transaction for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

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

Signed on the 1<sup>st</sup> day of November 2023



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Anthony Nottle  
Chief Executive Officer



### Statement of Comprehensive Income

	Note	2023 Actual \$	2023 Budget \$	2022 Restated* \$
<b>Revenue</b>				
Rates	28(a)	57,470,528	57,741,408	54,785,774
Grants, Subsidies and Contributions		7,443,435	3,432,638	6,166,651
Fees and Charges		22,417,681	19,894,021	19,407,734
Interest Revenue	2(a)	4,374,036	2,019,250	1,004,063
Other Revenue		609,996	351,906	771,797
Gain on Sale of Non-Current Assets Held for Sale		0	0	461,893
Reversal of Asset Write Off		0	0	462,502
		<b>92,315,676</b>	<b>83,439,223</b>	<b>83,060,414</b>
<b>Expenses</b>				
Employee Costs		(35,509,581)	(36,307,918)	(33,845,687)
Materials and Contracts		(22,616,412)	(22,164,077)	(19,305,656)
Utility Charges		(2,855,031)	(2,876,680)	(2,750,011)
Depreciation	10(a),27	(26,481,887)	(27,439,900)	(24,503,340)
Finance Costs	2(b)	(1,724,165)	(1,722,673)	(1,237,620)
Insurance		(869,528)	(652,369)	(783,825)
Other Expenditure		(10,714,741)	(5,544,622)	(3,196,840)
		<b>(100,771,345)</b>	<b>(96,708,239)</b>	<b>(85,622,979)</b>
		<b>(8,455,669)</b>	<b>(13,269,016)</b>	<b>(2,562,565)</b>
Capital Grants, Subsidies and Contributions		24,023,259	31,102,583	24,801,422
Profit on Asset Disposals		200,266	23,632	68,489
Loss on Asset Disposals		(346,370)	(45,550)	(748,170)
Fair Value Adjustments to Financial Assets at Fair Value Through Profit or Loss		6,450	0	11,520
		<b>23,883,605</b>	<b>31,080,665</b>	<b>24,133,261</b>
<b>Net result for the period</b>		<b>15,427,936</b>	<b>17,811,649</b>	<b>21,570,696</b>
<b>Other comprehensive income</b>				
Impairment Loss on Non-Current Assets	8,9	(2,168,998)	0	0
Changes in revaluation surplus		0	0	116,968,093
<b>Total other comprehensive income</b>		<b>(2,168,998)</b>	<b>0</b>	<b>116,968,093</b>
<b>Total comprehensive income for the period</b>		<b>13,258,938</b>	<b>17,811,649</b>	<b>138,538,789</b>

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

\* Restated - refer to note 27 for correction of prior period errors relating to City owned land and buildings.



## Statement of Financial Position

	Note	2023 Actual \$	2022 Restated* \$	1 July 2021 Restated* \$
<b>Current Assets</b>				
Cash and Cash Equivalents	3	21,032,276	23,655,454	17,108,235
Trade and Other Receivables	5	3,750,792	3,977,631	3,793,737
Other Financial Assets	4(a)	94,682,579	74,677,873	62,059,374
Inventories	6	1,272,715	935,800	936,902
Finance Lease Receivables	5.1	309,426	230,175	217,910
Other Assets	7(a)	483,906	367,383	197,380
Assets Classified as Held for Sale	7(b)	0	0	2,035,508
<b>Total Current Assets</b>		<b>121,531,694</b>	<b>103,844,316</b>	<b>86,349,046</b>
<b>Non-current Assets</b>				
Trade and Other Receivables	5	678,222	540,050	393,784
Other Financial Assets	4(b)	1,431,938	1,608,066	481,283
Property, Plant and Equipment	8,27	199,363,753	191,175,455	134,060,338
Infrastructure	9	651,595,672	653,437,006	580,752,889
Finance Lease Receivables	5.1	7,672,464	7,704,476	7,698,983
Right of Use Assets	11(a)	104,782	342,734	811,327
<b>Total Non-current Assets</b>		<b>860,846,831</b>	<b>854,807,787</b>	<b>724,198,604</b>
<b>Total Assets</b>	26(c)	<b>982,378,525</b>	<b>958,652,103</b>	<b>810,547,650</b>
<b>Current Liabilities</b>				
Trade and Other Payables	12	8,873,525	8,670,757	11,121,259
Contract Liabilities	13.1	1,266,220	1,603,261	2,521,219
Grant Liabilities	13.2	984,500	1,396,224	988,563
Lease Liabilities	11(b)	117,396	253,212	492,042
Borrowings	14	4,620,953	4,330,300	3,020,442
Employee Related Provisions	15	5,885,190	5,911,972	5,502,681
Other Provisions	16	6,504,000	0	430,000
<b>Total Current Liabilities</b>		<b>28,251,784</b>	<b>22,165,726</b>	<b>24,076,206</b>
<b>Non-current Liabilities</b>				
Contract Liabilities	13.1	9,205,220	7,679,299	7,888,354
Grant Liabilities	13.2	6,861,059	5,623,503	4,276,558
Lease Liabilities	11(b)	72,872	188,483	439,461
Borrowings	14	43,621,202	41,844,638	25,247,254
Employee Related Provisions	15	577,890	620,894	715,485
<b>Total Non-current Liabilities</b>		<b>60,338,243</b>	<b>55,956,817</b>	<b>38,567,112</b>
<b>Total Liabilities</b>		<b>88,590,027</b>	<b>78,122,543</b>	<b>62,643,318</b>
<b>Net Assets</b>		<b>893,788,498</b>	<b>880,529,560</b>	<b>747,904,332</b>
<b>Equity</b>				
Retained Surplus		483,823,213	475,350,117	462,043,202
Reserve Accounts	3	78,138,181	71,183,341	62,919,560
Revaluation Surplus	17,27	331,827,104	333,996,102	222,941,570
<b>Total Equity</b>		<b>893,788,498</b>	<b>880,529,560</b>	<b>747,904,332</b>

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

\* Restated - refer to note 27 for correction of prior period errors relating to City owned land and buildings.



### Statement of Changes in Equity

		Retained Surplus	Reserves Cash Backed	Revaluation Surplus	Total Equity
	Note	\$	\$	\$	\$
Balance as at 1 July 2021		461,812,090	62,919,560	224,325,697	749,057,347
Revaluation Surplus Adjustment		0	0	0	0
Correction of Errors	27	231,112	0	(1,384,127)	(1,153,015)
<b>*Restated Balance at 1 July 2021</b>		<b>462,043,202</b>	<b>62,919,560</b>	<b>222,941,570</b>	<b>747,904,332</b>
<u>Comprehensive Income</u>					
Net Result for the period		21,547,838	0	0	21,547,838
Correction of Errors	27	22,858	0	(5,913,561)	(5,890,703)
Other Comprehensive Income		0	0	116,968,093	116,968,093
Total Comprehensive Income		21,570,696	0	111,054,532	132,625,228
Transfer from Reserves		(8,263,781)	8,263,781	0	0
Transfer to Reserves					
<b>*Restated Balance as at 30 June 2022</b>		<b>475,350,117</b>	<b>71,183,341</b>	<b>333,996,102</b>	<b>880,529,560</b>
<u>Comprehensive Income</u>					
Net Result		15,427,936	0	0	15,427,936
Other Comprehensive Income	17	0	0	(2,168,998)	(2,168,998)
Total Comprehensive Income		15,427,936	0	(2,168,998)	13,258,938
Transfer from Reserves		(6,954,840)	6,954,840	0	0
Transfer to Reserves					
<b>Balance as at 30 June 2023</b>		<b>483,823,213</b>	<b>78,138,181</b>	<b>331,827,104</b>	<b>893,788,498</b>

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

\* Restated - refer to note 27 for correction of prior period errors relating to City owned land and buildings.

## Statement of Cash Flows

	Note	2023 Actual \$	2022 Actual \$
<b>Cash Flows from Operating Activities</b>			
<b>Receipts</b>			
Rates		56,371,297	55,566,251
Grants, Subsidies and Contributions		7,659,946	5,875,276
Fees & Charges		22,510,179	18,960,175
Interest Revenue		4,374,036	1,004,063
Goods and Services Tax		8,008,520	7,405,825
Other Receipts		6,655,730	4,989,035
		105,579,708	93,800,625
<b>Payments</b>			
Employee Costs		(35,560,739)	(33,995,104)
Materials and Contracts		(21,641,038)	(23,418,262)
Utility Charges		(2,855,031)	(2,750,011)
Finance Costs		(1,724,165)	(1,237,620)
Insurance Paid		(869,528)	(783,825)
Goods and Services Tax		(7,865,028)	(7,324,129)
Other Payments		(11,026,087)	(5,214,040)
		(81,541,616)	(74,722,991)
<b>Net Cash Provided by / (used in) Operating Activities</b>	18	24,038,092	19,077,634
<b>Cash Flows from Investing Activities</b>			
Payment for Purchase of Property, Plant & Equipment		(14,815,688)	(8,995,166)
Payment for Construction of Infrastructure		(15,350,796)	(22,623,149)
Non-Operating Grants, Subsidies and Contributions		20,907,096	12,646,661
Proceeds from Sale of Property, Plant and Equipment		604,455	257,564
Proceeds from Sale of Non-current Asset Held for Sale		0	2,500,000
Proceeds from Financial Assets at Amortised Costs – Term Deposits		(20,000,000)	(12,500,000)
Proceeds from Self Supporting Loans		177,873	91,238
<b>Net Cash Provided by / (used In) Investing Activities</b>		(28,477,060)	(28,622,852)
<b>Cash Flows from Financing Activities</b>			
Repayment of Borrowings		(4,432,783)	(3,417,757)
Payments of Principal Portion of Lease Liabilities		(251,427)	(489,806)
Advances to Community Groups		0	(1,325,000)
Proceeds from New Borrowings		6,500,000	21,325,000
<b>Net Cash Provided By / (used In) Financing Activities</b>		1,815,790	16,092,437
<b>Net Increase / (Decrease) in Cash Held</b>		(2,623,178)	6,547,219
Cash at Beginning of Year		23,655,454	17,108,235
<b>Cash and Cash Equivalents at the End of the Year</b>	18	<b>21,032,276</b>	<b>23,655,454</b>

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

## Statement of Financial Activity

	Note	2023 Actual \$	2023 Budget \$	2022 Actual Restated* \$
<b>Operating Activities</b>				
<b>Revenue from Operating Activities</b>				
Rates	28	57,470,528	57,741,408	54,785,774
Grants, Subsidies and Contributions		7,443,435	3,432,638	6,166,651
Fees and Charges		22,417,681	19,894,021	19,407,734
Interest Revenue	2(a)	4,374,036	2,019,250	1004,063
Other Revenue		609,996	351,906	771,797
Profit on Asset Disposals		200,266	23,632	68,489
Gain on Sale of Non-Current Assets Held for Resale		0	0	461,893
Reversal of Asset Write Off		0	0	462,502
Fair Value Adjustment to Financial Assets Through Profit or Loss		6,450	0	11,520
		92,522,392	83,462,855	83,140,423
<b>Expenditure from Operating Activities</b>				
Employee Costs		(35,509,581)	(36,307,918)	(33,845,687)
Materials and Contracts		(22,616,412)	(22,164,077)	(19,305,656)
Utility Charges		(2,855,031)	(2,876,680)	(2,750,011)
Depreciation	10(a),27	(26,481,887)	(27,439,900)	(24,503,340)
Finance Costs		(1,724,165)	(1,722,673)	(1,237,620)
Insurance		(869,528)	(652,369)	(783,825)
Other Expenditure		(10,714,742)	(5,544,622)	(3,196,840)
Loss on Asset Disposals		(346,370)	(45,550)	(748,170)
		(101,117,716)	(96,753,789)	(86,371,149)
Non-cash amounts excluded from operating activities	29(a)	32,590,815	27,461,818	24,114,970
<b>Amount attributable to operating activities</b>		23,995,491	14,170,884	20,884,244
<b>Investing Activities</b>				
<b>Inflows from investing activities</b>				
Capital grants, subsidies and contributions		24,023,259	31,102,583	24,801,422
Proceeds from disposal of assets		604,455	613,452	2,757,564
Proceeds from self-supporting loans	30	177,873	189,476	91,240
<b>Outflows from investing activities</b>				
Purchase property, plant and equipment	8	(14,954,755)	(43,827,451)	(8,611,327)
Purchase and construction of infrastructure	9	(15,187,791)	(22,633,157)	(22,623,150)
<b>Amount attributable to investing activities</b>		(5,336,959)	(34,555,097)	(3,584,251)
Non-cash amounts excluded from investing activities	29(b)	(3,167,598)	(5,740,000)	(11,066,960)
<b>Amount attributable to investing activities</b>		(8,504,557)	(40,295,097)	(14,651,211)
<b>Financing Activities</b>				
<b>Inflows from financing activities</b>				
Proceeds from new borrowings	30	6,500,000	6,750,000	21,325,000
Transfers from cash backed reserves		53,101,746	48,698,258	43,870,975
<b>Outflows from financing activities</b>				
Repayment of borrowings	30	(4,432,783)	(4,517,329)	(3,417,758)
Principal elements of finance lease payments		(251,426)	(250,974)	(489,807)
Advance to Community Groups	30	0	(250,000)	(1,325,000)
Transfers to cash backed reserves (restricted assets)		(68,795,118)	(24,477,257)	(68,303,015)
<b>Amount attributable to financing activities</b>		(13,877,581)	25,952,698	(8,339,605)
<b>Movement in Surplus or deficit</b>				
<b>Surplus or deficit at the start of the financial year</b>		341,808	507,353	2,448,380
Amount attributable to operating activities		23,995,491	14,170,884	20,884,244
Amount attributable to investing activities		(8,504,557)	(40,295,097)	(14,651,211)
Amount attributable to financing activities		(13,877,581)	25,952,698	(8,339,605)
<b>Surplus or deficit at the end of the financial year</b>		<b>1,955,161</b>	<b>335,838</b>	<b>341,808</b>

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

\* Restated - refer to note 27 for correction of prior period errors relating to City owned land and buildings.

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## **1. BASIS OF PREPARATION**

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

### **Local Government Act 1995 requirements**

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

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

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

### **The local government reporting entity**

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 32 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

## **1. BASIS OF PREPARATION (Continued)**

### **Initial application of accounting standards**

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

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

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

### **New accounting standards for application in future years**

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

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

The amendments to AASB 2022-10 may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

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

## 2. Revenue and Expenses

### Revenue Recognition Policy

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

Revenue Category	Nature of goods and services	Timing of revenue recognition
Rates	<ul style="list-style-type: none"> <li>General rates &amp; rates charged for specific defined purposes.</li> </ul>	When rates notice is issued.
Operating Grants, Subsidies and Contributions	<ul style="list-style-type: none"> <li>Community events, minor facilities, research, design, planning evaluation and services.</li> <li>General appropriations and contributions with no reciprocal commitment.</li> </ul>	<p>Income from grants that are enforceable and with sufficiently specific performance obligations is recognised as the City satisfies its obligations in the grant agreements.</p> <p>Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the City has an unconditional right to receive cash which usually coincides with receipt of cash.</p>
Non-Operating Grants, Subsidies and Contributions	<ul style="list-style-type: none"> <li>Construction or acquisition of recognisable non-financial assets to be controlled by the local government.</li> </ul>	Capital grants are recognised as income as the City satisfies its obligations in the grant agreements.
Fees and Charges	<ul style="list-style-type: none"> <li>Building, planning, development and animal management, having the same nature as a licence regardless of naming.</li> <li>Compliance safety check.</li> <li>Regulatory food, health and safety.</li> <li>Kerbside collection service.</li> <li>Waste treatment, recycling and disposal service at disposal sites.</li> <li>Permission to use facilities and runway.</li> <li>Gym and pool membership.</li> <li>Cemetery services, library fees, reinstatements and private works.</li> <li>Aviation fuel, kiosk and visitor centre stock.</li> <li>Fines issued for breaches of local laws.</li> </ul>	At a point in time (or over a relatively short period of time) when the services have been provided and payments are received.
Other Revenue	<ul style="list-style-type: none"> <li>Sale of scrap materials.</li> <li>Insurance claims.</li> <li>Commissions on licencing and ticket sales.</li> </ul>	At a point in time when the goods have been transferred and payments are received, or upon receipt of funds.

FINANCIAL REPORT  
for the year ended 30 June 2023

Notes to and forming part of the Financial Report

	2023 Actual \$	2022 Actual \$
<b>2. Revenue and Expenses (Continued)</b>		
<b>(a) Revenue (Continued)</b>		
<b>Revenue Recognition</b>		
Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:		
General rates	56,836,404	54,179,561
Specified area rates	634,124	606,213
Statutory permits and licences	1,168,971	1,180,350
Fines	40,413	57,130
Developer contributions	1,428,306	785,269
	<b>60,108,218</b>	<b>56,808,523</b>
<b>Assets and services acquired below fair value</b>		
Contributed assets	5,204,907	12,518,962
	<b>5,204,907</b>	<b>12,518,962</b>
<b>Interest Earnings</b>		
- Reserve Funds	2,235,001	224,316
- Other Funds	1,675,491	344,876
- Other Interest Revenue	463,544	434,871
	<b>4,374,036</b>	<b>1,004,063</b>
<b>Fees and Charges Relating to Rates Receivable</b>		
Charges on Instalment Plans	119,489	115,929
<b>(b) Expenses</b>		
<b>Auditors Remuneration</b>		
- Audit of the Annual Financial Report	60,900	56,820
- Other Services Certifications	0	5,900
	<b>60,900</b>	<b>62,720</b>
<b>Finance Costs</b>		
Long Term Borrowings (refer Note 30(a))	1,710,755	1,206,769
Lease Interest	13,410	30,851
	<b>1,724,165</b>	<b>1,237,620</b>

	Note	2023 Actual \$	2022 Actual \$
<b>3. Cash and Cash Equivalents</b>			
Unrestricted		1,713,146	29,696
Restricted		19,319,130	23,625,758
		<u>21,032,276</u>	<u>23,655,454</u>
<b>Restrictions</b>			
The following classes of 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 - restricted		19,319,130	23,625,758
- Financial Assets at amortised cost – Term Deposits	4	94,500,000	74,500,000
		<u>113,819,130</u>	<u>98,125,758</u>
Reserves – cash/financial asset backed	31	78,138,181	71,183,341
Cash set aside in Lieu of Parking		358,943	358,943
Cash set aside in Lieu of Public Open Space		1,410	1,410
Cash set aside for Roadwork within specific areas, being funds given as a condition of subdivision/development		1,337,256	870,368
Cash set aside, being unspent specific purpose Government Grants	13	7,845,559	7,019,727
Cash set aside, being Unspent Loan Funds	30(c)	21,789,593	14,366,377
Cash set aside for Sundry Restricted		256,155	256,155
Cash set aside for Deposits & Bonds	12	4,092,033	4,069,438
		<u>113,819,130</u>	<u>98,125,759</u>

## 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 reserve accounts, 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.

FINANCIAL REPORT  
for the year ended 30 June 2023

Notes to and forming part of the Financial Report

	Note	2023 Actual \$	2022 Actual \$
<b>4. Other Financial Assets</b>			
<b>(a) Current Assets</b>			
Financial assets at amortised cost		94,682,579	74,677,873
		94,682,579	74,677,873
<b>Other Financial Assets at Amortised Costs</b>			
Self-supporting loans		182,579	177,873
Term Deposit	3	94,500,000	74,500,000
		94,682,579	74,677,873
Held as:			
Unrestricted other financial assets at amortised cost		182,579	177,873
Restricted other financial assets at amortised cost		94,500,000	74,500,000
		94,682,579	74,677,873
<b>(b) Non-Current Assets</b>			
Financial assets at amortised cost		1,289,331	1,471,909
Financial assets at fair value through profit and loss		142,607	136,157
		1,431,938	1,608,066
<b>Financial assets at amortised cost</b>			
Self-supporting loans		1,289,331	1,471,909
		1,289,331	1,471,909
<b>Financial assets at fair value through profit and loss</b>			
Units in Local Government House Trust		142,607	136,157
		142,607	136,157

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 30(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 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 cash flows, 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. Fair values of non-current financial assets at amortised cost are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 25 (i)) due to the observable market rates.

Interest received is presented under cash flows 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 23.

	2023 Actual \$	2022 Actual \$
<b>5. Trade and Other Receivables</b>		
<b>Current</b>		
Rates Receivable	1,058,068	1,017,639
Rates Receivable – Pensioners	21,751	21,187
Trade and Other Receivables	2,195,408	2,319,748
GST Receivable	475,565	619,057
	<b>3,750,792</b>	<b>3,977,631</b>
<b>Non-Current</b>		
Rates Receivable – Pensioners	393,541	344,503
Trade and Other Receivables	284,681	195,547
	<b>678,222</b>	<b>540,050</b>

## SIGNIFICANT ACCOUNTING POLICIES

### Rates and statutory receivables

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

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

### Trade receivables

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

### Other Receivables

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

### 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 cash flows 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.

## SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Measurement

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

### Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 23.

### 5.1 Finance Lease Receivables

	2023 Actual \$	2022 Actual \$
Current	309,426	230,175
Non-current	7,672,464	7,704,476
	<u>7,981,890</u>	<u>7,934,651</u>

## SIGNIFICANT ACCOUNTING POLICIES

### Finance lease receivables

The City is an intermediate lessor and the finance lease receivables relate to properties that the City has subleased to third parties. The City has classified these subleases as finance lease as the subleases are for the whole of the remaining term of the head leases.

Amounts due from the finance leases are recorded as receivables. Finance lease receivables are initially recorded at amounts equal to the present value of the minimum lease payments receivable plus the present value of any unguaranteed residual value expected to accrue at the end of the lease term. Finance lease receipts are apportioned between periodic interest revenue and reduction of the lease receivable over the term of the lease in order to reflect a constant periodic rate of return on the net investment outstanding in the leases.

	2023 Actual \$	2022 Actual \$
<b>6. Inventories</b>		
<b>Current</b>		
Materials	1,272,715	935,800
	<u>1,272,715</u>	<u>935,800</u>
The following movements in inventories occurred during the year:		
Balance at beginning of year	935,800	936,902
Adjustment to inventory	0	0
Inventories expensed during the year	(208,807)	(114,574)
Additions to inventory	545,722	113,472
Balance at end of year	<u>1,272,715</u>	<u>935,800</u>

## SIGNIFICANT ACCOUNTING POLICIES

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.

**7. Other Assets**

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
<b>(a) Other Assets</b>		
Prepayments	483,906	367,383
<b>(b) Non-Current Assets Held for Sale</b>		
Land	0	0

**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.

**Non-current assets held for sale**

Assets are classified as held for sale where the carrying amount will be recovered through a sale rather than continuing use and the asset is available for immediate sale with a sale being highly probable.

Non-current assets classified as held for sale are valued at the lower of the carrying amount and fair value less costs to sell.

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value hierarchy set out in Note 25(i).

**Contract assets**

Contract assets primarily relate to the City's right to consideration for work completed but not billed at the end of the period.

FINANCIAL REPORT  
for the year ended 30 June 2023

Notes to and forming part of the  
Financial Report

**8. Property, Plant and Equipment**  
**(a) Movements in Balances**

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

	Land	Buildings	Furniture and equipment	Plant and equipment	Total
<b>* Restated balance at 1 July 2021</b>	47,935,248	66,636,241	4,042,630	15,446,219	134,060,338
Additions	0	7,078,870	405,559	1,126,898	8,611,327
Transfers	(74,438)	(1,004,955)	245,005	367,803	(466,585)
(Disposals)	0	(516,412)	(7,278)	(223,164)	(746,854)
Depreciation (expense)	0	(2,613,567)	(579,118)	(2,380,102)	(5,572,787)
Revaluation Increments/ (Decrements)	12,664,548	47,627,653	0	0	60,292,201
Correction of Error	(429,075)	(5,484,486)	0	0	(5,913,561)
Donated Assets	0	30,000	0	881,376	911,376
<b>Balance at 30 June 2022</b>	60,096,283	111,753,344	4,106,798	15,219,030	191,175,455
<b>Comprises:</b>					
Gross balance amount at 30 June 2022	60,096,283	112,086,227	5,584,364	21,934,235	199,701,109
Accumulated depreciation at 30 June 2022	0	(332,883)	(1,477,566)	(6,715,205)	(8,525,654)
<b>Balance at 30 June 2022</b>	60,096,283	111,753,344	4,106,798	15,219,030	191,175,455
Additions	0	12,105,402	880,755	1,968,598	14,954,755
Transfers	0	127,006	45,585	237,227	409,818
(Disposals)	(280,926)	(53,181)	0	(416,453)	(750,560)
Depreciation (expense)	0	(2,060,459)	(689,348)	(2,234,740)	(4,984,547)
Impairment (Loss)	0	(1,441,167)	0	0	(1,441,167)
<b>Balance at 30 June 2023</b>	59,815,357	120,430,945	4,343,790	14,773,661	199,363,753
<b>Comprises:</b>					
Gross balance amount at 30 June 2023	59,815,357	124,264,935	6,306,053	23,423,044	213,809,389
Accumulated depreciation at 30 June 2023	0	(2,392,823)	(1,962,263)	(8,649,383)	(13,004,469)
Accumulated Impairment loss 30 June 2023	0	(1,441,167)	0	0	(1,441,167)
<b>Balance at 30 June 2023</b>	59,815,357	120,430,945	4,343,790	14,773,661	199,363,753

\* Restated - refer to note 27 for correction of prior period errors relating to City owned land and buildings.

8. 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	Market approach using recent observable market data for similar properties/ income approach using discounted cash flow methodology	Independent Registered Valuer	June 2022	Price per hectare / market borrowing rate.
Buildings - Specialised	3	Cost approach using current replacement cost	Independent Registered Valuer	May 2022	Construction costs and current condition, residual values and remaining useful life assessment's inputs.
Buildings - Non-Specialised	2	Market approach using recent observable market data for similar properties/ income approach using discounted cash flow methodology	Independent Registered Valuer	May 2022	Price per square meter / market borrowing rate.

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

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

(ii) Cost					
Furniture and Equipment		N/A	Cost	N/A	N/A
Plant & Equipment		N/A	Cost	N/A	N/A

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FINANCIAL REPORT  
for the year ended 30 June 2023

Notes to and forming part of the Financial Report

9. Infrastructure  
(a) **Movements in Balances**  
Movement in the balances of each class of Infrastructure between the beginning and the end of the current financial year.

	Roads Infrastructure	Bridges Infrastructure	Car Parks Infrastructure	Drainage Infrastructure	Other Infrastructure	Total Infrastructure
<b>Balance at 1 July 2021</b>	306,702,564	37,862,300	10,496,636	58,894,169	166,797,220	580,752,889
Additions	9,462,386	1,258,488	1,185,864	343,693	10,372,719	22,623,150
Transfers	(5,669)	0	(61,678)	629	496,556	429,838
(Disposals)	0	(157,772)	0	0	(32,619)	(190,391)
Depreciation (expense)	(6,513,008)	(820,595)	(418,219)	(883,973)	(9,826,164)	(18,461,959)
Revaluation Increments/ (Decrements)	29,134,330	12,932,853	995,088	7,246,139	6,367,483	56,675,893
Donated Assets	2,747,979	3,929,239	0	2,470,181	2,460,187	11,607,586
<b>Balance at 30 June 2022</b>	341,528,582	55,004,513	12,197,691	68,070,838	176,635,382	653,437,006
<b>Comprises:</b>						
Gross balance amount at 30 June 2022	341,528,582	55,004,513	12,197,691	68,070,838	176,635,382	653,437,006
Accumulated depreciation at 30 June 2022	0	0	0	0	0	0
<b>Balance at 30 June 2022</b>	341,528,582	55,004,513	12,197,691	68,070,838	176,635,382	653,437,006
Additions	5,841,495	450,000	412,938	359,379	8,123,979	15,187,791
Transfers	1,298,120	(1,558)	(50,466)	553,765	(2,046,673)	(246,812)
(Disposals)	0	0	0	0	0	0
Depreciation (expense)	(7,628,611)	(1,207,065)	(502,573)	(1,338,187)	(10,582,953)	(21,259,389)
Impairment (Loss)	0	(727,831)	0	0	0	(727,831)
Donated Assets	1,824,962	0	0	2,396,214	983,731	5,204,907
<b>Balance at 30 June 2023</b>	342,864,548	53,518,059	12,057,590	70,042,009	173,113,466	651,595,672
<b>Comprises:</b>						
Gross balance amount at 30 June 2023	350,493,159	55,452,955	12,560,163	71,380,196	183,696,420	673,582,893
Accumulated depreciation at 30 June 2023	(7,628,611)	(1,207,065)	(502,573)	(1,338,187)	(10,582,954)	(21,259,390)
Accumulated Impairment loss 30 June 2023	0	(727,831)	0	0	0	(727,831)
<b>Balance at 30 June 2023</b>	342,864,548	53,518,059	12,057,590	70,042,009	173,113,466	651,595,672

9. Infrastructure (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of last Valuation	Inputs Used
Roads	3	Cost approach using replacement cost	current Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Bridges	3	Cost approach using replacement cost	current Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Car Parks	3	Cost approach using replacement cost	current Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Drainage	3	Cost approach using replacement cost	current Management valuation	June 2022	Construction costs and current condition, residual values and remaining useful life assessments inputs.
Other Infrastructure	3	Cost approach using replacement cost	current 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 to determine the fair value of infrastructure using level 3 inputs.

## 10. Fixed Assets

	2023 Actual \$	2022 Actual \$
<b>(a) Depreciation</b>		
Buildings	2,060,459	2,613,567
Furniture and Equipment	689,348	579,118
Plant and Equipment	2,234,740	2,380,102
Infrastructure - Roads	7,628,611	6,513,008
Infrastructure - Bridges	1,207,065	820,595
Infrastructure - Car Parks	502,573	418,219
Infrastructure - Stormwater Drainage	1,338,187	883,973
Infrastructure - Other	10,582,956	9,826,165
Right of Use Assets – Furniture and Equipment	237,948	468,593
	<b>26,481,887</b>	<b>24,503,340</b>

### Depreciation rates

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

Buildings	40 - 90	Years
Furniture and Equipment	3 - 15	Years
Plant and Equipment	3 - 25	Years

### Infrastructure:

Roads	10 - 60	Years
Bridges	40 - 85	Years
Car Parks	20 - 40	Years
Footpaths & Cycle ways	20 - 50	Years
Parks, Gardens & Reserves & Community Facilities	4 - 80	Years
Drainage	80	Years
Regional Airport & Industrial Park	5 - 60	Years

### Revision of useful lives of plant and equipment

During the year the estimated total useful lives of certain items of plant and equipment used in the maintenance of road infrastructure were revised.

## 10. Fixed Assets (Continued)

### (b) Temporarily idle or retired from use assets

The carrying value of assets held by the City which are temporarily idle or retired from active use and not classified as held for sale are shown in the table below.

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Furniture and equipment	0	0
Plant and equipment	0	0
	<b>0</b>	<b>0</b>

### (c) Fully Depreciated Assets in Use

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

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Furniture and equipment	135,841	130,022
Plant and equipment	3,751,560	2,919,626
	<b>3,887,401</b>	<b>3,049,648</b>

## **10. 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 any accumulated depreciation and impairment losses.

#### **Initial recognition and measurement for assets held at cost**

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

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

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

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

Upon initial recognition, cost is determined as the amount paid (or other consideration given) to acquire the assets, 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, and infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the City's revaluation policy, 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 consistent with Financial Management Regulation 17A (4).

#### **Revaluation**

The fair value of land, buildings, and 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 consistent with Financial Management Regulation 17A(2) which requires land, buildings infrastructure, investment properties and vested improvements to be shown at fair value.

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

## **10. Fixed Assets (Continued)**

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **Depreciation**

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

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

#### **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.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

#### **Amortisation**

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and in Note 10(a).

#### **Impairment**

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

#### **Gains or losses on disposal**

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

## 11. Leases

### (a) Right of use assets

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

	Note	Right of use assets – Furniture and Equipment \$	Right of use assets - Total \$
Balance at 1 July 2021		811,323	811,323
Depreciation (expense)	10(a)	(468,593)	(468,593)
<b>Balance at 30 June 2022</b>		<b>342,730</b>	<b>342,730</b>
Depreciation (expense)	10(a)	(237,948)	(237,948)
<b>Balance at 30 June 2023</b>		<b>104,782</b>	<b>104,782</b>

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

		2023 Actual \$	2022 Actual \$
Depreciation expense on right of use assets	10(a)	(237,948)	(468,593)
Interest expense on lease liabilities	30(d)	(10,861)	(28,459)
<b>Total amount recognised in the statement of comprehensive income</b>		<b>(248,809)</b>	<b>(497,052)</b>
Total cash outflow from leases	30(d)	(261,835)	(517,660)
<b>(b) Lease Liabilities</b>			
Current		117,396	253,212
Non-current		72,872	188,483
		<b>190,268</b>	<b>441,695</b>

## 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).

## SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Right-of-use assets - measurement

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

Refer to Note 10 under revaluation for details on the significant accounting policies applying to vested improvements.

### Right-of-use assets - depreciation

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

### (c) Property subject to lease

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

	2023 Actual \$	2022 Actual \$
Less than 1 year	1,234,636	1,137,441
1 to 2 years	1,201,287	1,114,721
2 to 3 years	1,220,671	1,068,125
3 to 4 years	1,145,414	1,032,489
4 to 5 years	1,067,819	1,032,489
> 5 years	26,147,829	27,512,227
	<b>32,017,656</b>	<b>32,897,492</b>

The City leases properties to external parties with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

## SIGNIFICANT ACCOUNTING POLICIES

### The City as Lessor

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

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

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

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

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	2023 Actual \$	2022 Actual \$
<b>12. Trade and Other Payables</b>		
<b>Current</b>		
Sundry Creditors	1,869,305	1,178,615
Prepaid Rates	1,015,844	918,088
Deposits and Bonds	4,092,033	4,069,438
Accrued Expenses	1,896,343	2,504,616
	<b>8,873,525</b>	<b>8,670,757</b>

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

**Prepaid rates**

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

		<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
<b>13.</b>	<b>Other Liabilities</b>		
	<b>Contracts/ Grant Liabilities</b>		
<b>13.1</b>	<b>Contract Liabilities</b>		
	Current	1,266,220	1,603,261
	Non-current	9,205,220	7,679,299
		<b>10,471,440</b>	<b>9,282,560</b>
<b>13.1.1</b>	<b>Movement in contract liabilities</b>		
	<b>Reconciliation of changes in contract liabilities</b>		
	Opening balance	9,282,560	10,409,573
	Additions	1,428,305	785,269
	Revenue recognised in the reporting period	(239,425)	(1,912,282)
	<b>Balance at end of period</b>	<b>10,471,440</b>	<b>9,282,560</b>
<b>13.1.2</b>	<b>Expected satisfaction of contract liabilities</b>		
	<b>Income recognition</b>		
	1 year	1,266,220	1,603,261
	1 to 5 years	2,617,860	2,320,640
	Over 5 years	6,587,360	5,358,659
		<b>10,471,440</b>	<b>9,282,560</b>
<b>13.2</b>	<b>Grant Liabilities</b>		
	Current	984,500	1,396,224
	Non-current	6,861,059	5,623,503
		<b>7,845,559</b>	<b>7,019,727</b>
<b>13.2.1</b>	<b>Movement in grant liabilities</b>		
	<b>Reconciliation of changes in grant liabilities</b>		
	Opening balance	7,019,727	5,265,121
	Additions	20,217,899	14,042,405
	Revenue recognised in the reporting period	(19,392,067)	(12,287,799)
	<b>Balance at end of period</b>	<b>7,845,559</b>	<b>7,019,727</b>
<b>13.2.2</b>	<b>Expected satisfaction of grant liabilities</b>		
	<b>Income recognition</b>		
	1 year	984,500	1,396,224
	1 to 5 years	6,861,059	5,623,503
	Over 5 years	0	0
		<b>7,845,559</b>	<b>7,019,727</b>

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

#### SIGNIFICANT ACCOUNTING POLICIES

##### Contract liabilities

Contract liabilities represent the City's obligation to transfer goods or services to a customer for which the City has received consideration from the customer. Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

##### Capital grant/contribution liabilities

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

### 13. Other Liabilities (Continued)

#### SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Capital grant/contribution liabilities (Continued)

Fair values for Non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cash flows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

### 14. Borrowings

	Note	2023			2022		
		Current	Non-current	Total	Current	Non-current	Total
		\$	\$	\$	\$	\$	\$
<b>Secured</b>							
Bank Overdrafts		0	0	0	0	0	0
Bank Loans		0	0	0	0	0	0
Debentures		4,620,953	43,621,202	48,242,155	4,330,300	41,844,638	46,174,938
<b>Total Secured Borrowings</b>	30	<b>4,620,953</b>	<b>43,621,202</b>	<b>48,242,155</b>	<b>4,330,300</b>	<b>41,844,638</b>	<b>46,174,938</b>

#### 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 of Busselton. Other loans relate to transferred receivables. Refer to Note 5.

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

#### SIGNIFICANT ACCOUNTING POLICIES

##### Borrowing costs

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

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

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

##### Risk

Information regarding exposure to risk can be found at Note 23.

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

**15. Employee Related Provisions**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Current Provisions</b>		
<b>Employee Benefit Provisions</b>		
Annual Leave	1,922,846	1,944,612
Long Service Leave	3,142,018	3,130,471
Other employee Leave Provision	79,317	79,477
	<b>5,144,181</b>	<b>5,154,560</b>
<b>Other provisions</b>		
Employment on-costs	741,009	757,412
	<b>741,009</b>	<b>757,412</b>
<b>Total current employee related provisions</b>	<b>5,885,190</b>	<b>5,911,972</b>
<b>Non-current provisions</b>		
Long Service Leave	507,771	543,348
	<b>507,771</b>	<b>543,348</b>
<b>Other provisions</b>		
Employment on-costs	70,119	77,545
	<b>70,119</b>	<b>77,545</b>
<b>Total non-current employee related provisions</b>	<b>577,890</b>	<b>620,893</b>
<b>Total employee related provisions</b>	<b>6,463,080</b>	<b>6,532,865</b>

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:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Amounts are expected to be settled on the following basis:</b>		
Less than 12 months after the reporting date	2,956,000	2,687,234
More than 12 months from reporting date	3,507,080	3,845,631
	<b>6,463,080</b>	<b>6,532,865</b>
Expected reimbursements of employee related provisions from other WA local governments included within other receivables	80,000	68,900

**SIGNIFICANT ACCOUNTING POLICIES**

**Employee benefits**

The City's obligations for employee's annual leave and long service leave entitlements are recognised as 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.

## SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Short-term employee benefits (Continued)

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 re-measurements 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.

16. Other Provisions	2023	2022
	Actual	Actual
	\$	\$
**Other Provisions	6,504,000	0

### \*\*Busselton Waste Transfer Station – Contamination

The City of Busselton operates the Rendezvous Road Waste Transfer Station from lots 500 and 27 Rendezvous Road, Vasse (Busselton Waste Transfer Site). The quality of groundwater at and in an area to the north of the Busselton Waste Transfer Site has reduced as a result of legacy issues from the use of this site as a former landfill facility, and also potentially from other historical uses in the area. Groundwater in the area has shown levels of hydrocarbons, metals, nutrients and PFAS above background levels. Provision has been made to deal with the financial impacts caused by these contamination issues.

## SIGNIFICANT ACCOUNTING POLICIES

### Provisions

Provisions are recognised when the City has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

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

FINANCIAL REPORT  
for the year ended 30 June 2023

*Notes to and forming part of the Financial Report*

17. **Revaluation Surplus**

**Land and Buildings**

Opening Balance	99,403,866	45,025,226	46,409,353
Revaluation Increment	0	60,292,201	0
Revaluation Decrement	0	(5,913,561)	(1,384,127)
Impairment Loss	(1,441,168)	0	0
	<b>97,962,698</b>	<b>99,403,866</b>	<b>45,025,226</b>

**Furniture & Fittings**

Opening Balance	797,333	797,333	797,333
Revaluation Increment	0	0	0
Revaluation Decrement	0	0	0
	<b>797,333</b>	<b>797,333</b>	<b>797,333</b>

**Plant and Equipment**

Opening Balance	840,738	840,738	840,738
Revaluation Increment	0	0	0
Revaluation Decrement	0	0	0
	<b>840,738</b>	<b>840,738</b>	<b>840,738</b>

**Roads**

Opening Balance	151,181,365	122,047,036	122,047,036
Revaluation Increment	0	29,134,329	0
Revaluation Decrement	0	0	0
	<b>151,181,365</b>	<b>151,181,365</b>	<b>122,047,036</b>

**Bridges**

Opening Balance	36,394,262	23,461,409	23,461,409
Revaluation Increment	0	12,932,853	0
Revaluation Decrement	0	0	0
Impairment Loss	(727,830)	0	0
	<b>35,666,432</b>	<b>36,394,262</b>	<b>23,461,409</b>

**Car Parks**

Opening Balance	6,309,764	5,314,676	5,314,676
Revaluation Increment	0	995,088	0
Revaluation Decrement	0	0	0
	<b>6,309,764</b>	<b>6,309,764</b>	<b>5,314,676</b>

**Drainage**

Opening Balance	21,348,594	14,102,455	14,102,455
Revaluation Increment	0	7,246,139	0
Revaluation Decrement	0	0	0
	<b>21,348,594</b>	<b>21,348,594</b>	<b>14,102,455</b>

**Other Infrastructure**

Opening Balance	17,720,180	11,352,697	11,352,697
Revaluation Increment	0	6,367,483	0
Revaluation Decrement	0	0	0
	<b>17,720,180</b>	<b>17,720,180</b>	<b>11,352,697</b>

**All Asset Classes**

Opening Balance	333,996,102	222,941,570	224,325,697
Revaluation Increment	0	116,968,093	0
Revaluation Decrement	0	(5,913,561)	(1,384,127)
Impairment Loss	(2,168,998)	0	0
Total Assets Revaluation Surplus	<b>331,827,104</b>	<b>333,996,102</b>	<b>222,941,570</b>

\* Restated - refer to note 27 for correction of prior period errors relating to City owned land and buildings.

## 18. 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:

	2023 Actual \$	2022 Actual \$
Cash and Cash Equivalents	21,032,276	23,655,454
<b>Restrictions</b>		
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	19,319,130	23,625,758
Financial assets at amortised cost	94,500,000	74,500,000
	113,819,130	98,125,758
The restricted financial assets are a result of the following specific purposes to which the assets may be used:		
Restricted reserve accounts	78,138,181	71,183,341
Contract liabilities	1,697,609	1,230,721
Capital grant liabilities	7,845,559	7,019,727
Unspent loans	21,789,593	14,366,377
Other Restricted accounts	4,348,188	4,325,593
<b>Total restricted financial assets</b>	113,819,130	98,125,759
<b>(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>		
Net Result	15,427,936	21,570,696
Non-cash flows in Net result:		
Depreciation	26,481,887	24,503,340
(Profit) / Loss on Sale of Asset	146,104	679,681
Revaluation Adjustment	(6,450)	(924,395)
Non-Cash Contributions	(5,204,908)	(12,518,962)
Changes in assets and Liabilities:		
(Increase) / Decrease in Receivables	(632,917)	(1,150,925)
(Increase) / Decrease in Inventories	(384,154)	1,102
Increase / (Decrease) in Payables	668,766	(948,531)
Increase / (Decrease) in Provisions	6,434,213	(115,299)
Non-operating Grants and Contributions for the Development of Assets	(18,892,385)	(12,019,073)
<b>Net Cash from Operating Activities</b>	<b>24,038,092</b>	<b>19,077,634</b>

**18. Notes to the Statement of Cash Flows**

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

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Electronic Payaway Facility	850,000	850,000
Electronic Payaway Facility at Balance Date	0	0
Credit card limit	50,000	50,000
Credit card balance at balance date	(23,916)	(28,053)
<b>Total amount of credit unused</b>	<b>876,084</b>	<b>871,947</b>
<b>Loan facilities</b>		
Loan facilities - current	4,620,953	4,330,300
Loan facilities - non-current	43,621,202	41,844,638
<b>Total facilities in use at balance date</b>	<b>48,242,155</b>	<b>46,174,938</b>

## **19. Contingent Liabilities**

### **19.1 Contaminated Sites**

Under the Contaminated Sites Act 2003, the City is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as 'contaminated – remediation required' or 'possibly contaminated – investigation required', the City may have a liability in respect of investigation or remediation expenses.

DWER has classified 11 sites as 'possibly contaminated – investigation required'. Until the City conducts an investigation, it is not possible to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflows.

### **19.2 Third party claims against the City**

The Council is involved in various claims made by third parties in the course of and incidental to the ordinary course of business. In many instances the Council believes it is appropriately covered for these claims through its insurance coverage. It is not possible to estimate the amounts of any eventual payments which may be required in relation to any of these claims and disclosure of further information in relation to actual or potential litigation could prejudice the City's position.

### **19.3 Jetstar Cash Incentive**

Per the Air Services Agreement between the City and Jetstar, the City is required to incentivise and underwrite Jetstar's 3-weekly services to Melbourne, up to an agreed maximum value. The Jetstar flights commenced in April 2022 following the reopening of the WA State border.

At the end of the reporting period, it is acknowledged that there is a possibility that the City may have a liability in relation to the cash subsidy arrangement, if Jetstar's actual revenue is less than the agreed required revenue for the periods in the agreement.

The City is unable to reliably estimate the financial effects, if any, at this time.

## 20. Capital Commitments

### Capital Expenditure Commitments

Contracted for:

#### Capital projects

	2023 Actual \$	2022 Actual \$
- Busselton Performing Arts and Convention Centre	24,948,129	33,476,638
- Mitchell Park	0	36,760
- Dunsborough Lakes Sports Precinct	208,114	509,635
- Vasse Sports Oval Lighting	136,117	0
- Lower Vasse River Sediment Removal	84,850	0
- Hotel Site Car Parking	25,500	0
- Rotary Park War Memorial	14,608	0
- Churchill Park	0	188,620
- Bovell Construction Works	0	190,123
- Construction of Youth Hub in Dunsborough	0	36,146
- Other	0	17,573
	25,417,318	34,455,495
<u>Payable:</u>		
- not later than one year	25,417,318	34,455,495
- later than one year but not later than five years	0	0

The capital expenditure projects outstanding at the end of the current reporting period represent construction works associated with the above stated projects.

FINANCIAL REPORT  
for the year ended 30 June 2023

Notes to and forming part of the Financial Report

**21. Related Party Transactions**

**(a) Elected Members Remuneration**

The following fees, expenses and allowances were paid to council members and the mayor:

	<b>2023 Actual \$</b>	<b>2023 Budget \$</b>	<b>2022 Actual \$</b>
Mayor's Annual Allowance	91,997	91,997	89,261
Mayor's Sitting Fees	48,704	48,704	47,256
Mayor's Communication Allowance	3,500	3,500	3,481
Mayor's Other Allowances	516	0	435
	<b>144,717</b>	<b>144,201</b>	<b>140,433</b>
Deputy Mayor's Allowance	22,999	22,999	22,315
Deputy Mayor's Sitting Fees	32,470	32,470	41,051
Deputy Mayor's Travelling Allowance	0	0	3,177
Deputy Mayor's Communication Allowance	3,500	3,500	4,536
Deputy Mayor's Other Allowances	0	0	227
	<b>58,969</b>	<b>58,969</b>	<b>71,306</b>
All other Council Member's Sitting Fees	227,290	227,290	211,851
All other Council Member's Travelling Allowance	10,584	0	3,923
All other Council Member's Communication Allowance	24,500	24,500	23,407
All other Council Member's Other Allowances	294	0	996
	<b>262,668</b>	<b>251,790</b>	<b>240,177</b>
Balance of allowances to be allocated upon claims	0	15,903	0
<b>21(b)</b>	<b>466,354</b>	<b>470,863</b>	<b>451,916</b>

## 21. Related Party Transactions (Continued)

### (b) Key Management Personnel (KMP) Compensation

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

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Short-term Employee Benefits	1,181,915	1,140,011
Post-employment Benefits	125,446	126,502
Employee - Other Long-term Benefits	77,765	109,532
Employee - Termination Benefits	0	0
Council Member Costs	466,354	451,916
21(a)	<u>1,851,480</u>	<u>1,827,961</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 cost of providing for the City's superannuation contributions made during the year.

#### **Other long-term benefits**

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

#### **Termination benefits**

These amounts represent termination benefits paid to KMP.

#### **Council member costs**

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

### (c) 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:

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Purchase of goods and services	310,000	55,000
Payment of Council member costs (Refer to Note 21(b))	466,354	451,916

## **21. Related Party Transactions (Continued)**

The City's main related parties are as follows:

*i Key management personnel*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel and are detailed in Notes 21 (a) and (b).

*ii Other Related Parties*

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

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

*iii Entities subject to significant influence by the City*

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

## **22. Joint Arrangements**

The City of Busselton has not been involved in any joint arrangements during the reporting period.

## 23. Financial Risk Management

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

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

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

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

### (a) Interest Rate Risk

#### Cash and Cash Equivalents

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

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

	Weighted Average Interest Rate	Carrying Amount	Fixed Interest Rate	Variable Interest Rate	Non-Interest Bearing
	%	\$	\$	\$	\$
<b>2023</b>					
Cash and Cash Equivalents	4.00%	21,032,276	0	21,010,331	21,945
Financial Assets at Amortised Cost – Term Deposits	4.64%	94,500,000	94,500,000	0	0
<b>2022</b>					
Cash and Cash Equivalents	0.80%	23,655,454	7,172,965	16,460,644	21,845
Financial Assets at Amortised Cost – Term Deposits	1.40%	74,500,000	74,500,000	0	0

**23. Financial Risk Management (Continued)**

**(a) Interest Rate Risk (Continued)**

**Cash and Cash Equivalents (Continued)**

**Sensitivity**

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

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
Impact of a 1% movement in interest rates on profit and loss and equity*	210,103	164,606
* Holding all other variables constant		

**Borrowings**

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 30.

## 23. Financial Risk Management (Continued)

### (b) Credit Risk

#### Trade and Other Receivables

The City's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. 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.

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 and other receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2022 or 1 July 2023 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

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

	Less than 1 year past due	More than 1 year past due	More than 2 year past due	More than 3 year past due	Total
<b>30 June 2023</b>					
<b>Rates receivable</b>					
Expected credit loss	0%	0%	0%	0%	
Gross carrying amount	838,611	93,808	40,672	84,976	1,058,067
Loss allowance	0	0	0	0	0
<b>Trade and other receivables</b>					
Expected credit loss	0%	0.01%	0.05%	0.06%	
Gross carrying amount	2,185,593	152,143	136,656	5,698	2,480,090
Loss allowance	0	11	66	3	80
<b>30 June 2022</b>					
<b>Rates receivable</b>					
Expected credit loss	0%	0%	0%	0%	
Gross carrying amount	747,486	236,682	120,561	(87,090)	1,017,639
Loss allowance	0	0	0	0	0
<b>Trade and other receivables</b>					
Expected credit loss	0.01%	0.05%	0.06%	0.00%	
Gross carrying amount	2,449,091	0	66,204	0	2,515,295
Loss allowance	178	0	40	0	218

## 23. Financial Risk Management (Continued)

### (c) Liquidity Risk

#### Payables and Borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The 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 18(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 \$
<b>2023</b>					
Payables	8,873,525	0	0	8,873,525	8,873,525
Borrowings	6,309,548	23,067,621	31,082,215	60,459,384	48,004,633
Lease Liability	117,396	72,872	0	190,268	190,268
	15,300,469	23,140,493	31,082,215	69,523,177	57,068,426
<b>2022</b>					
Payables	8,670,757	0	0	8,670,757	8,670,757
Borrowings	5,948,457	22,455,912	28,421,553	56,825,922	46,174,937
Lease Liability	337,904	117,085	0	454,989	441,694
	14,957,118	22,572,997	28,421,553	65,951,668	55,287,388

## 24. Events occurring after the end of the reporting period

There were no events subsequent to the reporting date that materially impact on this financial report.

## 25. OTHER SIGNIFICANT ACCOUNTING POLICIES

### a) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

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

### b) Current and non-current classification

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

### c) Rounding off figures

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

### d) Comparative figures

Where required, comparative figures have been adjusted to conform to 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 report is presented.

### e) Budget comparative figures

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

### f) Superannuation

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

### g) Fair value of assets and liabilities

Fair value is the price that the City would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

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

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

### h) Interest revenue

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

## **25. OTHER SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **i) Fair value hierarchy**

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

#### **Level 1**

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

#### **Level 2**

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

#### **Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

### **Valuation techniques**

The 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 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.

## 26. Function and Activity

### (a) Service objectives and descriptions

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

<u>Objectives</u>	<u>Description</u>
<b>General Purpose Funding</b> To collect revenue to allow for the provision of services.	Rates, other general purpose government grants, and interest revenue.
<b>Governance</b> To provide 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 to the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific local government services.
<b>Law, Order and Public Safety</b> To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various by-laws, fire prevention, animal control and emergency services. Local government also provides assistance to surf lifesaving efforts.
<b>Health</b> To provide an operational framework for environmental and community health.	Inspections of food outlets and their control, noise control, waste disposal compliance, mosquitoes and stingers control.
<b>Education and Welfare</b> To provide services for the elderly, children and youth.	Annual donation to the operation of a Senior Citizen's Centre.
<b>Housing</b> To provide and maintain elderly residents housing.	The operation of three sets of elderly residents homes.
<b>Community Amenities</b> To provide services required by the community.	Includes rubbish collection and disposal services, recycling initiatives, septic tank inspection services, urban stormwater drainage networks, environmental protection initiatives, operation of three cemeteries, town scaping facilities, as well as the administration of the Town Planning Scheme and associated policies and obligations.
<b>Recreation and Culture</b> To establish and effectively manage infrastructure and resources which will help the social well-being of the community.	Maintenance of halls, swimming areas and beaches, various reserves, recreation programs, the Busselton Jetty, the operation of the two Libraries, the maintenance and operation of the two Leisure Centres, and the employment of a Cultural Development Officer.

**26. Function and Activity (Continued)**

**(a) Service objectives and descriptions (Continued)**

**Objectives (Continued)**

**Description (Continued)**

**Transport**

To provide safe, effective and efficient transport services to the community.

Construction and maintenance of roads, bridges, drainage, footpaths, cycle ways, parking facilities, traffic signs and depot. Also includes cleaning of streets, maintenance of street trees, street lighting etc. Control and maintenance of a regional airport.

**Economic Services**

To help promote the City and its economic wellbeing.

The regulation and provision of tourism initiatives, the maintenance and operation of a caravan park and the implementation of building controls. Provision of rural services including weed control, vermin control and standpipes.

**Other Property and Services**

To monitor and control Council's overheads operating accounts.

Private works operation, plant repair and operation costs and engineering operation costs.

## 26. Functions and Activities (Continued)

### (b) Income and Expenses

	2023 Actual \$	2022 Actual \$
<b>Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
General Purpose Funding	61,655,923	55,645,773
Governance	20,735	528,433
Law, Order & Public Safety	234,416	212,906
Health	713,531	606,494
Education and Welfare	26,887	214
Housing	541,123	528,687
Community Amenities	10,699,302	10,654,214
Recreation and Culture	3,304,485	3,052,761
Transport	4,837,304	3,013,596
Economic Services	2,965,408	2,408,917
Other Property and Services	79,843	321,777
	<b>85,078,957</b>	<b>76,973,772</b>
<b>Grants, subsidies and contributions and capital grants, subsidies and contributions</b>		
General Purpose Funding	3,595,936	3,207,562
Governance	109,842	208,375
Law, Order & Public Safety	1,172,987	1,686,280
Health	75,111	101,303
Education and Welfare	218,953	8,723
Housing	3,740	4,321
Community Amenities	266,882	986,821
Recreation and Culture	14,475,482	6,845,688
Transport	11,142,971	17,415,929
Economic Services	53,477	19,390
Other Property and Services	351,313	483,681
	<b>31,466,694</b>	<b>30,968,073</b>
<b>Total Income</b>	<b>116,545,651</b>	<b>107,941,845</b>
<b>Expenses</b>		
General Purpose Funding	(1,239,092)	(1,507,571)
Governance	(6,342,511)	(8,297,705)
Law, Order & Public Safety	(3,032,514)	(3,518,190)
Health	(1,391,558)	(1,377,970)
Education and Welfare	(743,946)	(188,420)
Housing	(347,468)	(617,476)
Community Amenities	(20,993,664)	(14,488,180)
Recreation and Culture	(30,610,092)	(25,628,552)
Transport	(28,120,200)	(25,319,862)
Economic Services	(4,621,784)	(3,841,238)
Other Property and Services	(3,674,886)	(1,585,985)
<b>Total Expenses</b>	<b>(101,117,715)</b>	<b>(86,371,149)</b>
<b>Net Result for the Period</b>	<b>15,427,936</b>	<b>21,570,696</b>

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for the year ended 30 June 2023

*Notes to and forming part of the Financial Report*

**26. Functions and Activities (Continued)**

**(c) Total Assets Classified by Function and Activity**

	<b>2023 Actual \$</b>	<b>2022 Actual \$</b>
General Purpose Funding	3,825,807	2,683,446
Governance	30,184,471	31,248,508
Law, Order & Public Safety	8,460,478	8,495,541
Health	354,463	229,369
Education and Welfare	2,376,524	2,324,952
Housing	5,675,859	5,292,759
Community Amenities	45,157,346	47,496,302
Recreation and Culture	236,258,073	216,747,332
Transport	603,251,520	598,231,912
Economic Services	6,348,170	5,055,635
Other Property and Services	13,598,828	14,992,097
Unallocated	26,886,986	25,854,250
	<b>982,378,525</b>	<b>958,652,103</b>

## 27. Prior Period Corrections

1. After conducting an internal review of all City owned buildings it was identified that City does not have ownership or control over some third party buildings (leasehold improvements on land that is leased to community groups, that has not yet ceded to the City) to the value of \$6,637,501. An adjustment was made to remove this value of the buildings (adjusted for depreciation) from the City's accounts, to ensure compliance with accounting standard AASB 116.
2. After conducting an internal review of all City owned land, it was identified that the City held on its asset register an incorrectly classified freehold land parcel, valued at \$710,000 that no longer belongs to the City (Lot 121 Kent Street), and was disposed of in prior periods. This was made up of the initial overstatement of land on the City's accounts (offset by the asset revaluation reserve), for sold portion, of \$429,075 (2021/22), plus the subsequent ceding of the remaining portion of the land to the State being \$280,925 in 2022/23.

	Ref	As reported previously \$	Adjustment \$	Restated*
<b>1 July 2021</b>				
<b><u>Statement of Financial Position</u></b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	1	135,213,353	(1,153,015)	134,060,338
<b>Equity</b>				
Retained Surplus	1	461,812,090	231,112	462,043,202
Revaluation Surplus	1	224,325,697	(1,384,127)	222,941,570
<b>30 June 2022</b>				
<b><u>Statement by Comprehensive Income</u></b>				
Depreciation on Non-Current Assets	1	(24,526,198)	22,858	(24,503,340)
<b><u>Statement of Financial Position</u></b>				
<b>Non-current Assets</b>				
Property, Plant and Equipment	1,2	198,219,172	(7,043,717)	191,175,455
<b>Equity</b>				
Retained Surplus	1	475,096,147	253,970	475,350,117
Revaluation Surplus	1,2	341,293,790	(7,297,687)	333,996,103

\* Restated for correction of prior period errors relating to City owned land and buildings.

# FINANCIAL REPORT

for the year ended 30 June 2023

Notes to and forming part of the  
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## 28. Rating Information – 2022/23 Financial Year (a) Rates

Rate Type	Rate in \$	Number of Properties #	Actual Rateable Value \$	Actual Rate Revenue \$	Interim Rates \$	Actual Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Total Revenue \$
<b>Differential General Rate</b>									
GRV-Residential	0.082183	14,403	337,747,416	27,757,103	379,490	28,136,593	27,757,020	0	27,757,020
GRV- Residential Holiday Homes	0.091254	779	19,544,720	1,783,530	103,374	1,886,904	1,783,530	0	1,783,530
GRV-Industrial	0.114991	460	22,968,105	2,641,123	28,568	2,669,691	2,641,123	0	2,641,123
GRV-Commercial	0.108007	1,320	80,759,071	8,722,538	(303)	8,722,235	8,722,538	0	8,722,538
GRV-Residential Vacant	0.082183	226	7,748,140	636,764	136,492	773,256	636,764	0	636,764
GRV-Industrial Vacant	0.114991	45	1,154,500	132,757	(5,345)	127,412	132,757	0	132,757
GRV-Commercial Vacant	0.108007	55	2,912,852	314,608	(73,733)	240,875	314,608	0	314,608
UV-Holiday Home	0.003862	111	61,421,000	237,207	(117,570)	119,637	237,207	0	237,207
UV-Primary Production	0.004065	743	669,091,000	2,719,853	(35,077)	2,684,776	2,719,853	0	2,719,853
UV-Rural	0.003961	1,425	843,259,000	3,340,143	63,091	3,403,234	3,340,143	0	3,340,143
UV-Commercial	0.007483	156	109,393,000	818,588	(2,594)	815,994	818,588	0	818,588
Interim Rates								743,689	743,689
Sub-Totals	<b>Minimum \$</b>	19,723	2,155,998,804	49,104,131	476,393	49,580,607	49,104,131	743,689	49,847,820
<b>Minimum Differential General Rate</b>									
GRV-Residential	1,460	1,436	23,839,280	2,096,560	0	2,096,560	2,096,560	0	2,096,560
GRV- Residential Holiday Homes	1,517	30	477,360	45,510	0	45,510	45,510	0	45,510
GRV-Industrial	1,460	19	198,132	27,740	0	27,740	27,740	0	27,740
GRV-Commercial	1,460	640	5,381,589	934,400	0	934,400	934,400	0	934,400
GRV-Residential Vacant	1,460	1,188	9,529,470	1,734,480	0	1,734,480	1,734,480	0	1,734,480
GRV-Industrial Vacant	1,460	0	0	0	0	0	0	0	0
GRV-Commercial Vacant	1,460	54	368,340	78,840	0	78,840	78,840	0	78,840
UV-Holiday Home	1,754	63	25,737,000	110,502	0	110,502	110,502	0	110,502
UV-Primary Production	1,460	257	68,382,500	375,220	0	375,220	375,220	0	375,220
UV-Rural	1,594	1,005	259,687,700	1,601,970	0	1,601,970	1,601,970	0	1,601,970
UV-Commercial	1,460	90	4,873,769	131,400	0	131,400	131,400	0	131,400
Sub-Totals		4,782	398,475,140	7,136,622	0	7,136,622	7,136,622	0	7,136,622
Other Adjustments						119,175			127,140
<b>Total Amount Raised from General Rates</b>						<b>56,836,404</b>			<b>57,111,582</b>
Specified Area Rate (refer note 28(b))						634,124			629,826
<b>Totals</b>						<b>57,470,528</b>			<b>57,741,408</b>

**28(b) Specified Area Rate**

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$	Applied to Costs \$	Budget Applied to Costs \$
<b>Port Geographe</b>							
• Rate	0.013492	GRV	17,613,802	237,645	237,645	237,645	237,645
• Interim Rate				2,495	0	2,495	0
				240,140	237,645	240,140	237,645

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$	Applied to Costs \$	Budget Applied to Costs \$
<b>Provence</b>							
• Rate	0.012309	GRV	16,053,490	197,603	197,603	197,603	197,603
• Rate	0.000144	UV	5,505,000	793	793	793	793
• Interim Rate				414	0	414	0
				198,810	198,396	198,810	198,396

	Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$	Applied to Costs \$	Budget Applied to Costs \$
<b>Vasse</b>							
• Rate	0.015269	GRV	12,691,480	193,785	193,785	193,785	193,785
• Interim Rate				1,388	0	1,388	0
				195,173	193,785	195,173	193,785

The purpose of the Specified Area Rates is disclosed in note 31 "Purpose of Reserves".

**28(c) Service Charges**

	Amount of Charge \$	Revenue Raised \$	Budget Revenue \$	Applied to Service Costs \$	Budget Applied to Costs \$
Nil	0	0	0	0	0
		0	0	0	0

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**28(d) Discounts, Incentives, Concessions & Write-offs**

	Type	Discount %	Total Cost / Value \$	Budget Cost / Value \$
Other	Adjustment	0	89	127,140
Write-offs	Write-off	0	5,811	0
			5,900	127,140

**28(e) Interest Charges and Instalments**

Instalment options	Date due	Instalment plan admin charge \$	Instalment plan interest rates %	Unpaid rates interest rates %
<b><u>OPTION ONE</u></b> Single full payment	16/09/2022	0	0.0%	7.0%
<b><u>OPTION TWO</u></b> (Four equal or near equal bi-monthly instalments)				
First instalment	16/09/2022	0	5.5%	7.0%
Second instalment	16/11/2022	6.30	5.5%	7.0%
Third instalment	16/01/2023	6.30	5.5%	7.0%
Fourth instalment	16/03/2023	6.30	5.5%	7.0%
<b><u>OPTION THREE</u></b> 40 equal or near equal weekly instalments	First payment date			
	16/09/2022	31.30	5.5%	7.0%
<b><u>OPTION FOUR</u></b> 20 equal or near equal fortnightly instalments	First payment date			
	16/09/2022	26.20	5.5%	7.0%
<b><u>OPTION FIVE</u></b> 10 equal or near equal monthly instalments	First payment date			
	16/09/2022	21.10	5.5%	7.0%

	Actual Revenue 2023 \$	Budgeted Revenue 2022 \$
Interest on Unpaid Rates	159,144	150,000
Interest on Instalments Plan	304,400	259,250
Charges on Instalment Plan	119,489	122,966
	583,033	532,216

**28(e) Interest Charges and Instalments (Continued)**

Five separate payment option plans will be made available to all ratepayers for the payment of their rates.

**OPTION 1 (Full Payment)**

Full amount of rates and charges including arrears to be paid on or before 16<sup>th</sup> September 2022 or 35 days after the date of service appearing on the rate notice whichever is the later.

**OPTION 2 (4 Instalments)**

First instalment to be received on or before 16<sup>th</sup> September 2022 or 35 days after the date of service appearing on the rate notice whichever is the later and including all arrears and service charges and one quarter of the current rates. The second, third and fourth instalments of the current rates are to be made on or before dates shown below:

- 1<sup>st</sup> Instalment            16<sup>th</sup> September 2022
- 2<sup>nd</sup> Instalment            16<sup>th</sup> November 2022
- 3<sup>rd</sup> Instalment            16<sup>th</sup> January 2023
- 4<sup>th</sup> Instalment            16<sup>th</sup> March 2023

**OPTION THREE**

40 equal or near equal weekly instalments

**OPTION FOUR**

20 equal or near equal fortnightly instalments

**OPTION FIVE**

10 equal or near equal monthly instalments

**SIGNIFICANT ACCOUNTING POLICIES**

**Rates**

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

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

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

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for the year ended 30 June 2023

Notes to and forming part of the Financial Report

29 Determination of Surplus or Deficit

	Note	2022/23 Actual (30 June 23 Carried Forward) \$	2022/23 Budget (30 June 23 Carried Forward) \$	2021/22 Actual (Restated)* (30 June 22 Carried Forward) \$
(a) <b>Non-cash amounts excluded from operating activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.				
<b>Adjustments to operating activities</b>				
Less: Profit on asset disposals		(200,266)	(23,632)	(68,489)
Add: Loss on disposal of assets		346,370	45,550	748,170
Less: Fair value adjustments to financial assets at fair value through profit and loss		(6,450)	0	(935,915)
Add: Depreciation on non-current assets	10(a)	26,481,887	27,439,900	24,503,340
<b>Non-cash Movements in Non-Current Assets and Liabilities</b>				
Less: Movement in finance leases		(47,238)	0	0
Movement in Long Term Debt		(89,134)	0	0
Movement in pensioner deferred rates (non-current)	5	(49,037)	0	(16,835)
Movement in employee benefit provisions	15	(69,787)	0	314,699
Movement in Other provisions	16	6,504,000	0	(430,000)
Movement Other		(279,530)	0	0
<b>Non cash amounts excluded from operating activities</b>		<b>32,590,815</b>	<b>27,461,818</b>	<b>24,114,970</b>
(b) <b>Non-cash amounts excluded from investing activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with Financial Management Regulation 32.				
Non-cash grants and contributions for assets	2	(5,204,907)	(5,740,000)	(12,518,962)
Movement in liabilities associated with restricted cash		2,037,309	0	1,452,003
<b>Non cash amounts excluded from investing activities</b>		<b>(3,167,598)</b>	<b>(5,740,000)</b>	<b>(11,066,959)</b>
(c) <b>Surplus/(deficit) after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with Financial Management Regulation 32 to agree to the surplus/(deficit) after imposition of general rates.				
<b>Adjustments to net current assets</b>				
Less: Reserves/ Restricted Cash	3	(113,819,130)	(73,739,212)	(98,125,758)
Less: Financial assets at amortised cost - self-supporting loans	4(a)	(182,579)	(189,475)	(177,873)
Less: Other Assets	7(a)	(483,906)	(350,000)	(367,384)
Less - Current portion of lease receivables	5.1	(309,426)	(300,000)	(230,175)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	14	4,620,953	4,500,000	4,330,300
- Current portion of contract liability held in reserve/ restricted cash	13.1	1,266,220	2,000,000	1,603,261
- Current portion of grant liability held in reserve/ restricted cash	13.2	984,500	800,000	1,396,224
- Current portion of deposits and bonds held in restricted cash	12	4,092,033	4,069,438	4,069,438
- Current portion of lease liabilities	11(b)	117,396	114,652	253,212
- Current portion of employee benefit provisions	15	5,885,190	5,884,972	5,911,973
- Current portion of other provisions	16	6,504,000	0	0
<b>Total adjustments to net current assets</b>		<b>(91,324,749)</b>	<b>(57,209,625)</b>	<b>(81,336,782)</b>
<b>Net current assets used in the Statement of Financial Activity</b>				
Total current assets		121,531,694	78,438,212	103,844,316
Less: Total current liabilities		(28,251,784)	(20,892,749)	(22,165,726)
Less: Total adjustments to net current assets		(91,324,749)	(57,209,625)	(81,336,782)
<b>Net current assets used in the Statement of Financial Activity</b>		<b>1,955,161</b>	<b>335,838</b>	<b>341,808</b>

\* Restated - refer to note 27 for correction of prior period errors relating to City owned land and buildings.

30. Borrowings and Lease Liabilities

	(a)	Borrowings and Lease Liabilities Particulars	Borrowing Institution	Int. %	Maturity Date	Principal 1 July 2022	New Loans		Principal Repayment		Principal		Interest Repayment	
							2022/23 Budget	2022/23 Actual	2022/23 Budget	2022/23 Actual	2022/23 Budget	2022/23 Actual	2022/23 Budget	2022/23 Actual
C		<b>Administration</b> Loan #207 Civic and Administration Centre	WATC	4.51	06/34	12,595,043	0	0	810,406	810,406	11,784,637	11,784,637	554,459	554,359
		<b>Recreation &amp; Culture</b> Loan #202 Geothermal Heating GLC	WATC	3.98	06/23	63,421	0	0	63,421	63,421	0	0	1,585	1,579
C		Loan #204 Busselton Foreshore	WATC	4.36	06/29	604,663	0	0	75,559	75,559	529,104	529,104	25,130	25,130
C		Loan #205 GLC Extensions	WATC	3.92	06/24	279,840	0	0	137,191	137,191	142,649	142,649	8,969	8,955
S		Loan #208 Busselton Football & Sportsman's Club	WATC	2.93	04/25	9,705	0	0	3,141	3,141	6,564	6,564	250	250
C		Loan #209 Busselton Foreshore	WATC	3.56	06/27	3,061,200	0	0	569,628	569,628	2,491,572	2,491,572	101,430	101,375
C		Loan #210 Busselton Foreshore	WATC	2.55	10/24	1,003,817	0	0	393,889	393,889	609,928	609,928	21,851	20,158
S		Loan #212 Dunsborough and Districts Country Club	WATC	3.04	05/27	61,291	0	0	11,530	11,530	49,761	49,761	1,776	1,719
S		Loan #213 Geographie Bay Yacht Club	WATC	3.04	05/27	53,764	0	0	10,114	10,114	43,650	43,650	1,558	1,508
S		Loan #214 Dunsborough & Districts Country Club	WATC	3.19	09/27	64,777	0	0	10,955	10,955	53,822	53,822	1,980	1,889
C		Loan #215 Busselton Foreshore Jetty Precinct	WATC	3.25	04/28	1,595,479	0	0	244,951	244,951	1,350,528	1,350,528	48,879	48,465
C		Loan #216 Tennis Club Facilities	WATC	3.25	04/28	1,755,027	0	0	269,446	269,446	1,485,581	1,485,581	54,867	53,311
C		Loan #217 Lot 10 Commonage Road	WATC	3.25	04/28	1,021,107	0	0	156,769	156,769	864,338	864,338	31,923	31,018
C		Loan #218 Busselton Tennis Club	WATC	2.21	06/29	906,314	0	0	121,072	121,072	785,242	785,242	19,031	19,024
S		Loan #220 Busselton Tennis Club	WATC	1.37	09/26	30,889	0	0	7,107	7,107	23,782	23,782	387	387
S		Loan #221 Busselton Hockey Club Stadium	WATC	1.31	06/30	36,517	0	0	4,358	4,358	32,159	32,159	457	457
S		Loan #222 Busselton Golf Club	WATC	1.45	06/31	99,703	0	0	10,447	10,447	89,256	89,256	1,390	1,390
S		Loan #223 Dunsborough Bay Yacht Club	WATC	1.57	12/26	22,587	0	0	4,883	4,883	17,704	17,704	325	325
S		Loan #224 Geographie Bay Yacht Club	WATC	2.42	12/31	47,776	0	0	4,530	4,530	43,246	43,246	1,114	1,114
C		Loan #225 Performing Arts/Convention Centre	WATC	2.10	12/31	4,774,076	0	0	459,004	459,004	4,315,072	4,315,072	96,611	96,584
C		Loan #226 Performing Arts/Convention Centre	WATC	2.39	12/36	4,860,472	0	0	284,085	284,085	4,576,387	4,576,387	113,418	113,399
S		Loan #New Community Groups	Unknown	2.77	06/32	0	250,000	0	11,603	0	238,397	0	1,915	0
S		Loan #227 MRBTA – Ancient Lands Discovery Park	WATC	2.77	03/32	1,222,773	0	0	110,807	110,807	1,111,966	1,111,966	32,742	32,733
C		Loan #228 Performing Arts/Convention Centre	WATC	3.86	06/42	5,000,000	0	0	169,393	169,393	4,830,607	4,830,607	190,515	190,496
C		Loan #229 Performing Arts/Convention Centre	WATC	3.77	06/39	5,000,000	0	0	214,251	214,251	4,785,749	4,785,749	185,387	185,365
C		Loan #230 Performing Arts/Convention Centre	WATC	4.42	12/42	0	6,500,000	6,500,000	175,426	102,483	6,324,574	6,397,517	157,020	163,944
		<b>Transport</b> Loan #206 Airport Jet A1 Installation	WATC	3.92	06/24	81,620	0	0	40,014	40,014	41,606	41,606	2,616	2,612
C		Loan #219 Air Freight Hub Stage 1	WATC	2.21	06/29	1,073,077	0	0	143,350	143,349	929,726	929,728	22,532	22,524
		<b>Other Property and Services</b> Loan #210 Lot 40 Vasse Highway												
C		Total - Council and Self-supporting Loans	WATC	3.61	12/25	850,000	0	0	0	0	850,000	850,000	30,685	30,685
						<b>46,174,938</b>	<b>6,750,000</b>	<b>6,500,000</b>	<b>4,517,330</b>	<b>4,432,783</b>	<b>48,407,607</b>	<b>48,242,155</b>	<b>1,711,811</b>	<b>1,710,755</b>

C		Council Loans are financed by general purpose revenue.				44,525,156	6,500,000	6,500,000	4,327,854	4,254,910	46,697,301	46,770,245	1,667,916	1,668,983
S		Self-Supporting Loans are financed by payments from third parties.				1,649,782	250,000	0	189,476	177,873	1,710,306	1,471,910	43,895	41,772
						<b>46,174,938</b>	<b>6,750,000</b>	<b>6,500,000</b>	<b>4,517,330</b>	<b>4,432,783</b>	<b>48,407,607</b>	<b>48,242,155</b>	<b>1,711,811</b>	<b>1,710,755</b>

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30. Borrowings and Lease Liabilities (continued)

(b) New Borrowings – 2022/23

Particulars / Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate %	Amount Used		Balance Unspent
	Actual \$	Budget \$						Actual \$	Budget \$	
Loan #230 Performing Arts/Convention Centre	6,500,000	6,500,000	WATC	Debenture	20 Years	9,847,577	4.4237%	0	6,500,000	6,500,000
Loan #New Community Groups	0	250,000	Unknown	Debenture	10 Years	0	0.000%	0	250,000	0
	<b>6,500,000</b>	<b>6,750,000</b>				<b>9,847,577</b>		<b>0</b>	<b>6,750,000</b>	<b>6,500,000</b>

(c) Unspent Borrowings

Particulars / Purpose	Date Borrowed	Balance 30 June 2022 \$	Borrowed During Year \$	Adjustment * \$	Expended During Year \$	Balance 30 June 2023 \$
Loan #216 Tennis Club Facilities	27 <sup>th</sup> April 2018	49,341	0	0	0	49,341
Loan #225 Performing Arts/Convention Centre	25 <sup>th</sup> January 2022	0	0	240,252	0	240,252
Loan #226 Performing Arts/Convention Centre	25 <sup>th</sup> January 2022	4,317,036	0	682,964	0	5,000,000
Loan #228 Performing Arts/Convention Centre	28 <sup>th</sup> April 2022	5,000,000	0	0	0	5,000,000
Loan #229 Performing Arts/Convention Centre	28 <sup>th</sup> April 2022	5,000,000	0	0	0	5,000,000
Loan #230 Performing Arts/Convention Centre	06 <sup>th</sup> December 2022	0	6,500,000	0	0	6,500,000
		<b>14,366,377</b>	<b>6,500,000</b>	<b>972,557</b>	<b>0</b>	<b>21,789,593</b>

\* Adjustment relates to loan funds returned to restricted loan account as grants are received and utilised in precedence to borrowings.

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.

Risk

Information regarding exposure to risk can be found at Note 23.

### 30 – Borrowing and Lease Liability (Continued)

#### 30 (d) Lease Liabilities (Continued)

Lease Number	Institution	Lease Interest Rate	Lease Term	Actual Principal 1 July 2021	2021/22 Actual New Leases	2021/22 Actual Lease principal Repayments	Actual Lease Principal outstanding 30 June 2022	2021/22 Actual Lease Interest Repayments	Actual Lease Principal 1 July 2022	2022/23 Actual New Leases	2022/23 Actual Lease principal Repayments	Actual Lease Principal outstanding 30 June 2023	2022/23 Actual Lease Interest Repayments	Budget Lease Principal 1 July 2022	2022/23 Budget New Leases	2022/23 Budget Lease principal Repayments	Budget Lease Principal outstanding 30 June 2023	2022/23 Budget Lease Interest Repayments
		%		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
E6N0159996	Maia	7.9491	5 years	1,353	0	1,353	0	54	17,002	0	0	0	0	0	0	0	0	0
E6N0160249	Maia	5.8375	5 years	82,602	0	65,600	17,002	3,403	84,625	0	17,002	0	248	17,002	0	17,002	0	248
E6N0160583	Maia	5.1511	6 years	137,539	0	52,914	84,625	6,074	84,625	0	55,692	28,933	3,295	84,625	0	55,692	28,933	3,295
E6N0160915	Maia	7.6138	4.75 years	6,910	0	4,519	2,391	399	2,391	0	2,391	0	68	2,391	0	2,391	0	68
E6N0161070	Maia	6.9693	5 years	20,962	0	11,667	9,295	1,160	9,295	0	9,295	0	326	9,295	0	9,295	0	326
E6N0162083	Maia	-0.0007	4 years	110,552	0	88,442	22,110	-1	22,110	0	22,110	0	0	22,110	0	22,110	0	0
E6N0162208	Maia	0.8970	4 years	78,504	0	52,218	26,286	529	26,286	0	26,286	0	88	26,286	0	26,286	0	88
E6N0162334	Maia	5.2189	5 years	210,889	0	73,231	137,658	9,588	137,658	0	77,129	60,529	5,691	137,658	0	77,129	60,529	5,691
E6N0162368	Maia	2.2722	5 years	90,307	0	32,190	58,117	1,779	58,117	0	32,927	25,190	1,041	58,117	0	32,927	25,190	1,041
E6N0162406	Maia	3.4055	3.75 years	24,019	0	15,877	8,142	617	8,142	0	8,142	0	104	8,142	0	8,142	0	104
66679257	Capital	8.4332	5 years	91,190	0	91,190	0	4857	0	0	0	0	0	0	0	0	0	0
				<b>854,827</b>	<b>0</b>	<b>489,201</b>	<b>365,626</b>	<b>28,459</b>	<b>365,626</b>	<b>0</b>	<b>250,974</b>	<b>114,652</b>	<b>10,861</b>	<b>365,626</b>	<b>0</b>	<b>250,974</b>	<b>114,652</b>	<b>10,861</b>

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31. Reserves – Cash/ Financial Asset Backed

	2022/23 Actual				2022/23 Budget				2021/22 Actual			
	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$
<b>Restricted by Legislation/Agreement</b>												
Busselton Area Drainage and Waterways Improvement Reserve	130,608	3,951	0	134,559	130,608	1,362	0	131,970	448,845	1,638	(319,875)	130,608
Commonage Community Facilities												
Dunsborough Lakes South Reserve	74,507	2,489	0	76,996	74,507	1,738	0	76,245	74,232	275	0	74,507
Commonage Community Facilities												
South Biddle Precinct Reserve	908,566	30,361	0	938,927	908,566	21,197	0	929,763	905,216	3,350	0	908,566
Commonage Precinct Bushfire Facilities Reserve	58,747	1,963	0	60,710	58,747	1,371	0	60,118	58,530	217	0	58,747
Commonage Precinct Infrastructure Road Reserve	818	27	0	845	818	18	0	836	236,349	469	(236,000)	818
Community Facilities - Airport North	3,176,664	106,213	0	3,282,877	3,176,664	192,569	0	3,369,233	3,164,953	11,711	0	3,176,664
Community Facilities - Broadwater	197,733	77,599	0	275,332	197,733	20,561	0	218,294	185,047	12,686	0	197,733
Community Facilities - Busselton	71,707	30,223	0	101,930	75,058	22,985	0	98,043	39,788	35,270	(3,351)	71,707
Community Facilities - City District	1,083,900	375,597	(138,963)	1,320,534	1,116,044	465,862	(766,996)	814,910	1,295,065	422,344	(633,509)	1,083,900
Community Facilities – Dunsborough	465,446	57,807	0	523,253	465,446	40,193	0	505,639	334,282	131,164	0	465,446
Community Facilities - Dunsborough Lakes Estate	712,435	187,950	0	900,385	712,435	165	(423,111)	289,489	943,223	3,216	(234,004)	712,435
Community Facilities - Geopraphe	137,436	18,750	0	156,186	139,274	13,550	0	152,824	114,007	25,268	(1,839)	137,436
Community Facilities - Port Geopraphe	352,422	11,777	0	364,199	352,422	8,222	0	360,644	351,123	1,299	0	352,422

31. Reserves – Cash/ Financial Asset Backed (Continued)

	2022/23 Actual				2022/23 Budget				2021/22 Actual			
	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$
<b>Restricted by Legislation/Agreement</b>												
Community Facilities - Vasse	175,153	7,860	(75,000)	108,013					174,754	399	0	175,153
Jetty Reserve												
Jetty Self Insurance Reserve	6,320,302	1,637,746	(612,312)	7,345,736	6,320,302	1,603,676	(794,748)	7,129,230	5,682,364	1,370,882	(732,944)	6,320,302
Joint Venture Aged Housing Reserve (Harris/ Winderlup)	573,410	99,347	0	672,757	573,410	91,673	0	665,083	495,086	78,324	0	573,410
Locke Estate Reserve	1,491,225	252,823	(87,317)	1,656,731	1,491,225	217,410	(37,823)	1,670,812	1,363,306	177,587	(49,668)	1,491,225
Port Geographe Waterways Management (SAR) Reserve	6,588	164,606	0	171,194	6,588	153	0	6,741	6,458	61,130	(61,000)	6,588
Providence Landscape Maintenance (SAR) Reserve	3,060,603	348,076	(357,630)	3,051,049	3,060,603	305,385	(390,547)	2,975,441	3,168,297	239,520	(347,214)	3,060,603
Public Art Reserve	1,323,560	247,699	(46,429)	1,524,830	1,323,560	222,894	(152,251)	1,394,203	1,254,363	195,667	(126,470)	1,323,560
Vasse Newtown Landscape Maintenance (SAR) Reserve	249,544	23,389	0	272,933	46,666	1,091	0	47,757	46,526	203,018	0	249,544
Post Office Tea Rooms	668,099	220,694	(273,597)	615,196	668,099	205,915	(340,536)	533,478	667,371	189,846	(189,118)	668,099
	0	121,028	(72,952)	48,076	0	121,028	(121,028)	0	0	0	0	0

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31. Reserves – Cash/ Financial Asset Backed (Continued)

	2022/23 Actual				2022/23 Budget				2021/22 Actual			
	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$
<b>Restricted by Council</b>												
Airport Existing Terminal Building Reserve	323,125	147,387	(14,129)	456,383				427,338	206,250	122,504	(5,629)	323,125
Airport Marketing and Incentive Reserve	6,385,899	503,101	(1,993,619)	4,895,381				3,468,258	5,287,408	1,644,004	(545,513)	6,385,899
Barnard Park Sports Pavilion Building Reserve	105,989	40,675	(31,633)	115,031			0	144,828		34,039	0	105,989
Building Asset Renewal Reserve – General Building	2,691,453	975,107	(277,226)	3,389,334				3,066,460	2,093,333	812,691	(214,571)	2,691,453
Busselton Community Resource Centre Reserve	422,705	121,432	(12,676)	531,461				516,467	324,999	97,706	0	422,705
Busselton Foreshore Reserve	12,689	426	0	13,115			0	12,985	111	12,578	0	12,689
Busselton Jetty Tourist Park Reserve	1,241,104	932,862	(202,002)	1,971,964				1,110,526	636,808	774,664	(170,368)	1,241,104
Busselton Library Building Reserve	88,926	66,584	0	155,510				143,695	57,065	57,364	(25,503)	88,926
CBD Enhancement Reserve	1,333,422	73,095	(1,397,321)	9,196				98,832	1,269,967	567,097	(503,642)	1,333,422
Cemetery Reserve	241,999	130,040	(6,485)	365,554				254,022	99,547	175,165	(32,713)	241,999
City Car Parking and Access Reserve	1,213,888	419,553	(196,759)	1,436,682				1,283,964	792,732	938,447	(517,291)	1,213,888
Civic and Administration Building Reserve	497,009	460,288	(56,835)	900,462				840,138	670,359	342,853	(516,203)	497,009
Coastal and Climate Adaptation Reserve	566,910	1,206,195	(578,285)	1,194,820				259,371	1,503,542	858,810	(1,795,442)	566,910

31. Reserves – Cash/ Financial Asset Backed (Continued)

	2022/23 Actual				2022/23 Budget				2021/22 Actual			
	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$
<b>Restricted by Council</b>												
Corporate IT Systems Reserve	378,520	150,026	(198,681)	329,865	378,520	145,612	(450,000)	74,132	328,722	264,514	(214,716)	378,520
Debt Default Reserve	102,371	3,421	(105,792)	0	102,371	2,402	0	104,773	501,841	530	(400,000)	102,371
Election, Valuation and Other Corporate Expenses Reserve	254,331	154,985	(7,875)	401,441	254,331	148,744	(80,000)	323,075	715,027	142,691	(603,387)	254,331
Emergency Disaster Recovery Reserve	74,954	22,909	0	97,863	74,954	23,162	0	98,116	114,793	20,823	(60,662)	74,954
Energy Sustainability Reserve	168,406	115,941	(37,123)	247,224	168,406	111,127	(133,234)	146,299	224,270	105,954	(161,818)	168,406
Footpath/ Cycle Ways Reserve	1,246,637	1,341,403	(861,576)	1,726,464	1,246,637	1,282,478	(1,222,208)	1,306,907	838,835	1,245,095	(837,293)	1,246,637
Furniture and Equipment Reserve	516,181	127,829	(160,854)	483,156	516,181	116,843	(578,096)	54,928	332,483	443,442	(259,744)	516,181
Geographie Leisure Centre Building Reserve	314,127	331,012	(412,670)	232,469	314,127	318,872	(423,934)	209,065	119,033	290,940	(95,846)	314,127
Legal Expenses Reserves	638,294	21,284	(80,000)	579,578	638,294	12,603	0	650,897	671,629	2,326	(35,661)	638,294
Long Service Leave Reserve	4,054,581	660,816	(774,726)	3,940,671	4,054,581	533,332	(668,304)	3,919,609	3,653,494	929,736	(528,649)	4,054,581
Major Traffic Improvements Reserve	1,184,734	391,765	(1,743)	1,574,756	1,184,734	367,344	(694,941)	857,137	237,210	1,138,233	(190,709)	1,184,734
Marketing and Area Promotion Reserve	655,703	1,365,779	(1,627,984)	393,498	655,703	1,337,940	(1,745,548)	248,095	522,266	1,397,678	(1,264,241)	655,703
Naturaliste Community Centre Building (NCC) Reserve	170,089	79,811	(15,957)	233,943	170,089	74,702	(121,000)	123,791	129,592	67,151	(26,654)	170,089

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31. Reserves – Cash/ Financial Asset Backed (Continued)

	2022/23 Actual				2022/23 Budget				2021/22 Actual			
	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$
<b>Restricted by Council</b>												
New Infrastructure Development Reserve	723,694	32,691	0	756,385	723,694	6,026	(503,487)	226,233	884,968	11,513	(172,787)	723,694
Other Infrastructure Reserves	403,731	782,904	(464,767)	721,868	403,731	766,236	(772,776)	397,191	538,847	364,368	(499,484)	403,731
Parks, Gardens and Reserves Reserve	633,227	1,355,025	(638,915)	1,349,337	633,227	1,313,573	(1,704,184)	242,616	749,657	1,475,845	(1,592,275)	633,227
Performing Arts and Convention Centre Reserve	2,386,293	81,040	0	2,467,333	2,386,293	1,840,539	(1,689,136)	2,537,696	1,332,269	1,323,173	(269,149)	2,386,293
Plant Replacement Reserve	2,698,073	1,204,166	(1,538,031)	2,364,208	2,698,073	1,145,473	(1,161,900)	2,681,646	2,114,189	1,027,731	(443,847)	2,698,073
Port Geographe Development Reserve (Council)	126,997	62,895	(122,592)	67,300	126,997	59,105	(146,437)	39,665	117,836	56,091	(46,930)	126,997
Professional Development Reserve	156,214	5,180	0	161,394	156,214	3,184	0	159,398	185,931	669	(30,386)	156,214
Railway House Building Reserve	63,087	26,497	0	89,584	63,087	25,219	0	88,306	56,792	22,117	(15,822)	63,087
Road Assets Renewal Reserve	1,920,213	3,515,608	(3,271,111)	2,164,710	1,920,213	3,450,143	(3,837,340)	1,533,016	1,317,210	3,660,291	(3,057,288)	1,920,213
Sick Pay Incentive Reserve	79,476	3,235	(3,395)	79,316	79,476	738	(15,000)	65,214	106,241	363	(27,128)	79,476
Strategic Projects Reserve	2,909,576	122,838	0	3,032,414	2,909,576	92,894	(500,000)	2,502,470	350,906	2,558,670	0	2,909,576
Vasse Sports Pavilion Building Reserve	1,684	721	0	2,405	1,684	690	0	2,374	1,082	602	0	1,684
Waste Management Facility and Plant Reserve	8,287,152	2,112,319	(2,263,898)	8,135,573	8,287,152	2,185,146	(5,315,724)	5,156,574	8,486,937	1,907,237	(2,107,022)	8,287,152

31. Reserves – Cash/ Financial Asset Backed (Continued)

	2022/23 Actual				2022/23 Budget				2021/22 Actual			
	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$	Opening Balance \$	Transfers To \$	Transfers (From) \$	Closing Balance \$
<b>Restricted by Council</b>												
Winderup Aged Housing Reserve (City Controlled)	356,903	111,924	(5,620)	463,207	356,903	69,043	(49,000)	376,946	292,717	72,537	(8,351)	356,903
Workers Compensation & Extended Sick Leave Contingency Reserve	194,218	3,062	(193,000)	4,280	194,218	4,530	(193,000)	5,748	218,482	736	(25,000)	194,218
Youth and Community Activities Building Reserve	158,157	58,494	0	216,651	158,157	55,272	0	213,429	123,843	48,303	(13,989)	158,157
Prepaid Grants and Deferred Works & Services Reserve	1,979,511	2,840,968	(1,977,034)	2,843,445	1,979,511	0	(1,979,511)	0	1,361,166	1,979,866	(1,361,521)	1,979,511
Airport Infrastructure Renewal Reserve	1,259,815	2,063,864	(113,512)	3,210,167	1,259,815	666,307	(260,991)	1,665,131	1,471,767	5,249	(217,201)	1,259,815
Airport Noise Mitigation Reserve	683,694	22,058	(44,612)	661,140	683,694	10,185	(98,238)	595,641	796,148	2,685	(115,139)	683,694
LED Street Lighting Replacement Program Reserve	38,097	51,455	(57,326)	32,226	38,097	50,004	(87,866)	235	121	50,110	(12,134)	38,097
Lou Weston Oval Pavilion Reserve	0	12,730	0	12,730	0	12,432	0	12,432	0	0	0	0
Waterways Restoration Reserve	10	559,159	(559,159)	10	10	550,455	(550,455)	10	0	10	0	10
Peel Terrace/ Causeway Road Building Reserve	0	23,429	0	23,429	0	23,430	0	23,430	0	0	0	0
	<b>71,183,341</b>	<b>28,923,963</b>	<b>(21,969,123)</b>	<b>78,138,181</b>	<b>71,017,796</b>	<b>24,477,258</b>	<b>(35,886,464)</b>	<b>59,608,590</b>	<b>62,919,560</b>	<b>30,220,481</b>	<b>(21,956,700)</b>	<b>71,183,341</b>

FINANCIAL REPORT  
for the year ended 30 June 2023

Notes to and forming part of the  
Financial Report

**31. Reserves – Cash/ Financial Asset Backed (Continued)**

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

In accordance with council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

**Restricted by Legislation/ Agreement**

**Busselton Area Drainage and Waterways Improvement Reserve**

To hold development contributions for the provision of drainage works and the management and improvement of waterways and adjacent reserves within Busselton including the lower Vasse River.

**Commonage Community Facilities Dunsborough Lakes South Reserve**

For the purpose of the provision of future recreational facilities at Dunsborough Lakes South in accordance with the Dunsborough Lakes Developer Contributions Plan.

**Commonage Community Facilities South Biddle Precinct Reserve**

To be utilised for the provision of community facilities within the South Biddle Precinct in accordance with the Commonage Area Implementation Policy provisions.

**Commonage Precinct Bushfire Facilities Reserve**

For the purpose of the provision of fire protection facilities in accordance with the Commonage Contributions Area policy provisions.

**Commonage Precinct Infrastructure Road Reserve**

To be utilised for the purpose of road infrastructure and road safety upgrades within the Commonage Contribution Area in accordance with the Commonage Contributions Area policy provisions.

**Community Facilities - Airport North**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the Precinct as per the adopted contributions plan.

**Community Facilities – Broadwater**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the Precinct as per the adopted contributions plan.

**Community Facilities – Busselton**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the Precinct as per the adopted contributions plan.

**Community Facilities - City District**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the District.

**Community Facilities – Dunsborough**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the Precinct as per the adopted contributions plan.

**Community Facilities - Dunsborough Lakes Estate**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the Precinct as per the adopted contributions plan.

**31. Reserves – Cash/ Financial Asset Backed (Continued)**

**Restricted by Legislation/ Agreement (Continued)**

**Community Facilities – Geographe**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the Precinct as per the adopted contributions plan.

**Community Facilities - Port Geographe**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the Precinct as per the adopted contributions plan.

**Community Facilities – Vasse**

To hold development contributions received by the City for the provision of new or upgraded community infrastructure within the Precinct as per the adopted contributions plan.

**Jetty Reserve**

To provide funding for the maintenance, insurance, renewal, replacement, upgrading and future Capital works requirements for the asset and associated infrastructure, including plant and equipment to achieve these purposes.

**Jetty Self Insurance Reserve**

As a contingency fund to rectify damage caused by the demise of the Busselton jetty or part of the jetty or as a result of extraordinary events.

**Joint Venture Aged Housing Reserve (Harris/ Winderlup)**

To hold funds to meet future expenses, including capital, maintenance, operational and administrative costs associated with the provision of community aged housing at Winderlup Villas and Harris Road pursuant to the relevant joint venture agreements with the Department of Housing.

**Locke Estate Reserve**

To provide funding for the protection of the Locke Estate (Reserve 22674) coastline.

**Port Geographe Waterways Management (SAR) Reserve**

To provide funds for the City to fulfil its obligations under a Waterways Management Deed with the State Government for the future maintenance of waterways and associated facilities within the Port Geographe contributions area.

**Provence Landscape Maintenance (SAR) Reserve**

For the purpose of holding funds for the maintenance of the approved higher standard of landscaping with the contributions area including future Capital replacement of landscaping structures as may be required.

**Public Art Reserve**

To hold development contributions received by the City for the commissioning, purchase and enhancement of public art works within the District.

**Vasse Newtown Landscape Maintenance (SAR) Reserve**

For the purpose of holding funds for the maintenance of the approved higher standard of landscaping with the contributions area including future Capital replacement of landscaping structures as may be required.

**Post Office Tea Rooms**

To allocate and use any premium, rental, fees, charges or other income it receives from all leases, subleases and licences in respect of the Post Office Tea Rooms Reserve 35361 or any part of it, to maintain and repair all buildings and structures and to maintain the grounds and facilities of the Reserve.

**31. Reserves – Cash/ Financial Asset Backed (Continued)**

**Restricted by Council**

**Airport Existing Terminal Building Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**Airport Marketing and Incentive Reserve**

The purpose of promoting and providing incentives for the Busselton Margaret River Airport.

**Barnard Park Sports Pavilion Building Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**Building Asset Renewal Reserve – General Building**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building requirements for SLH2 to SLH6 assets that do not have their own reserve account and for other major building assets where insufficient funds are held for those assets.

**Busselton Community Resource Centre Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**Busselton Foreshore Reserve**

To provide funds for on-going asset maintenance and any future capital works.

**Busselton Jetty Tourist Park Reserve**

To provide funding for capital, maintenance and promotional/ marketing requirements for visitor services throughout the district.

**Busselton Library Building Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**CBD Enhancement Reserve**

To provide funds for Capital and maintenance works and improvements within the Busselton and Dunsborough Central Business Districts.

**Cemetery Reserve**

To provide funding for the renewal, expansion and establishment of Cemeteries within the district.

**City Car Parking and Access Reserve**

To provide funding for development of public car parking, the development of infrastructure to provide for the management of public car parking and improving public transport to and within the City or for end of trip facilities. To provide funding for the purchase of land identified as of strategic importance for future parking requirements.

**Civic and Administration Building Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**31. Reserves – Cash/ Financial Asset Backed (Continued)**

**Restricted by Council (Continued)**

**Coastal and Climate Adaptation Reserve**

The purpose of the reserve is to provide funds for coastal protection of assets and to fund initiatives to address the impacts of climate change including water supply sustainability, technology advancement and improvements/ upgrades of infrastructure susceptible to climate change.

**Corporate IT Systems Reserve**

To provide funding in relation to the ongoing development, enhancement and/ or replacement of the City's corporate systems. To be utilised for the renewal and replacement or introduction of new IT platforms/ hardware for the City.

**Debt Default Reserve**

To provide for potential default on debts owing to the City, particularly in relation negative economic circumstances caused by a declared state of emergency (such as COVID-19).

**Election, Valuation and Other Corporate Expenses Reserve**

To provide funding for Council elections, rating valuations, fair value valuations and other legislative and corporate governance requirements.

**Emergency Disaster Recovery Reserve**

To provide funding for Disaster Recovery activities including natural and man-made events.

**Energy Sustainability Reserve**

To provide funding for the investigation, implementation and optimisation of Energy Sustainability initiatives within the District.

**Footpath/ Cycle Ways Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future requirements with respect to Footpath and Cycleway assets within the District.

**Furniture and Equipment Reserve**

To provide funds for the major maintenance, renewal, replacement, upgrading and future requirements with respect to furniture and equipment assets within the District.

**Geographe Leisure Centre Building (GLC) Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**Legal Expenses Reserve**

Funding for any legal expenses or contingency involving the City of Busselton.

**Long Service Leave Reserve**

To provide funding to meet the City's future long service leave obligations of employees.

**Major Traffic Improvements Reserve**

To be utilised for the provision of enabling major capital works programs to be funded for the upgrade of the local road network to reduce congestion, increase traffic flow and ease of access within the District.

**Marketing and Area Promotion Reserve**

To fund the City's contributions and expenditure on tourism, marketing, area promotion and events activities as a result of MERG funding allocations.

**31. Reserves – Cash/ Financial Asset Backed (Continued)**

**Restricted by Council (Continued)**

**Naturaliste Community Centre Building (NCC) Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**New Infrastructure Development Reserve**

For the purpose of setting aside funds to facilitate the identification, design and development/construction of new infrastructure and other capital projects as identified in the City's LTFP.

**Other Infrastructure Reserve**

To provide funding for the major maintenance and renewal of other infrastructure not specifically provided for in other reserves.

**Parks, Gardens and Reserves Reserve**

To provide funding for the major maintenance and renewal of Parks, Gardens and Reserves within the District.

**Performing Arts and Convention Centre Reserve**

To provide funds for the planning and construction, and holding of grants or other funds for a future Performing Arts and Convention Centre for the District.

**Plant Replacement Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future requirements with respect to Plant and Equipment assets excluding those in independent commercial operations.

**Port Geographe Development Reserve (Council)**

To provide funds for capital and maintenance costs for development works associated within the Port Geographe contribution area.

**Professional Development Reserve**

To provide funding to meet the City's ongoing contractual professional development obligations of employees.

**Railway House Building Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**Road Asset Renewal Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future requirements with respect to Road Infrastructure assets within the District.

**Sick Pay Incentive Reserve**

To provide funding to meet the City's obligations under a former sick leave incentive scheme pertaining to staff employed pre 2003.

**Strategic Projects Reserve**

To provide funds for projects which may create a future revenue stream for the City and reduce reliance on rate revenue.

**31. Reserves – Cash/ Financial Asset Backed (Continued)**

**Restricted by Council (Continued)**

**Vasse Sports Pavilion Building Reserve**

To provide funding for the construction, major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**Waste Management Facility and Plant Reserve**

To provide funding for development and rehabilitation of waste disposal sites both within the district and regionally. Acquisition of waste plant and equipment and any other waste management activities that include legacy matters due to contaminated sites within the District.

**Winderup Aged Housing Reserve (City Controlled)**

To hold funds to meet future expenses, including capital, maintenance, operational and administrative costs associated with the provision of council owned community aged housing.

**Workers Compensation and Extended Sick Leave Contingency Reserve**

A contingency fund to assist the City in meeting its Workers Compensation Contribution obligations when claim costs exceed the "Deposit" amount allocated to claims, to fund any shortfall with respect to insurance premiums in any one year, negotiated settlements of outstanding claims, and to enable periods of extended Sick Leave to be funded with a replacement officer, and to assist with meeting annual leave payouts upon termination.

**Youth and Community Activities Building Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building and fit out requirements for the asset.

**Prepaid Grants and Deferred Works and Services Reserve**

To hold Government and third party grants monies received in advance as well as deferred municipal funded works and services as at the end of financial year.

**Airport Infrastructure Renewal Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and installation of Airport Infrastructure, Plant, Furniture and Equipment.

**Airport Noise Mitigation Reserve**

To be utilised for the purpose of noise mitigation related activities surrounding the Airport precinct.

**LED Street Lighting Replacement Program Reserve**

To provide funds for the on-going replacement of street lighting throughout the district with LED capacity.

**Lou Weston Oval Pavilion Reserve**

To provide funding for the major maintenance, renewal, replacement, upgrading and future building fit out requirements for the asset.

**Waterways Restoration Reserve**

To provide for any works required to rejuvenate, revive or rectify natural waterways within the Busselton district.

**31. Reserves – Cash/ Financial Asset Backed (Continued)**

**Restricted by Council (Continued)**

**Peel Terrace/ Causeway Road Building Reserve**

To allocate and use any revenue received in respect of the Peel Terrace/ Causeway Road Building, to maintain and repair all buildings and structures and to maintain the grounds and facilities of the Reserve.

**32. Trust Funds**

Funds held at balance date which are required to be held in trust and which are not included in the financial statements are as follows:

	<b>Balance 1 July 2022 \$</b>	<b>Amounts Received \$</b>	<b>Amounts Paid \$</b>	<b>Balance 30 June 2023 \$</b>
Builders Registration Board Levies	73,531	482,891	(476,949)	79,473
Building Training Levy	14,889	84,708	(84,036)	15,561
Cash in Lieu of Public Open Space	145,139	226,268	0	371,407
Contiguous Local Authorities Group (CLAG) Funding	25,549	5,241	0	30,790
Nomination Deposits	0	0	0	0
	<b>259,108</b>	<b>799,108</b>	<b>(560,985)</b>	<b>497,231</b>

# Keeping In Touch With What We Do

Keep up to date with what is happening at the City of Busselton and also within the region through the following websites, plus keep in touch on Facebook and Instagram.

## ***City of Busselton***

**[www.busselton.wa.gov.au](http://www.busselton.wa.gov.au)**

Information about the City of Busselton Council and City services including information for residents, development across the City, investment opportunities, rates, City plans and publications, and community funding.

## ***Art Geo Cultural Complex***

**[www.artgeo.com.au](http://www.artgeo.com.au)**

What's on at ArtGeo and access to ArtGeo's online shop and gallery.

## ***Geographe Leisure Centre Naturaliste Community Centres***

**[www.busseltonleisurecentres.com.au](http://www.busseltonleisurecentres.com.au)**

View information and schedule of leisure centre classes, facilities, services and memberships.

## ***Busselton Libraries***

**[www.busseltonlibraries.com.au](http://www.busseltonlibraries.com.au)**

Information about our libraries, library collections, programs and events.

## ***Community Engagement and Consultation***

**[www.yoursay.busselton.wa.gov.au](http://www.yoursay.busselton.wa.gov.au)**

The online engagement portal where residents, ratepayers and visitors can share thoughts and ideas on a range of Council activities and community developments.

## ***Busselton Margaret River Airport***

**[www.busseltonmargaretriverairport.com.au](http://www.busseltonmargaretriverairport.com.au)**

Get flight schedules, airport operations, and commercial opportunities at the airport.

## ***Busselton Jetty***

**[www.busseltonjetty.com.au](http://www.busseltonjetty.com.au)**

Information about the services and facilities provided at the City's Busselton Jetty Tourist Park.

## ***Sister City Association***

**[www.bascca.asn.au](http://www.bascca.asn.au)**

Learn about our sister City relationship and exchange program with Sugito, Japan.



# Connecting with Council

## Connecting with Council

### Community Access Sessions

Community Access Sessions (CAS) provide an opportunity to raise for discussion any topic that you are passionate about.

### Public Participation Sessions

Public Participation Sessions provide an opportunity for you to discuss with Council items on the current Council Agenda.

### Council Meetings

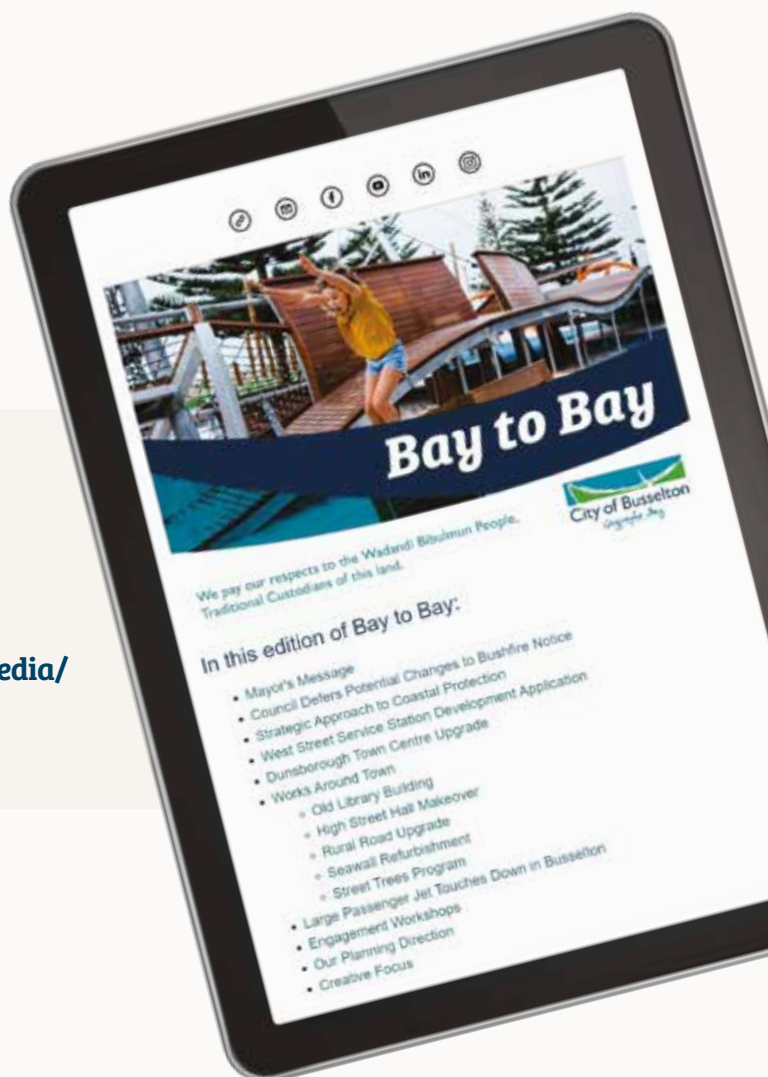
Members of the public can attend Council meetings which are also live streamed on the City's YouTube channel. There is an allocated public question time at each meeting.

### When is Council in Session?

Dates of Council Meetings, Public Participation and Community Access sessions are available on the City website.

**Subscribe to our newsletter to receive the latest Council information in your inbox each month.**

**[www.busselton.wa.gov.au/connect/news-and-media/bay-to-bay-e-newsletter](http://www.busselton.wa.gov.au/connect/news-and-media/bay-to-bay-e-newsletter)**



*Where environment, lifestyle  
and opportunity meet*



*Where environment, lifestyle  
and opportunity meet*



Join Our Community



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