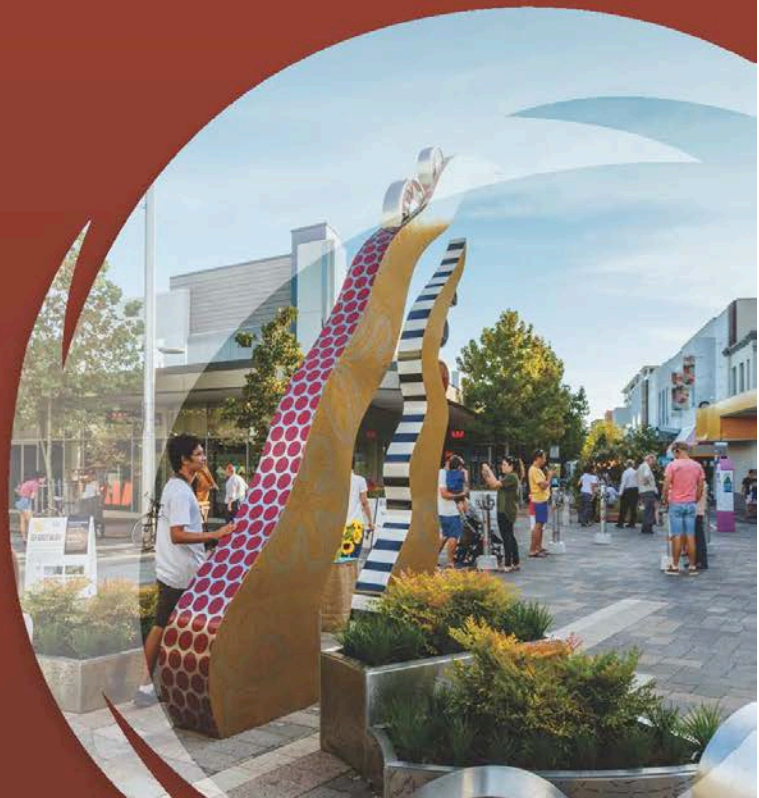


TOWN OF CLAREMONT ANNUAL REPORT 2015-16



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MAYOR'S MESSAGE

I am proud to present to you the Town of Claremont's 2015-2016 Annual Report. A document that confirms our sound fiscal state as we progress with redevelopment of some of the Town's major facilities including the Claremont Aquatic Centre, the Golf Course and the Freshwater Bay Museum.

The redevelopment of these significant community assets will ensure we continue to provide opportunities for well-being, community connection and quality of life for future generations.

We are working hard to achieve your vision for the future as outlined in the Strategic Community Plan *Claremont Ahead 2023*. Along with the Town's Corporate Business Plan, this document encapsulates the community's aspirations for the next 10 years and provides clear direction for the organisation to work towards to achieve this vision.

Our extensive annual calendar of events, both large and small, has strived to be inclusive of all generations and the varying interests of our local community. This year we held music concerts, movie nights, history presentations, workshops for seniors, school holiday activities, playgroup days and art events. We continue to implement initiatives to activate the town centre and promote Claremont as the premier place to shop, dine and be entertained.

I would like to acknowledge my fellow Councillors for the commitment and dedication they have demonstrated toward maintaining stable governance. I would also like to formally recognise the leadership of CEO, Stephen Goode, and his team for delivering positive outcomes for the benefit of the Claremont community for many years to come.

It has been yet another successful year at the Town of Claremont and I believe this Annual Report is testament to this.

Jock Barker
Mayor



CHIEF EXECUTIVE'S MESSAGE

It is with great pleasure that I present the Town of Claremont's 2015-2016 Annual Report, a time in which we reflect on this year's achievements and plan for the future needs of our community, all in a financially responsible manner.

This year the Town commenced some exciting redevelopment projects focused on upgrading assets to meet community needs. When complete the \$8.5 million Aquatic Centre upgrade will include an indoor heated pool, new change rooms, a water play ground and new administration facilities. The Aquatic Centre project is in the planning phase, with works to commence in the second half of the next financial year. The Claremont Golf Course is being redesigned and the club rooms are to be upgraded to bring the course to a higher playing standard, boost visitation and reduce the annual ratepayer subsidy. Works commenced this year on the \$1 million upgrade with the course estimated to reopen in March 2017. The Freshwater Bay Museum will also be upgraded to maximise the use of the available space and to enable the Museum to continue deliver outstanding programs and exhibitions highlighting our cultural heritage.

The Get into the Claremont Life program continues to be popular with residents both young and old. In August, our second annual Art Award and Exhibition attracted over 150 entries from Western Australian artists. In November, we launched a new event – A Night on Bay View, with Claremont turning out to sample fine food and enjoy a performance by renowned Australian singer Christine Anu. In April, the Claremont Town Centre came alive for the Art Transforming Claremont festival. Activities included art installations, a performance by Claire Bowditch, public murals and creative workshops.

As prioritised by our Asset Management Plan, the Town of Claremont completed more than \$1 million in road rehabilitation, stormwater drainage and footpath upgrade works. The Town's parks, reserves and foreshore received \$260,000 in works and upgrades. In the last six years 6700 street trees were planted, resulting in an additional 1200 trees – all as part of the Town's Street Tree Master Plan. This year over 280 street trees were planted with a further 100 as part of the Claremont on the Park development.

The Claremont Town Centre team continued to work in partnership with the business community to promote Claremont as a vibrant shopping and entertainment district through a number of marketing initiatives developed to encourage people to visit and explore the Town. The social media campaign #claremonttowncentre was launched, a destination guide published and events, workshops and activities took place. This work was enabled by the specified area rate, which is matched by Council.

The Town continues to support residential development in line with State Government policy. Located around Claremont Football Oval, LandCorp's Claremont on the Park development continues to take shape. This project addresses urban sprawl and community connectivity by promoting a development adjacent to the Claremont Train Station. Set across 9.4 hectares, the new development will include ~1000 new homes, shops and businesses. The Town has also adopted a Local Development Plan focused on apartment style development east and west of Stirling Highway, using land reserved for the highway.

Together these initiatives will exceed the Town's density targets while at the same time delivering improved amenity and services for existing and future residents.

We are now three years into our Strategic Community Plan, Claremont Ahead 2023. This plan outlines our vision for the future and, along with the Corporate Business Plan, provides a clear direction for the Town to work towards to achieve our community's aspirations. I am proud to be the Town's CEO and lead a committed team of officers who strive to achieve our values – respect, integrity, communication, customer service and excellence - every day. I present this Annual Report as proof of our commitment to servicing the needs of our local community.

Stephen Goode
Chief Executive Officer



ELECTED MEMBERS

The Town of Claremont Council is made up of a Mayor and nine Councillors, who are elected by popular vote. Each member is elected for a four-year term and the terms are staggered so that only 50% of the Councillors terms expire at each biennial election. There are three wards: East, West and South with each ward represented by three Councillors.

Members of the Claremont Town Council for the 2015-2016 period were:



His Worship the Mayor

Jock Barker

Term expires 2017



Cr Chris Mews
South Ward
Term expires 2019



Cr Jill Goetze
South Ward
Term expires 2017



Cr Paul Kelly
South Ward
Term expires 2017



Cr Karen Wood
West Ward
Term expires 2017



Cr Peter Browne
Deputy Mayor
West Ward
Term expires 2019



Cr Peter Edwards
West Ward
Term expires 2019



Cr Alastair Tulloch
East Ward
Term expires 2019



Cr Bruce Haynes
East Ward
Term expires 2017



Cr Kate Main
East Ward
Term expires 2019

ORGANISATIONAL OVERVIEW



Executive Team & Functions

The Town of Claremont is led by Chief Executive Officer, Stephen Goode, who operates under the guidance of the elected council.

The Town delivers its services to the community through four directorates, each of which is led by an Executive Manager. They are responsible for providing open, accountable leadership.

Chief Executive

The Chief Executive is responsible for the leadership and management of the organisation; maintaining statutory compliance; effective external relationships; business improvement and the Integrated Planning Framework.

Corporate & Governance

Provision of the following internal services: Information Technology; Finance; Property & Leasing; Governance and Risk Management; and Record Keeping. In addition, the Town's Environmental Health & Ranger Services, and the Aquatic Centre.

People & Places

Responsible for the following areas: Marketing and Communications services; Human Resources; Occupational Safety and Health; Organisational Development, Community Development and Place

Making; Freshwater Bay Museum; Claremont Community Hub and Library; Claremont Now (Economic development) and Customer Relations.

Planning & Development

Helps shape the physical layout of the town; strategic planning to guide development, statutory planning, building services and compliance.

Infrastructure

Manages the Town's public parks and gardens; street trees and foreshore; environmental sustainability; engineering and asset management.

MISSION, VISION AND VALUES OF THE TOWN

OUR VISION

Claremont will develop as a harmonious cosmopolitan town creating opportunities for community wellbeing and business prosperity; whilst respecting and celebrating the past.

OUR MISSION

We exist to deliver quality services for Claremont today and to build the foundation for the future.

OUR VALUES

Respect	We are responsible for how we behave in our workplace and will show respect and courtesy to all of our customers and colleagues
Integrity	We are open, accountable and honest
Quality Communication	We demonstrate our respect for our community and each other through timely, accurate and understandable communication
Customer Service	Every contact with a customer is important and an opportunity to demonstrate our commitment
Excellence	Our focus is quality outcomes achieved on time, on budget

KEY FOCUS AREAS

KEY AREA	
Liveability	We are an accessible community, with well maintained and managed assets, and our heritage preserved for the enjoyment of the community.
Prosperity	Our businesses are thriving and integrated into the life of the Claremont community, and the town centre is known as a premier retail destination.
People	We live in an accessible and safe community that welcomes diversity, enjoys being active and has a strong sense of belonging.
Environment	We are a leader in responsibly managing the built and natural environment for the enjoyment of the community and continue to provide sustainable, leafy green parks and outdoor spaces.
Leadership & Governance	We are an open and accountable local government that encourages community involvement and strives to keep its community well informed.

GOAL 1 LIVEABILITY

Infrastructure

A summary of the projects completed in 2015-16 is outlined below:

PROJECT	LOCATION
Road rehabilitation and asphalt resurfacing	<ul style="list-style-type: none"> • Goldsmith Road • Smith Street • Stirling Road • Renown Avenue • Wright Street • Mount Street • Fraser Street • Victoria Ave • Cornwall Street • First Avenue • Bellevue Street • Freshwater Close • Evelyn Road • Guger Street
Footpath upgrades	<ul style="list-style-type: none"> • Servetus Street • Langsford Street • Mary Street • Stirling Highway (North Side) Reserve St to Walter St • Shenton Place • Stirling Road (East side) • Shenton Road (North side) • Shenton Road (North side) • Fraser Street • Servetus Street • Kingsmill Street • Chester Road • Vaucluse Street (West side) • Brown Street (West side)
Traffic Management Treatments	<ul style="list-style-type: none"> • Leura Avenue additional right turn lane to Stirling Highway • St Quentin Avenue and Stirling Road intersection upgrade • Freshwater Parade on road cycle lane
Asset Management Plans	<p>Asset management plans were adopted by Council in September 2013 for Footpaths, Roads, Drainage, Street Infrastructure, Public Open Space and Buildings.</p> <p>Asset Management Plans identify risks, tabulate existing levels of service and provide 5 to 20 year expenditure forecasts. The cost of existing infrastructure has also been averaged over expected lifespan of assets for the annual expenditure required to maintain what we have.</p>
Building Asset Management	<p>Meals on Wheels universal access toilet Construction was completed with a new universal access toilet.</p>

Urban Planning

Following on from the Town's 2012 Housing Capacity Study, the Town progressed the Local Development Plan (LDP) for Stirling Highway through to adoption by Council. The LDP addresses future residential housing opportunities along and adjacent to Stirling Highway resulting from the Metropolitan Region Scheme Amendment to reduce the Primary Regional Road Reservation from approximately 80m to 40m. The LDP, together with the forging ahead of subdivision and development in the North East Precinct – "Claremont on the Park" with the occupation of the first set of apartments (234 developed by Georgiou), will assist the Town in reaching its housing growth targets set by the State Government. The Loch Street Station Precinct LDP also progressed to assist the Town in achieving the future growth obligations, and also to improve the amenity and services of that precinct.

Statutory Planning

The Planning Services Unit accepted 196 development applications and processed 197 applications by applying the provisions of its Town Planning Scheme (TPS3 – augmented by the new deemed provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015*, guidelines and policies and the Residential Design Codes. The value of the development application fees totalled \$172,175 (for development valued at \$48,653,593 for the financial year. The number of applications accepted and processed during the year decreased by approximately 9% compared to the previous year, as did the values of application fees (35%) and development value (67.5%).

The Planning Services Unit endeavours to ensure that all development applications are approved within the 60 and 90 day statutory periods applicable under the deemed provisions of the *Planning and Development (Local Planning Schemes) Regulations 2015*, however 74% achieved this goal (24% improvement from last year) with an average time period of 58 days. When applicant delays are taken into account, 92% applications were determined within the statutory periods (17% improvement on last year) with an average time of 38 days (nine days faster than last year). Six development applications were lodged for Review with the State Administration Tribunal (five more than last year).

Public Art

Through the Town's public art policy, the Town has contributed to improving the civic space and building community pride with annual public art installations. Some artworks include:

1. "Half Way Tree" (ground floor reception at Number One Claremont)
2. "A Breath of Fantasia" (Avion Way)
3. "Cycle of Life" (Intersection of St Quentin Avenue and Avion Way).

In April 2016, the Town implemented its annual arts festival 'Art Transforming Claremont' which saw the creation of several temporary art installations on shop fronts windows, as well as 23 temporary creative installations throughout the town centre.



Temporary public art installations – Art Transforming Claremont 2016

Building Services

Building Services assessed and approved 282 building permits over the 2015-16 year, representing a 15.6% increase on last year. This included 24 demolition permits, 26 occupancy permits, three building approval certificates and seven sign licences.

The value of the application fees received for all approvals issued totalled \$198,422 for the financial year, an increase of 4.52% on last year.

The Town has 637 registered pools. Pool inspections occur every four years and a new round of inspections commenced in the financial year. A total of 243 pools were inspected during the year and 195 were found to be compliant, with 42 requiring modifications to comply.

Heritage

Throughout the year the Town's Heritage Officers have been completing a review of the Heritage Schedule, attached to Town Planning Scheme No. 3. The Heritage and Planning Administration Officers have also been digitising the heritage records and uploading them to the inHerit database on the State Heritage Office's website. Once complete, this will allow the local community to search heritage-listed properties and easily access information about the heritage status of places, historical information and planning related details. The project further fulfils the objectives of the Town's Heritage Master Plan and will make Claremont one of the first local government authorities to have completely digitised its heritage records.

The Heritage Team provided the Planning Department with 65 reports on development applications for heritage-listed places, which shows an increase in heritage related development applications this year. The Heritage team has assisted with large-scale heritage projects, such as the Goods Shed refurbishment, which is an excellent example of adaptive reuse and restoration.

The Civic Design Awards programme took place in May 2016. There were submissions in all of the categories: Additions to Heritage Places, Conservation of Heritage Places, New Buildings and Special Projects. The submissions reflected the value which the local community places on its heritage stock and the amenity it provides the locality.

Ranger Services

This year has seen a continuation of the large scale development around the Town. The largest of these, the Claremont in the Park is still ongoing and the first stage of the development on Davies Road has been completed and now occupied by new residents. A Multi storey residential development on Freshwater Parade has also been completed. With any large scale building projects pressure has also been placed on the surrounding streets for parking. The Town's Rangers have worked closely with the project managers to alleviate concerns from residents and have continued patrolling regularly. A Major development in our neighbouring Council also created some challenges for staff in managing the loss of available parking to our residents and their visitors.

The location of this year's Pets in the Park was changed to Claremont Park in Claremont and in doing so saw the number of visitor's increase in the Town on the day. This was a very well organised and successful run event that was run by the Ranger Team at the Town. Next year the event will be held at College Park in Nedlands in late March to early April 2017.

Animals

This year's "Pets in the Park" was held at Claremont Park in April 2016 and was well attended with approximately 25 pet supply stalls and it was estimated that 600 people attended. A dog show with prizes and dog agility training and demonstrations were also conducted. Also there was free vet advice; discounted Microchipping; pet grooming demonstrations and a sausage sizzle. This is run in conjunction with the Town of Nedlands, PAWS and The Swanbourne Vets. The next event will be held in 2017 at College Park in Nedlands and it is hoped that this event will attract more unusual pets and more visitors from the wider community.



Parking

Rangers and Parking Officers continue to work with the businesses in the CBD to increase better turn over in customers. The Towns Rangers are also working closely with builders on construction sites on parking needs and requirements within the Town. With the introduction of Pinforce parking enforcement and infringement management system has given better reporting system and assist the officers in monitoring different locations.

Bush Fire Compliance

Rangers completed annual comprehensive inspections on properties, including vacant lots during the bush fire risk period. Rangers managed the program, including the initial inspections and follow up inspections to ensure owners have complied with the Bush Fire Act 1954. Rangers continue to work closely with DFES regarding upgrades to the bush fire prone areas within the Town's Boundaries.

Royal Show & Concerts

Rangers attended to various issues during the Perth Royal Show, Caravan and Camping Show and concerts that were held at the Claremont Showgrounds during the year:

Parking

With the redevelopment around Claremont Oval has since parking areas reduced, along with the construction work operating during events has made planning for large events more important along with the traffic management plans. However there is still a high number who disrespect parking restrictions, private properties and the traffic management plan.

Antisocial Behaviour

This year witnessed antisocial behaviour going to a different level at a number of the major concerts that lead to major concern not only to staff but the community. A greater security presence was noted at some events and local police continued to support. The exclusion zone around the showgrounds along with security presence did assist with antisocial behaviour but only in some areas.

Health Services

Health Services operates within the framework of four primary pieces of legislation being the *Health Act 1911*, *Food Act 2008*, *Waste Avoidance and Resource Recovery Act 2007* and the *Environmental Protection Act 1986* and all subsidiary legislation.

The *Health Act 1911* delegates responsibility to Local Government in a number of areas including, public buildings, nuisances, water quality, infectious diseases, and administration of health local laws.

The *Food Act 2008* authorises the Town of Claremont as the Enforcement Agency for all food related businesses including temporary and mobile food vendors located within the boundaries of the Town, including the Royal Agricultural Society Show Grounds.

2016 saw the introduction of the *Public Health Act 2016*, the Act when fully implemented will see a developmental change in the legislative process of the service of health delivery moving towards a risk based model, similar to that of the *Food Act 2008*. This will present a significant shift in the way health is managed to become a more proactive approach, in keeping with the change in the Town's current delivery of services.

Health Services introduced the initiative of 'Scores on Doors' for all food businesses to recognise and promote businesses that have high level of food safety and understanding of the *Food Act 2008* and

the *FSANZ Food Safety Standards* and promoting greater community understanding of food safety while enhancing the businesses' profiles.

The Town has seen the introduction of several new small bars adding to the lifestyle of night venues available for residents and visitors to the area. Health Services has adapted existing programs and services for healthy living and healthy communities to include changes to alcohol use in venue types other than traditional licensed premises such as hotels, pubs and restaurants.

While recent changes has been a significant focus, Health services has continued regular food business and public building inspections, and food and water sampling and special projects in mosquito monitoring, microbiological and chemical analysis of foods and attending all events.

The core Health Services work performed includes:

- Inspections and sampling of water of all aquatic facilities including public complex pools and spas.
- Conduct routine risk based food premises inspections, investigate all food borne infections, and licensing all food businesses and vendors.
- Conduct regular Public Building inspections to ensure compliance with the *Health (Public Building) Regulations 1992* including fire safety, emergency exits and public safety.
- Undertake routine inspections of hairdressers, skin penetration and nail salons to ensure communicable disease control.
- Investigate and monitor communicable and enteric disease within the community.
- Investigate and respond to noise complaints, including neighbourhood noise, concerts and construction noise.
- Attending all events including night markets, concerts and the RAS Perth Royal Show, monitoring of crowd numbers, emergency management and public safety, noise monitoring and ensuring the delivery of safe food to the public.
- Health services administrate activities in the Town through the Activities on Thoroughfares and Public Places Local Law, to ensure that operators are operating in a manner that is nonthreatening and within the legislation.
- Attending and input into external state, not for profit and private stakeholders to ensure the promotion and enhancement of the health outputs for the Town and greater community.
- The Town continues the commitment to waste reduction and working toward the Federal Government initiative of Zero Waste to landfill, by the Town's involvement in the Western Metropolitan Regional Council and the development of the Waste Management Local Law to encourage responsible disposal of waste.

GOAL 2 PROSPERITY

This financial period was the fourth year that Council has committed to supporting the business district by implementing a Specified Area Rate (SAR) relating specifically to the commercial properties bounded by Stirling Highway, Stirling Road, Guger Street and Leura Avenue in Claremont for the purpose of executing activities.

The approved purposes for which the rates may be expended are:

- Marketing, advertising, publicity, digital media
- Improved signage/way finding
- Festivals and street activities promoting economic development



This initiative is driven by representatives from the town centre business community and Council with funding generated through the SAR, and matched dollar for dollar by Council.

Many new initiatives were implemented during the year to further support local economic development and help to redefine Claremont as a premier place to visit, shop and be entertained.

Achievements working with the Claremont Now Board included:

- A range of place making events and activities
- Managing a specific town centre focused website
- Monthly newsletters for the business community and use of social media
- Creation of a brand for the town centre and related advertising

GOAL 3 PEOPLE

Freshwater Bay Museum

The exhibition *Western Suburbs at War* which closed in December was visited by more than 3,900 visitors. Among the visitors was the Hon. Julie Bishop MP, who attended as a representative of the Anzac Centenary Local Grants Program, which partly funded the exhibition. A new exhibition, *School Days* opened in February. It looks Education and how going to school in Claremont has changed over the last 150 years. The exhibition is accompanied by a program of family friendly activities which is attracting younger audiences.

Public Programs continued throughout the year, including the well attended bimonthly *History in a Coffee Cup* series, the 40th Anniversary celebration of the Museum, intergenerational activities with Playgroup WA and the popular *May in May* event, to celebrate the life and works of May Gibbs.

A five year plan '*Future Directions 2016-2021*' has been tabled to the Town, following an in - depth review of the Freshwater Bay Museum's facilities and services. A briefing paper was developed to look at the current status of the Freshwater Bay Museum, highlighting opportunities and constrains. The consultation process included feedback from Elected Members and two stakeholders' workshops, one with the volunteers at the Museum and one with the Friends of the Freshwater Bay Museum. This was followed by a survey sent to all households in Claremont. A survey was also sent to all teachers who participate in the Education Program. As part of the Future Direction Plan the Museum is undertaking a Facility Development Plan to upgrade its facilities.

Statistic for 2015/16 show that volunteers contributed 1780 hours, while 1943 children attended the Education Program.



Freshwater Bay Museum

Claremont Aquatic Centre

The Claremont Aquatic Centre is a heated outdoor community facility that operates all year round. The centre comprises an 8-lane 50m pool with dive pool and diving boards, 7-lane 25m pool, toddlers pool, large open grassed areas with BBQ facilities, children's play area, club rooms and a cafe.

The centre attracts 230,000 customers per year and offers a wide range of services including:

1. lap swimming
2. Squad training
3. Synchronised swimming
4. Water polo
5. Aqua aerobic classes
6. Learns to swim programs
7. Swimming carnivals
8. Holiday programs

As well as the daily programs, the centre also hosted a range of events including movie nights, family fun days, two pool parties and an Australia Day BBQ. The family orientated events were very successful with several hundred participants walking through the doors to enjoy the activities.

The events fun days and pool parties featured dive boards, bungee runs, bouncy castle, mechanical surf boards, pool inflatable's and over half the pool for general play. The Australia Day BBQ continues to grow drawing many families from all over Perth to the centre.

Claremont Aquatic Centre



Centre Redevelopment

The centre redevelopment continues to progress with the design team working on a design for the new facility that includes:

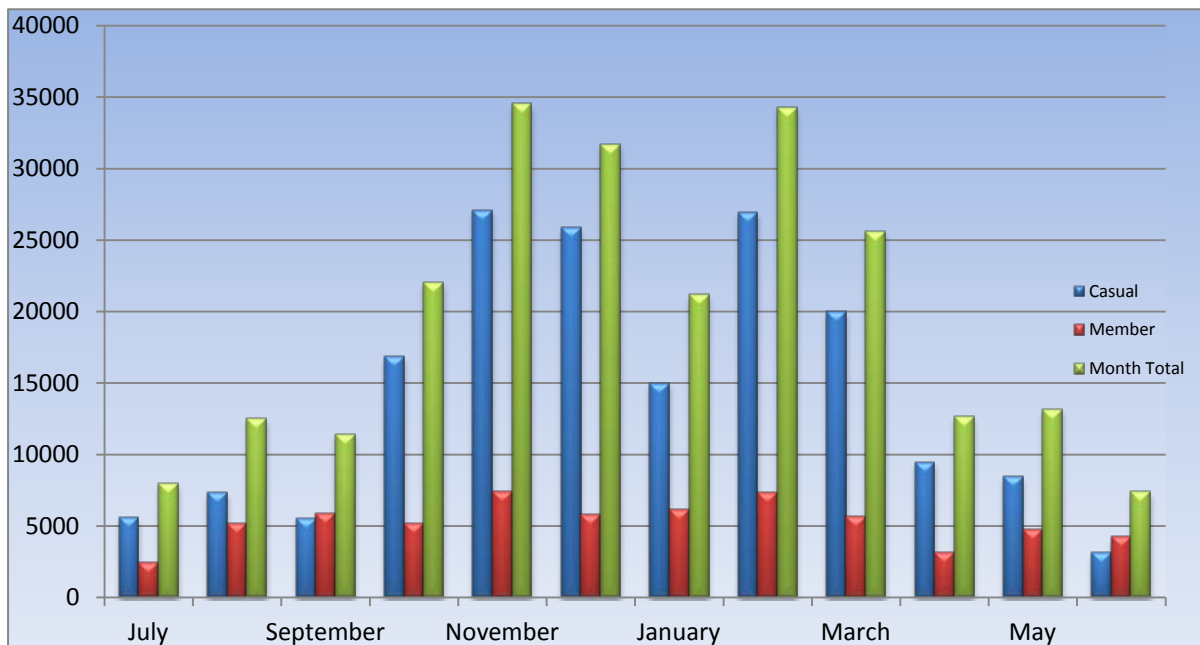
1. an indoor heated program pool
2. water treatment and mechanical services plant rooms
3. new male, female and a family change rooms
4. new reception and administration facilities

5. group fitness room
6. enhanced café facilities
7. a water playground
8. improved upper level car parking areas

A funding application has also been submitted to the Department of Sport and Recreation with the successful applicants being announced in January 2017.

Claremont Aquatic Centre Visitation Numbers for 2015 - 2016

Month	Total		
	Casual	Member	Month Total
July	5581	2413	7994
August	7353	5209	12562
September	5524	5864	11388
October	16826	5204	22030
November	27115	7396	34511
December	25872	5818	31690
January	15021	6183	21204
February	26934	7367	34301
March	19960	5670	25630
April	9470	3165	12635
May	8453	4736	13189
June	3136	4238	7374
Year Total	171245	63263	234508



Claremont Community Hub & Library

The Claremont Community Hub & Library enrolled 526 new members with 3,692 active members. The door count indicated 51,978 visitors to the library. A total of 62,520 loans were made from the library an increase from 2014-2015.

Programs for Children

Programs for children are strongly supported with the weekly delivery of Baby Rhyme Time and Story time to 2,188 participants. Special story times were held at Claremont Quarter for National Simultaneous Storytime, Children’s Book Week and Skyping Santa. Constable Care Puppet Show was another popular storytime event.

Children’s Book Week sessions were delivered to over 1,000 students by 5 presenters at 5 local schools. Three schools entered the school art competition judged by the Mayor.

Lego Club was held every Friday after school with 681 children attending this fun one hour activity.

The Better Beginnings Plus program was presented to 125 Kindergarten students at 4 local Primary Schools. Apart from staff time, this program is funded by the State Library of Western Australia.

School holiday activities included the Summer Reading Challenge, West Oz Wildlife, Magic workshop and cooking and craft projects.

New initiatives included the “Sing with Me” program and Homeschooling. The “Sing with Me” launch by Rebecca Flanagan was attended by 48 participants, who received a backpack of goodies, including a book, provided by the State Library of Western Australia. Local homeschoolers were invited to attend a session at the CCH and Library just for them – an opportunity to showcase what the library has to offer.

Programs for Adults

The library continues to provide a learning culture in the Community Hub delivering computer skills through the Broadband for Seniors program. The 3 computers used in the delivery of this training have been upgraded to run Windows 10 with a touch screen interface. During Seniors Week, Library Information Week and Adult Learner's Week training programs support the use of our eResources from the library web site.

The public PCs were accessed by 5,040 users accessing 3,047 hours of computer time.

Foreign language conversation sessions continue to support Chinese, Italian and French language learning. The library creates the opportunity for speakers of these languages to practice their skills in an informal setting on a weekly basis.

Other initiatives introduced include:

1. German and English conversation sessions (weekly)
2. an evening Book Club (monthly)
3. Knitting Club (weekly)
4. Creative Writing Group (weekly)
5. Mah Jong Club (weekly)
6. Pop up Volunteer Centre (Nedlands Volunteer Centre) (weekly)
7. Supporting "Little Libraries" with second-hand books

The number of volunteers supporting the delivery of library programs continues to grow and is paramount to the success of the library service.

Claremont Golf Course

The course continues to provide the facility for those new to the game to play at their own pace whilst getting a feel for it, and for those that are working on their game and their handicap who can play 9 short holes honing up the skills required. Local schools in the area continue to have the course on their sports list, which is great to see them out in the open air. We are also getting a number of enquiries from organisations interested in a group play at the course.

Course usage numbers over the past year were in excess of 10,200 but many more could enjoy without interruption. The average weekly visitors playing golf are 190 to 200.

In early 2016 the Council decided to upgrade the golf course including new tees and greens and reticulation system. It was decided to close the course from 30 June 2015 and reopen after the upgrade in March 2017 with a private lessee as the operator of the course.

Community Development

Access and Inclusion

For the last year, the Town implemented the outcomes of the 2012-2016 Disability Access and Inclusion Implementation Plan. These outcomes were achieved in line with the Disability Access and Inclusion Plan. The Plan is a State legislative requirement.

In 2016 a new plan will be created and set goals and outcomes for the next five years. This process will be undertaken through a consultant.

Outcomes Achieved in 2015-2016

1. Access facility improvements (eg: pram ramps, concrete and asphalt path) were included as part of all capital and renewal streetscape park upgrade works in Thomson Road, Wilson Street, Goldsworthy Road/ Princess Road intersection and Lake Claremont Park.
2. Upgrade of footpaths and pram ramps throughout the Town to universal access standards [addition of tactile markers] have been undertaken where requested as part of the programmed infrastructure maintenance work.

Community Funding

The Town's funding program which, Vibrant Claremont was successfully used for various projects. The program supports and promotes groups in Claremont that are creating initiatives that will have ongoing benefits to the Claremont Community.



Sport & Recreation

Sport and Recreation were financially supported by Department of Sport and Recreation to employ a Club Development Officer. The officer is a shared resource between Town of Mosman Park and Claremont and works two days a week.

The position creates an avenue for sporting clubs to liaise with a specialist to create opportunities in membership drive, club sustainability and marketing initiatives. A series of workshops were created to suit Claremont/Mosman Park Clubs that addressed the Clubs priorities. The outcomes of the workshop were successful and assisted Clubs with relevant knowledge to grow and develop.

The Officer supports and promotes recreational initiatives such as KidSport, Community Sporting and Recreation Facilities Fund, Community Volunteer Project and Club Talk that are available to assist our Clubs with resources and funds.

Community Events

The Town has focused on events for the community to raise and promote activation and social connection. The events are change and develop to meet the needs of the community.

Events in 2015-2016

1. Celebrate Lake Claremont
2. A Night on Bay View
3. LIVE Seniors Week
4. Christmas in Claremont
5. Art Transforming Claremont (joint with Claremont Now)
6. Twilight Cruise & Dinner
7. Sunset Cinema
8. Civic Events
9. Get into Health
10. LIVE Long Table Lunch
11. Art Award and Exhibition



Community Safety

The Licensed Premises Community Group meeting group met once every 3 months to discuss issues about community safety relating to Licensed Premises. Meetings are attended by Town of Claremont staff, owner/managers from Town of Claremont Licensed Premises, WA Police, local residents and Crime Prevention & Community Liaison Unit Representatives. The forum provides an opportunity for community members, licensed premises owners/managers and police to discuss safety matters in the Town. If residents wish to express concern about anti social behaviour in the area, they are encouraged to get in contact with Council.

The Snap/Send/Graffiti/Damage reporting application has continued to improve and support response times for the removal of graffiti and the damage to Council property has been reduced.

GOAL 4 ENVIRONMENT



Sustainability

Water saving

UWA Soil Amendment Project

The Town has been involved in this research project over the last three years to determine benefits of improvements to the soil in reducing water demands of turf and will aid establishment of new trees

Native Plant Subsidy Scheme

Each May the Town offer the residents up to 80 local seedling plants at half price from APACE nursery in North Fremantle. Around 1500 plants were purchased by locals this year for planting on verges and around gardens in the local area.



Parks & Reserves Upgrades

Claremont Oval and Lakeway Subdivision irrigation improvements

In August the two reticulation systems running both sites were converted to two wire central controllers which can be remotely controlled using a smart phone, PC or tablet. Any faults are reported in real-time to staff for attention, this avoids major losses as a result of pipe break or electrical faults.

Hatchett Park upgrade

A new double junior swing has been installed to compliment the other recent landscape upgrades in the park including the stencilled concrete, litter bin and re-landscaping with Waterwise species including Kalenchoe 'Flapjacks', Yucca and Campfire Crassula.

Natural Areas

Lake Claremont improvements

The Lake Claremont improvement project represents one of the largest ongoing restoration projects in Perth over last five years. Over 21,000 plants have been planted this last season, with now between 80% and 85% of the proposed Parkland natural areas now planted. Water Quality is improving and showing signs of increased micro-biota.

The Friends of Lake Claremont and the Town undertook a joint project to create gaps under fencing surrounding the lake to allow clear access for Oblong Turtles which are laying eggs in the planted areas. This winter has seen a number of turtle hatchlings making their way down to the lake.

Lake Claremont Management Plan 2016-2021

Lake Claremont Management Plan draft has been developed and will be made available to the public for comment. This document will provide further direction in the management of the natural and recreation areas of this important precinct over the next five years.

Foreshore Management Plan

Vulnerability assessment and management plan is being developed to provide strategies for managing assets both public and private which may be impacted by inundation, erosion and accretion. This document was adopted by Council earlier this year. Works identified include the improvement works to the Chester Road car park and Alex Prior Drain outfall.

Tree Management

Large Tree Management Program

Significant trees are inspected annually to ensure they are being managed in a programmed manner to give the community peace of mind. The outcome of this program has been that the incidence of tree failure during storm events is lower Town wide. This has also had a dramatic effect on premature tree removal. Inspections are carried out prior to the onset of winter to ensure works are undertaken prior to storm season.

Town wide street tree planting

Over 300 street trees have been planted this year. Street tree numbers have increased by over 20% in the last 5 years – this equates to 1000 trees across the town. The total number of street trees in the Town is over 6500.

Contracting of Parks operational activities

All reticulation, BBQ and playground inspections are being carried out by contractors using a find and fix strategy. This is working well to program the repairs and improve service levels of all parks furniture.

**Street tree master plan**

This has now been updated with species review in Stirling Road and uploaded to the website for the public to access.

Bore share with Claremont Oval

During the early planning phase at the Claremont on the Park development the Town worked with LandCorp to connect all the public open space into the existing bore at Claremont Oval.

This saves the capital, maintenance and operating costs associated with unnecessarily duplicating infrastructure.

GOAL 5 LEADERSHIP & GOVERNANCE

Policies & Local Laws

All Council policies were reviewed during the 2015-16 year, with the following new and amended policies adopted.

New Policies

1. LG528 – Gifts to Terminating Employees
2. LG529 – Appointment of Acting Chief Executive Officer
3. LV124 – Retention of Heritage Places, Heritage Areas and Heritage Precincts
4. LV130 – Heritage Maintenance Grants

Amended Policies

5. LG511 – Investments
6. LG302 – Road Verges
7. LV106 – Vehicle Access Crossovers
8. LG125 – Footpaths
9. LV127 – Dogs in Public Places

A copy of Council's Policy Manual is available on the Town's website.

Local Laws

The Town's Parking Local Law 2016 was adopted during the 2015-16 year with its predecessor (Parking Local Law 2012) repealed.

Council approved advertising of a new Site Erosion and Sand Drift Local Law in June 2016. This was adopted in September 2016 and became effective on gazettal on 14 October 2016.

Finance

The Finance Unit supports the operations of the Town through the provision of budgeting services, financial management and statutory reporting, accounts payable, accounts receivable, rates, payroll, Fringe Benefit Tax and Goods and Services Tax reporting.

Key projects undertaken each year by the unit include preparation of the annual budget, issue of rate notices (initial and instalments), and completion of the annual financial statements. As has been the practice in recent years, budget preparations are commenced and finalised to enable rate notices to be issued as early as possible in the new financial year. This continues to support Council's cash flow position and capacity to commence and or continue key works.

To streamline payroll function, Employee Self Service (ESS) was tasked by corporate service in 2015-16 budget. ESS is web-based applications that provide employees with access to their personal records and payroll details. ESS also allows administrative tasks like applying for a leave, completion of timesheet, requesting for overtime payment and viewing of pay history. This significantly reduced staff to rely on Payroll to perform administrative tasks which helped in improving efficiency and reducing costs. ESS was successfully implemented with assistance from Business Improvement and IT Team.

The sound operating result assisting to fund \$4,034,490 in asset renewal and upgrade, and a closing surplus of \$2,118,259 (\$879,591 of which is work in progress), continues to reflect Council's responsible and targeted financial management of its resources in delivering its strategic objectives.

Financial report provide measure of four financial and three asset ratios (Note 19 and following Note 34) which indicates that Town's financial and asset management sustainability. Overall Town's ratios remain well above the Regional & State averages; however Sustainability and Operating surplus ratio are below the Target Ratio as per the DLGC guidelines. These ratios were impacted by significant increase in depreciation expense (to be reviewed in 2016-17) due to Changes in the calculation of depreciation from assets valued at historical cost to fair value. Overall the trend from ratios (average over the years) indicate that Town remain sustainable and self reliant.

Records Management

The Town of Claremont's Record Keeping Plan (RKP) was reviewed by the State Records Commission on 7 August 2015 the next review due 2020. The RKP details how Council creates and keeps records and comprises documents which, when assessed as a whole, provide an accurate reflection of Council's record keeping program. Documents referenced in the RKP include the Disposal Authority and Record Keeping Policies and Procedures.

State Records Act 2000

Principle 6, compliance to the *State Records Act 2000*, states that the Annual Report should include evidence of the Council's work to maintain an efficient and effective record keeping system.

Activities in 2015-16 to support this included the following:

- The Town's induction program addresses employee roles and responsibilities in regard to their compliance with the organisations recordkeeping plan.
- Introduction of record keeping requirements into employee performance appraisal reviews
- The Town conducts a recordkeeping training program and the effectiveness of the training program is reviewed.

Freedom of Information Statement

The Town of Claremont received six applications for information under the *Freedom of Information Act* during the 2015-2016 financial year. No internal or external reviews were requested or conducted.

Partnering Initiatives

In 2015-16 the Town partnered with a number of external organisations to support our goals, including:

Organisation	
Town of Mosman Park	Provision of environmental health services
Claremont Town Centre	A partnership between the Town and Claremont town centre businesses to support local economic development
Main Roads WA	Various funding and grants (road rehabilitation and black spot), technical input and design approvals.
Friends of Lake Claremont	A partnership with volunteer association to preserve and enhance Lake Claremont
Claremont Tennis Club	Through the CSRFF program, the Town has partnered with the

	Claremont tennis Club to redevelop the facility
WESROC	Environmental projects; Environmental Improvement Committee, Transport Committee, Climate Change Adaptation committee
Shire of Peppermint Grove	To support the Freshwater Bay Museum's Education Program for local schools
FORM	A partnership to create vibrancy and activation in the town centre
WMRC	Regional provision of waste disposal. Town of Claremont disposes of putrescible waste at Brockway Transfer Station.
City of Nedlands	A partnership for the provision of building approvals, planning and building compliance and pool compliance.
Public Transport Authority	Technical guidance, support and approvals for the bus stops.
Department of Transport	Mainly the Cycling unit with grants

Communication and Consultation

The *Your Community Your Say* program developed to provide a platform for greater input from the community has proven successful. A number of consultation projects were undertaken in the financial year including; Freshwater Bay Museum visitation and usage, Claremont War Memorial proposed relocation.

A broad range of communication materials were produced over the financial period covering a range of communication and consultation projects. Some of these are included in the following list:

1. Town Talk monthly newsletter, 11 print editions for each of the local newspapers covering the Town of Claremont; The Western Suburbs Weekly and The Post.
2. Four quarterly editions of the Town Talk including the Special Budget edition, delivered to all households
3. Produced the *Get into the Claremont Life* 2015 Winter Spring Event Guide and 2016 Summer Autumn Event Guide plus associated individual event promotion including leaflets, postcards, print advertising, posters and banners
4. Promotional literature for the services provided by the town including; Claremont Community Hub & Library, children's programs and the various other workshops and programs, Claremont Aquatic Centre events, Waste & Recycling information calendar, publicity and promotion for the Freshwater Bay Museum including the Western Suburbs at War exhibition to coincide with the 100 Year anniversary of the Anzacs
5. Utilised opportunities to communicate the Town's projects, initiative and events through publicity
6. Commenced a monthly e-newsletter to promote the Claremont Community Hub & Library and an e-newsletter to promote upcoming community events.
7. Continue to utilise the Town's Facebook page to promote upcoming events and initiatives
8. Researched and responded to enquiries from state and local media

People Management

1. Staff Turnover rate for 2015-2016 increased to 17.75%

2. Rollout of new Performance Appraisal Cycle Procedure and Probation Review form – provided training to all staff
3. Provided Equal Employment Opportunity training to all managers
4. Completed Public Sector Commission Equal Employment Opportunity (EEO) Survey and WALGA Remuneration Survey
5. Training & Development – 47% of the budget was utilised. Corporate & Governance had the largest expenditure at 43%; People & Places 14%; Planning & Development 6%; Infrastructure 31% and Executive 6%
6. Conducted flu vaccination clinic on-site with new provider; tripled staff uptake by conducting on-site and reduced lost time.
7. Conducted skin cancer screening clinic; screened 37 staff, with 30% requiring referral for follow up.
8. Implemented new Corporate Gym Procedure, First Aid Procedure and Visitor Management Procedure and delivered ergonomics training session

National Competition Policy

Local laws are the subject of an ongoing reviews program, to ensure compliance with National Competition Policy and with the review required pursuant to 5.3.16 of the Local Government Act 1995.

Payments Made to Employees

Regulation 19B of the Local Government (Administration) Regulation 1996 requires the Town of Claremont to include the following information in its Annual Report:

- the number of employees of the Town entitled to an annual salary of \$100,000 or more;
- the number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000.

The number of those employees with an annual salary entitlement that falls within each band of \$10,000 over \$100,000 is;

- \$220,000 – 229,999 - 1
- \$140,000 - \$149,999: - 4
- \$110,000 - \$119,999: - 1
- \$100,000 - \$109,999: - 2

Register of Complaints

Section 5.121 of the *Local Government Act 1995* requires the complaints officer for the Town of Claremont to maintain a register of complaints which records all complaints that result in action under section 5.110(6)(b) or (c) of the Act.

The register of complaints is to include, for each recorded complaint –

- The name of the council member about who the complaint is made;
- The name of the person who makes the complaint;
- A description of the minor breach that the standards panel finds has occurred; and
- Details of the action taken under section 5.110(6)(b) or (c).

For the purposes of section 5.53(2)(G) of the *Local Government Act 1995*, no complaints were made to the Town of Claremont during the 2015-16 year.

Statistical Comparisons

This table compares the level of activity within various business units over the last three years, by reference to various measures. Some statistics are not available for prior years.

BUSINESS UNIT	2013-14	2014-15	2015-16
Claremont Pool			
Number of Patrons	228,134	231,854	234,508
Claremont Museum			
Visitors	3194	3317	4022
Number of students	2181	1657	1943
Lake Claremont Golf Course			
Number of patrons	6607	10156	4301
Claremont Library			
Loans	59,343	59,545	62,520
Returns	54,823	56,051	58,618
Reservations	12,031	12,999	13,337
Interlibrary loans sent	505	573	485
Interlibrary loans requested	821	1,156	1101
Reference enquiries	15,038	15,602	18,984
Visitors to Library	45,239	47,713	51,978
Health			
Applications processed	195	335	316
Public spa/pool samples	34	312	324
Food premises inspections	121	336	334
Food products sampled	12	118	11
Food Complaints	12	37	45
Public buildings inspections	49	62	41
General complaints resolved	64	122	98
Noise complaints resolved	52	40	22
Royal show food outlet inspections	86	236	544
RAS concerts & events	3	8	12
Waste tonnes to landfill	1214	2565.90	2631
Verge collection waste tonnes to landfill	337	246.24	245
Recycling tonnes	1188	1284.85	1228
Verge collection Greens	471	542.7	517

BUSINESS UNIT	2013-14	2014-15	2015-16
General waste tip passes	66	41	34
Green waste tip passes	55	66	33
Ranger Services			
Removal notices placed on abandoned vehicles	47	56	36
Vehicles impounded	13	10	9
Notifications to retailers for shopping trolleys	76	58	266
Notice to comply issued on building sites	14	5	2
Infringement notices issued on building sites	NIL	NIL	NIL
Licence for Trading in Public Places	NIL	NIL	NIL
Signs impounded	NIL	NIL	NIL
Notices issued for illegal signs	NIL	NIL	NIL
Reports of graffiti to commercial properties	N/A	33	76
Reports of graffiti to residential properties	N/A	20	34
Reports of graffiti to infrastructure	N/A	55	134
Animal control issues	Dogs 16 Cats 3	Dogs 160 Cats 15	Dogs 525 Cats 54
Parking infringements issued	11,168	9,952	14,973
Residential parking permits	139	366	452
TIPP Permits issued	150	130	135

CORPORATE BUSINESS PLAN 2013-2017 - REPORTING ON CORPORATE OBJECTIVE 2015-2016




-  Completed
-  Partially completed
-  Incomplete
-  Continue 16/17

GOAL 1: LIVEABILITY

We are an accessible community with well maintained and managed assets and our heritage preserved for the enjoyment of the community

OBJECTIVE 1.1 Clean, usable, attractive, accessible streetscapes and public spaces

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
1.1.1 Regular cleaning streets and public spaces	Compliance with the annual program	●
1.1.2 Implement annual street sweeping program	Compliance with the Street Sweeping Frequency Program	●
1.1.3 Review the approved budget allocation for footpaths	Review implementation of AMP, identify funding gaps and progress for report to Council: November 2015	●
1.1.4 Footpath Upgrade Plan – (with 2m wide footpaths and seating and shade trees considered)	Council to consider opportunity to upgrade specification as AMP is implemented.	●
1.1.5 Determine and plan for upgrades to other business precincts: Swanbourne Ashton and Davies Road	Plan presented to Council by June 2016 Plan presented to Council by December 2016	●
1.1.6 Implement the Town's Street Tree Master Plan	Annual allocation approved. Street Tree Master Plan implemented	●
1.1.7 Implement the Town's Asset Management Plan	Annual allocation approved. Asset Management Plan implemented	●
1.1.8 Implement the requirements outlined in the Town's Disability Access and Inclusion Plan (including the focus on universal access to public toilets and inclusive playground equipment to determine future needs and locations in public open spaces).	Annual allocation approved and DAIP Implemented	●

<p>1.1.9 Manage public parking within the Town with the aim of balancing competing needs</p> <p>Report for Council to consider a coordinated approach to parking provision, restrictions and enforcement throughout all residential precincts.</p>	<p>Annual survey of availability of car parking in the town centre</p> <p>Compliance with dwell times measured by infringement notices</p> <p>Introduction of town wide parking strategy: by June 2016</p>	
<p>1.1.10 Complete underground power for the Town</p> <p>Prepare submission for State Government financial support.</p> <p>Report to Council for project approval.</p>	<p>Project complete</p>	
<p>1.1.11 Seek alternatives for a Town depot and prepare an OCM report for a Council decision.</p>	<p>Report to Council April 2016</p>	

OBJECTIVE 1.2 Balancing Town's historical character with complementary, well designed development

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
1.2.1 Review of the Town's Heritage Schedule in line with statutory requirements	Recommendations to Council reflect Local Government Inventory	●
1.2.2 Conduct the biennial heritage awards	Awards held	●
1.2.3 Work in partnership with RSL and funding partners to relocate the War Memorial into Claremont Park	War Memorial relocated in to Claremont Park	● (not supported by Council)




OBJECTIVE 1.3 Develop the public realm as gathering spaces for participation and enjoyment

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
1.3.1 Create and support opportunities that attract activities in the Town centre	Claremont Now KPI's	●
1.3.2 Develop and implement a strategy that activates and maintains Claremont Park including public art, amenity enhancement, community development programs and facilities	Master Plan complete 14/15 Master Plan implemented 15/16 Satisfaction and usage of public open spaces, streets and park revealed through annual customer survey	●
1.3.3 Managing the public art program to increase the amount of public art in the public realm	Policy implemented	●
1.3.4 Maintain first class maintenance of the town centre urban infrastructure	The investment in town centre urban infrastructure is maintained to a high standard	●

OBJECTIVE 1.4 Maintain and upgrade infrastructure for seamless day to day usage

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
1.4.1 Implement a maintenance program that responds efficiently and effectively to reactive maintenance issues	Maintenance of footpaths, drains, roads and buildings Customer satisfaction level / Community Feedback	●
1.4.2 Undertake consultation and research that leads to the development of a draft path network for pedestrians and bicycles	Bicycle Plan implemented	●
1.4.3 Work together with stakeholders to seek options for the reduction of the traffic flow from schools	Complete a plan by June 2016	●
1.4.4 Right of Way Study Review	Study be completed in 2015-16 and Policy reviewed	●

OBJECTIVE 1.5 Provide a responsible and well managed urban environment, with sustainable development outcomes

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
1.5.1 Administer planning and building applications	146 of 197 development applications within statutory time frame – 74% 26 of 224 building approvals –11.6% 1 not adopted from the total of 197 - 99.5% 16 out of 20 recommendations approved - 80%	
1.5.2 Undertake the Town Planning Scheme review	Omnibus review of major issues Local Planning Scheme amendments approved by Council	
1.5.3 Undertake the Local Planning Strategy Review / Stirling Highway Study/ Loch Street Station Study / Housing Capacity Study	Council adoption of studies to guide Local Planning Scheme amendments	

GOAL 2: PROSPERITY

Our businesses are thriving and integrated into the life of the Claremont community, and the town centre is known as a premier retail destination

OBJECTIVE 2.1 Further develop and implement the principles of the Business Improvement District Policy to support local and new businesses

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
2.1.1 Continue to foster relationships with the business community and provide an ongoing point of contact for business liaison	Business community feedback / survey relating to activity / trade growth	●
2.1.2 Provide opportunity for local suppliers within our procurement processes.	Maintain or increase annual local spend	●
2.1.3 Provide opportunities for local business to participate in cooperative promotional opportunities (website, social media)	Increased amount of businesses involved in Town opportunities	●
2.1.4 Provide data to assist local businesses through the research	Final data presented on website	●
2.1.5 Continue to administer the Claremont Town Centre Specified Area Rate to support Claremont Now project	Funds collected and dispersed	●
2.1.6 Continue to foster and support Claremont Now project by implementing the annual Action Plan	Council attendance and Secretary Notes	●
2.1.8 Facilitation of the 'Licensed premises committee' to support improved safety and public access to the Claremont Town Centre	CDC attendance at Meetings	●

OBJECTIVE 2.2 Reduce unnecessary barriers to new business and for the success of local business

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
2.2.1 Support alfresco dining through continuation of Waive of Fee Policy; and then review	Increase in alfresco seating availability.	●
2.2.3 Parking Strategy (through Local Planning Scheme amendment) to recognise the need to encourage visitation to the business areas	Strategy implemented.	●
2.2.3 Pedestrian-focussed BVT through promotion of “Wheels and Feet” campaign to improve multi-purpose usage of Bay View Terrace	Improved signage of speed limit. Traffic calming initiatives. 10km speed limit monitored.	●
2.2.4 Explore the introduction of activities such as markets; outdoor events; entertainment and/or more cafes with the aim of improving atmosphere and increased activity in the town centre	11 activities per annum. <u>2015</u> Theatre Lane Live Lane Pop up Bars A Taste of Claremont Light the Nights Christmas Activations <u>2016</u> Boutique Art Markets Art Transform Easter Activations Mother’s Day Little Libraries Workshops	●
2.2.5 Continue to provide additional amenity improvements such as annual Christmas Lighting and Avion Way	Avion Way Upgrade completed. Christmas Lights. Business Community Feedback.	●

OBJECTIVE 2.3 Assist in creating local employment opportunities through a strong local economy

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
2.3.1 Through the Claremont Now project, work with business to create initiatives to retain local talent	Business Survey Results	●
2.3.2 Work with landlords to diversify the retail base in the town centre	Number of business in the town centre	➔
2.3.3 Assist Claremont Now in promoting the Claremont town centre as a successful commercial centre, shopping precinct and visitor destination	Claremont Now Action Plan Indicators	➔
2.3.4 Provide support towards improving the night amenity of the Claremont Town Centre	Crime and safety statistics	➔

GOAL 3: PEOPLE

We live in an accessible and safe community that welcomes diversity, enjoys being active and has a strong sense of belonging

OBJECTIVE 3.1 Maintain, effectively manage and enhance the Town’s community facilities in response to a growing community

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
3.1.1 Undertake the outcomes of the 2015 Feasibility Study of the Claremont Aquatic Centre	Council has approved and funded project. Project implemented	→
3.1.2 Review the users and usage of the MOW building inline with the Claremont Way Business Improvement model	Study completed Actions implemented	→
3.1.3 Undertake planning for the recreation uses of the Lake Claremont Parkland, and implement final plan	Plan completed and endorsed by Council Plan implemented	→
3.1.4 Present option to council for Par 3 golf course for upgrade and new management, or alternatives	Report to Council by April 2016 Option implemented	→ ●
3.1.5 Review the Museum programs and services to provide recommendations and plans for the Education Centre update, exhibition space, storage space and implement changes	15/16 Conduct Research and report to Council complete 16/17 Commence implementing recommendations	● →

OBJECTIVE 3.2 Create opportunities for and access to social participation and inclusion in support of community health and wellbeing

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
3.2.1 Develop appropriate programs and create opportunities for 15 to 25 years old group and 60 plus age groups.	Program implementation and feedback through attendee surveys	●
3.2.2 Review and enhance the Town's volunteering program to reflect community needs.	Number of volunteers	●
3.2.3 Plan for a shift in local government health service provision to focus on personal health and wellbeing including education and promotion of 'healthy living/healthy communities'.	Claremont Health Survey results	→
3.2.4 Forge stronger relations and develop partnerships with existing Sporting Clubs to create more opportunities for physical activity for the community	Number of Partnership / cooperative programs	→
3.2.5 Continued funding and support to community groups and NFP's that contribute to the Town's vision	Funds dispersed in line with objectives	●
3.2.6 Develop the CCH facility and learning culture to create specific programs based on demographic needs	Monthly user statistics, e-books and other alternative technology based services available	●
3.2.7 Continue to provide aquatic centre, museum and library services responsive to community demographics with the aim of exceeding expectations and maximise opportunities for public participation	Increase in the number of: <ul style="list-style-type: none"> • library books loaned • visitors to the library • visitors to the museum • students in the Museum Ed Program • visitors to the Aquatic Centre 	●
3.2.8 Create and implement the Town's "Get into the Claremont Life" program	KPIs of the 'Get into the Claremont Life' program	●

OBJECTIVE 3.3 Play an integral role in local safety and crime prevention

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
3.3.1 Undertake a desktop review of the Community Safety & Crime Prevention Study and implement initiatives.	Recommendations implemented	●
3.3.2 Implement and attract evening / night time events that contribute to creating a safe public realm	KPI's 'Get into the Claremont Life'	●
3.3.3 Continue a proactive approach to managing concerts and events held by external organisations that impact our community	Community Survey and feedback Officer time	●
3.3.4 Lead and facilitate community meetings that aim to promote local safety and crime prevention (Licensed Premises Meetings)	Regularity and attendance of meetings Outcomes fulfilled	●

OBJECTIVE 3.4 Develop a strategy for services and facilities for an ageing population

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
3.4.1 Review relevant services to determine effectiveness and adequacy to the community	Review completed Funds administered	●
3.4.2 Continue to apply the relevant recommendations from the 'Creating and Age-Friendly Community'	Age-Friendly Rating by the community	●
3.4.3 Develop and implement a range of annual events and activities specifically for the 60 + age group	Community satisfaction with 'Get into the Claremont Life' and L.I.V.E program	●

OBJECTIVE 3.5 Improve the capacity of local community groups

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
3.5.1 Review and implement the Town’s Vibrant Claremont Community Funding Program	Council continues to support and fund the program. \$15,000 in funding acquitted annually Increased number of opportunities for the Town’s community to participate in recreation, cultural and other social pursuits	●
3.5.2 Provide leadership in creating communication opportunities to assist groups and clubs to be sustainable	e-Newsletter created Number of new initiatives and partnerships Club Development Officer appointment maintained	●
3.5.3 Create and promote opportunities at Community events to promote and involve local community groups / clubs	No. of community groups involved in community events	●

OBJECTIVE 3.6 Recognise and celebrate the Town's history and culture through arts and events programs

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
3.6.1 Continue to implement annual civic celebrations (e.g. Anzac Day and Remembrance Day) responsive to community demographics with the aim of exceeding expectations	Number of people at events Number of events Satisfaction level at events / activities (event evaluation)	●
3.6.2 Work with cultural / arts groups to identify and develop opportunities for community arts and cultural development	Relationship with Form over use of Goods Shed is successful.	●

GOAL 4: ENVIRONMENT

We are a leader in responsibly managing the built and natural environment for the enjoyment of the community and continue to provide sustainable, leafy green parks, streets and outdoor spaces

OBJECTIVE 4.1 Strive for innovative environmental design practices in new developments and redevelopments

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
4.1.1 Future lighting to consider sustainable options such as LED or compact fluorescent globes	Progressively implement to all ToC buildings over the next 10 years (10% each year), currently completed around 33%.	→
4.1.2 Investigate the utilisation of solar power in a comprehensive manner to reduce the Town’s carbon footprint.	Investigation and report to Council by April 2016 Implement approved strategy	●

OBJECTIVE 4.2 Create opportunities for varied transport options that reduce carbon emissions and other impacts of a growing town

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
4.2.1 Continue to work with the community (schools / businesses) to help reduce the traffic impact throughout the town by encouraging sustainable modes of transport.	<p>Mode share study to determine percentage use of each transport type.</p> <p>Always consider this when establishing conditions for development approvals.</p>	<p>●</p> <p>●</p>
4.2.2 Fleet Management – Review vehicle policy to respond to new technologies	Amount of greenhouse gas emissions offset through carbon neutral buy back scheme or similar	<p>→</p> <p>●</p>
4.2.3 Develop and submit for approval a proposal to encourage employees to use alternatives to driving a car to work, for example public transport or cycling.	Proposal presented to Executive Leadership Team	●

OBJECTIVE 4.3 Constantly seek and implement best options for waste management and water usage

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
4.3.1 Continue to work on regional initiatives to improve our waste management approach	Waste tonnage reduction	→
4.3.2 Continue to use less water than our permitted allocation and maintain our Waterwise accreditation status	No issue of non-compliance Waterwise Accreditation Maintained	●
4.3.3 Work cooperatively with regional partners and other stakeholders to seek opportunities to address the increasing salinity of groundwater.	Opportunities are actively investigated. Report at least annually to Council.	●

OBJECTIVE 4.2 Create opportunities for varied transport options that reduce carbon emissions and other impacts of a growing town

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
4.4.2 Provide access to information about water, composting and other initiatives through the Town’s website, brochures and other relevant communication methods	Information available and accessible	●

OBJECTIVE 4.5 Implement sound environmental practices as reflected in the WESROC Climate Change Risk Assessment Project

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
4.5.1 Implement the Street Tree Master Plan	Number of street trees planted Increased tree numbers from 6,500 by planting 250 trees in this financial year, all of which are in accordance with the Master Plan	● ➔
4.5.2 Review and implement the Lake Claremont Management Plan	90% of actions completed	➔
4.5.3 Investigate community based programs (e.g. Adopt a Tree, Community Gardens) as part of the active community use of public spaces / parks	Increase number of community based environmental programs	➔
4.5.4 Work in partnership / cooperatively with the Swan River Trust for continued Foreshore Management	Foreshore Maintained in line with expectations and requirements	●
4.5.5 Continue commitment to ICLEI Water Campaign Milestones 1 – 5 which focus on water use and quality by both the Town and residents through monitoring, reporting and education program	Progression through milestones	●

GOAL 5: GOVERNANCE & LEADERSHIP

We are an open and accountable local government that encourages community involvement and strives to keep its community well informed.

OBJECTIVE 5.1 Identify strategic partnerships that align with the Town's vision

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
5.1.1 Continue to develop and maintain partnership with the Western Suburbs Library Services	Western Suburbs partnership continues Budget expended	●
5.1.2 Actively seek opportunities for resource sharing that provides benefits	Regional Cooperatives established Benefits measured	→
5.1.3 Maintain and support state government relationships and relationships with other local governments		→

OBJECTIVE 5.2 Provide and maintain a high standard of corporate governance, accountability and strategic planning

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
5.2.1 Complete the annual Compliance Audit Return	Completed annual return to the DLG: No failure to meet requirements	●
5.2.2 Maintaining a coordinated approach to local emergency management	Meeting legislative requirements Town representative attends Western Central Local Emergency Management Committee	●
5.2.3 Continue to review and maintain Risk Management Plan	Plan adopted and reviewed annually	●
5.2.4 Implement and review the elements of the Integrated Planning Framework	Quarterly Reporting Biennial CBP to Council	●
5.2.6 Records handling and system continues to meet statutory requirements	Record Keeping Plan / Internal Audit	→ ●

OBJECTIVE 5.3 Focus on improved customer service, communication and consultation with our stakeholders

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
5.3.1 Explore and implement opportunities to improve consultation / interaction with our community through digital and social media	Inc+ No. of people who participate in on line community engagement activities	●
5.3.2 Continue to provide timely, accurate information to our stakeholders in relation to the Town's activities and services	Town Talk Newsletter Media Releases	●
5.3.3 Recruit and manage a Business Improvement Officer to lead the <i>Claremont way</i> projects that ultimately improve efficiency and effectiveness	Customer survey Staff survey	➔
5.3.4 Create an internal (15-16) and external (17-18) customer satisfaction survey.	Customer satisfaction survey results relating to opportunities for consultation	●
5.3.5 Review and implement the IT Business Plan	Plan reviewed and implemented	➔
5.3.6 Review CRM System and HRM systems to support business improvement.	Options presented and systems implemented	●
5.3.7 Undertake construction and implementation of a new, customer focussed website	External customer satisfaction results Officer satisfaction with functionality	●

OBJECTIVE 5.4 Maintain long term financial stability and growth

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
5.4.1 Continue review and refinement of 10 year financial plan to identify long term financing of the Town	DLG & organisational requirements met	●
5.4.2 Inform asset service levels against long term funding capacity through development and review of the Town's Asset Management Plans	Report at least annually on the Town's expenditure on asset renewal as a % of assessed need	●
5.4.3 Identify alternate revenue streams that provide equitable and appropriate additional funding sources.	Increase in non-core revenue	→
5.4.4 Actively explore regional opportunities which reduce service delivery costs or (and) improve service levels	Achieve agreement from partners for joint services.	●
5.4.5 Review our community assets as outlined in the Strategic Asset Review in order to maximise financial and community benefit.	Annual external auditing process	→
5.4.6 Identify and leverage grant funding opportunities where Australian and State Government priorities which align with Town's.	Increase in grant funding as % of operating revenue	●
5.4.7 Effectively prioritise major capital projects to facilitate long-term financial sustainability: Aquatic Centre Upgrade (16-17) Capital Works – as determined by AMP Underground Power (16-17)	Delivery of completed projects on time and within budget	→

OBJECTIVE 5.5 Create an environment that continues to support and develop our staff

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
5.5.1 Continue to maintain standards and follow policy and procedures in relation to the Town's Occupational Health & Safety	OHS Award Maintain No. Of lost time at work due to injuries	●
5.5.2 Develop and implement the Town's Workforce Plan that encourages and supports a skilled and motivated workforce	Staff Survey	●
5.5.4 Develop and implement: <ul style="list-style-type: none"> ● Performance Assessment Process to support, develop our staff ● Quarterly reporting to guide our staff 	Staff turnover	●
5.5.5 Create and support a workforce that partners internally to improve business and deliver best practice	Number of internal cross-departmental projects	→
5.5.7 Provide opportunities for involvement in the <i>Claremont way</i> project which will allow staff to gain new experience and skills	Staff engagement in project	→

OBJECTIVE 5.6 Provide responsive and responsible leadership

STRATEGY	PERFORMANCE INDICATOR	OUTCOMES
5.6.2 Provide responsive and responsible leadership on emerging community issues	Community perception through survey results	●
5.6.3 Ensure Council is engaged at a strategic level to enable effective decision making	Agenda format to provide clear strategic focus within all reports.	●
5.6.4 Delegations Register Review	Council approved	●
5.6.5 Develop or amend Town Policies, as required and biennially review the Town's Policy Manual	Council approved	●
5.6.6 Continue to provide support and information to Council (Elected Members)	% of recommendations approved. % of Delegated Authority proposals accepted. Response to queries in less than 5 working days. Ash to provide stats 15/16	●

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2016 AND INDEPENDENT AUDITOR'S REPORT

TOWN OF CLAREMONT

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2016

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Principal place of business:
308 Stirling Highway
Claremont WA 6010

TOWN OF CLAREMONT
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Town being the annual financial report and other information for the financial year ended 30 June 2016 are in my opinion properly drawn up to present fairly the financial position of the Town at 30th June 2016 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the

18th

day of

November

2016



Stephen Goode
Chief Executive Officer

TOWN OF CLAREMONT
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 \$	2016 Budget \$	2015 \$
Revenue				
Rates	23	13,383,621	13,342,940	12,778,246
Operating grants, subsidies and contributions	30	195,594	359,437	623,211
Fees and charges	29	3,745,947	3,429,898	3,572,916
Interest earnings	2(a)	728,227	625,687	799,379
Other revenue	2(a)	1,270,200	278,422	762,403
		<u>19,323,589</u>	<u>18,036,384</u>	<u>18,536,155</u>
Expenses				
Employee costs		(6,821,784)	(7,049,965)	(6,314,363)
Materials and contracts		(5,912,146)	(6,249,273)	(6,013,672)
Utility charges		(506,454)	(516,506)	(515,550)
Depreciation on non-current assets	2(a)	(3,495,323)	(2,123,268)	(2,045,275)
Interest expenses	2(a)	(539,567)	(555,887)	(640,884)
Insurance expenses		(254,693)	(270,920)	(262,017)
Other expenditure		(902,361)	(1,005,086)	(1,109,047)
		<u>(18,432,328)</u>	<u>(17,770,905)</u>	<u>(16,900,808)</u>
		891,261	265,479	1,635,347
Non-operating grants, subsidies and contributions	30	624,140	354,744	663,506
Profit on asset disposals	21	450,472	383,734	0
(Loss) on asset disposals	21	(83,781)	0	(8,413)
Share of Joint Venture's Net Assets	4	64,060	0	(16,403)
Net result		<u>1,946,152</u>	<u>1,003,957</u>	<u>2,274,037</u>
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	141,161	120,000	12,774,510
Total other comprehensive income		<u>141,161</u>	<u>120,000</u>	<u>12,774,510</u>
Total comprehensive income		<u><u>2,087,313</u></u>	<u><u>1,123,957</u></u>	<u><u>15,048,547</u></u>

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

TOWN OF CLAREMONT
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 \$	2016 Budget \$	2015 \$
Revenue				
	2(a)			
Governance		47,013	32,167	98,403
General purpose funding		14,078,999	13,970,839	13,659,227
Law, order, public safety		25,414	14,200	42,166
Health		124,978	35,600	41,266
Education and welfare		348	352	777
Community amenities		675,137	487,105	956,727
Recreation and culture		2,169,328	1,401,952	1,502,829
Transport		1,255,285	1,053,166	1,106,393
Economic services		1,005,930	1,037,973	1,119,568
Other property and services		5,217	3,030	8,799
		<u>19,387,649</u>	<u>18,036,384</u>	<u>18,536,155</u>
Expenses				
	2(a)			
Governance		(1,425,087)	(1,467,016)	(1,297,652)
General purpose funding		(408,109)	(442,853)	(547,197)
Law, order, public safety		(360,883)	(399,844)	(269,839)
Health		(453,459)	(433,137)	(341,787)
Education and welfare		(180,671)	(208,580)	(170,485)
Community amenities		(2,575,643)	(2,610,231)	(2,502,398)
Recreation and culture		(5,296,234)	(5,682,136)	(5,470,506)
Transport		(5,294,477)	(4,135,822)	(4,014,628)
Economic services		(1,888,281)	(1,793,333)	(1,644,845)
Other property and services		(9,917)	(42,066)	(16,990)
		<u>(17,892,761)</u>	<u>(17,215,018)</u>	<u>(16,276,327)</u>
Finance costs				
	2(a)			
Governance		(78,580)	(78,538)	(68,695)
Recreation and culture		(111,705)	(108,099)	(104,189)
Economic services		(349,282)	(369,250)	(468,000)
		<u>(539,567)</u>	<u>(555,887)</u>	<u>(640,884)</u>
		955,321	265,479	1,618,944
Non-operating grants, subsidies and contributions				
	30	624,140	354,744	663,506
Profit on disposal of assets	21	450,472	383,734	0
(Loss) on disposal of assets	21	(83,781)	0	(8,413)
Net result		<u>1,946,152</u>	<u>1,003,957</u>	<u>2,274,037</u>
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	141,161	120,000	12,774,510
Total other comprehensive income		<u>141,161</u>	<u>120,000</u>	<u>12,774,510</u>
Total comprehensive income		<u><u>2,087,313</u></u>	<u><u>1,123,957</u></u>	<u><u>15,048,547</u></u>

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

**TOWN OF CLAREMONT
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2016**

	NOTE	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	3	16,023,248	17,423,745
Trade and other receivables	5	395,258	433,742
Inventories	6	<u>0</u>	<u>129,307</u>
TOTAL CURRENT ASSETS		<u>16,418,506</u>	<u>17,986,794</u>
NON-CURRENT ASSETS			
Other receivables	5	185,190	176,850
Investment Accounted For Using the Equity Method	4	1,279,167	1,215,107
Inventories	6	50,335	50,335
Property, plant and equipment	7	53,736,819	54,367,973
Infrastructure	8	<u>40,674,761</u>	<u>38,728,553</u>
TOTAL NON-CURRENT ASSETS		<u>95,926,272</u>	<u>94,538,818</u>
TOTAL ASSETS		<u>112,344,778</u>	<u>112,525,612</u>
CURRENT LIABILITIES			
Trade and other payables	9	952,197	1,124,409
Current portion of long term borrowings	10	333,814	2,129,137
Provisions	11	<u>998,671</u>	<u>992,370</u>
TOTAL CURRENT LIABILITIES		<u>2,284,682</u>	<u>4,245,916</u>
NON-CURRENT LIABILITIES			
Long term borrowings	10	8,866,909	9,200,723
Provisions	11	<u>226,477</u>	<u>199,576</u>
TOTAL NON-CURRENT LIABILITIES		<u>9,093,386</u>	<u>9,400,299</u>
TOTAL LIABILITIES		<u>11,378,068</u>	<u>13,646,215</u>
NET ASSETS		<u>100,966,710</u>	<u>98,879,397</u>
EQUITY			
Retained surplus		52,323,110	49,143,501
Reserves - cash backed	12	12,349,379	13,582,836
Revaluation surplus	13	<u>36,294,221</u>	<u>36,153,060</u>
TOTAL EQUITY		<u>100,966,710</u>	<u>98,879,397</u>

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

**TOWN OF CLAREMONT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2016**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2014		45,579,729	14,872,571	23,378,550	83,830,850
Comprehensive income					
Net result		2,274,037	0	0	2,274,037
Changes on revaluation of assets	13	<u>0</u>	<u>0</u>	<u>12,774,510</u>	<u>12,774,510</u>
Total comprehensive income		2,274,037	0	12,774,510	15,048,547
Transfers from/(to) reserves		1,289,735	(1,289,735)	0	0
		<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 30 June 2015		49,143,501	13,582,836	36,153,060	98,879,397
Comprehensive income					
Net result		1,946,152	0	0	1,946,152
Changes on revaluation of assets	13	<u>0</u>	<u>0</u>	<u>141,161</u>	<u>141,161</u>
Total comprehensive income		1,946,152	0	141,161	2,087,313
Transfers from/(to) reserves		1,233,457	(1,233,457)	0	0
		<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 30 June 2016		<u>52,323,110</u>	<u>12,349,379</u>	<u>36,294,221</u>	<u>100,966,710</u>

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

**TOWN OF CLAREMONT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2016**

	NOTE	2016 Actual \$	2016 Budget \$	2015 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		13,339,559	13,342,940	12,762,774
Operating grants, subsidies and contributions		195,594	359,437	584,692
Fees and charges		3,846,573	3,359,898	3,517,916
Interest earnings		728,227	625,687	799,379
Goods and services tax		2,630,364	0	3,164,969
Other revenue		526,200	278,422	732,403
		<u>21,266,517</u>	<u>17,966,384</u>	<u>21,562,133</u>
Payments				
Employee costs		(6,740,211)	(7,262,416)	(6,311,330)
Materials and contracts		(6,117,071)	(6,432,138)	(6,436,354)
Utility charges		(522,112)	(529,140)	(520,826)
Interest expenses		(539,567)	(555,887)	(641,006)
Insurance expenses		(254,693)	(277,547)	(262,017)
Elected Members Costs		(246,206)	(259,592)	(240,712)
Goods and services tax		(2,656,784)	0	(3,099,910)
Other expenditure		(656,155)	(400,917)	(868,335)
		<u>(17,732,799)</u>	<u>(15,717,637)</u>	<u>(18,380,490)</u>
Net cash provided by (used in) operating activities	14(b)	3,533,718	2,248,747	3,181,643
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for development of Land held for resale		(6,630)	(40,000)	(105,594)
Payments for purchase of property, plant & equipment		(793,256)	(500,000)	(3,187,495)
Payments for construction of infrastructure		(3,234,605)	(2,176,881)	(1,910,164)
Non-operating grants, subsidies and contributions		624,140	354,744	663,506
Proceeds from sale of fixed assets		605,271	509,091	87,727
Net cash provided by (used in) investment activities		<u>(2,805,080)</u>	<u>(1,853,046)</u>	<u>(4,452,020)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of debentures		(7,629,135)	(7,629,135)	(123,529)
Proceeds from new debentures		5,500,000	5,500,000	0
Net cash provided by (used in) financing activities		<u>(2,129,135)</u>	<u>(2,129,135)</u>	<u>(123,529)</u>
Net increase (decrease) in cash held		(1,400,497)	(1,733,434)	(1,393,906)
Cash at beginning of year		17,423,745	14,524,938	18,817,651
Cash and cash equivalents at the end of the year	14(a)	<u><u>16,023,248</u></u>	<u><u>12,791,504</u></u>	<u><u>17,423,745</u></u>

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

**TOWN OF CLAREMONT
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2016**

	NOTE	2016 Actual \$	2016 Budget \$	2015 Actual \$
Net current assets at July 1 b/fwd - surplus		1,963,911	575,705	1,306,322
		<u>1,963,911</u>	<u>575,705</u>	<u>1,306,322</u>
Revenue from operating activities (excluding rates)				
Governance		47,013	32,167	98,403
General purpose funding		812,843	747,899	941,314
Law, order, public safety		25,414	14,200	42,166
Health		124,978	35,600	41,266
Education and welfare		348	352	777
Community amenities		675,137	487,105	956,727
Recreation and culture		2,169,328	1,401,952	1,502,829
Transport		1,255,285	1,053,166	1,106,393
Economic services		1,456,402	1,037,973	1,119,568
Other property and services		5,217	3,030	8,799
		<u>6,571,965</u>	<u>4,813,444</u>	<u>5,818,242</u>
Expenditure from operating activities				
Governance		(1,533,360)	(1,545,554)	(1,372,179)
General purpose funding		(408,561)	(442,853)	(547,197)
Law, order, public safety		(361,897)	(399,844)	(269,839)
Health		(454,795)	(433,137)	(341,787)
Education and welfare		(180,671)	(208,580)	(170,485)
Community amenities		(2,578,784)	(2,610,231)	(2,502,889)
Recreation and culture		(5,420,540)	(5,790,235)	(5,574,695)
Transport		(5,324,207)	(4,135,822)	(4,014,628)
Economic services		(2,239,783)	(2,162,583)	(2,112,845)
Other property and services		(13,511)	(42,066)	(19,080)
		<u>(18,516,109)</u>	<u>(17,770,905)</u>	<u>(16,925,624)</u>
Operating activities excluded from budget				
(Profit) on disposal of assets	21	(450,472)	(383,734)	0
Loss on disposal of assets	21	83,781	0	8,413
Initial Recognition of Artefacts		(744,000)	0	0
Share of Profit from Joint Venture		(64,060)	0	16,403
Movement in deferred pensioner rates (non-current)		(8,340)	0	(21,241)
Movement in employee benefit provisions (non-current)		26,901	0	15,399
Depreciation and amortisation on assets	2(a)	3,495,323	2,123,268	2,045,275
Amount attributable to operating activities		<u>(7,641,100)</u>	<u>(10,642,222)</u>	<u>(7,736,811)</u>
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		624,140	354,744	663,506
Proceeds from disposal of assets	21	605,271	509,091	87,727
Purchase of land held for resale		(6,630)	(40,000)	(105,594)
Purchase of property, plant and equipment	7(b)	(793,256)	(500,000)	(3,187,495)
Purchase and construction of infrastructure	8(b)	(3,234,605)	(2,176,881)	(1,910,164)
Amount attributable to investing activities		<u>(2,805,080)</u>	<u>(1,853,046)</u>	<u>(4,452,020)</u>
FINANCING ACTIVITIES				
Repayment of debentures	22(a)	(7,629,135)	(7,629,135)	(123,529)
Proceeds from new debentures	22(a)	5,500,000	5,500,000	0
Transfers from/to Restricted Assets		193,961	191,354	268,623
Transfers to reserves (restricted assets)	12	(1,713,302)	(1,349,679)	(1,997,434)
Transfers from reserves (restricted assets)	12	2,946,759	2,239,810	3,287,169
Amount attributable to financing activities		<u>(701,717)</u>	<u>(1,047,650)</u>	<u>1,434,829</u>
Surplus(deficiency) before general rates		<u>(11,147,897)</u>	<u>(13,542,918)</u>	<u>(10,754,002)</u>
Total amount raised from general rates	23	13,266,156	13,222,940	12,717,913
Net current assets at June 30 c/fwd - surplus/(deficit)	24	<u><u>2,118,259</u></u>	<u><u>(319,978)</u></u>	<u><u>1,963,911</u></u>

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial report comprises general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this financial report are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Critical accounting estimates

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

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

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 20 to these financial statements.

(b) 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.

(c) 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 that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Trade and Other Receivables

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

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(e) Inventories

General

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

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

Land held for sale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

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

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

(f) Fixed Assets

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

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Town commenced the process of adopting Fair Value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at Fair Value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Town revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Land under control

In accordance with Local Government (Financial Management) Regulation 16(a), the Town was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or Regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

Initial recognition and measurement between mandatory revaluation dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Town includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land under roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the Town.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, 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.

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

- a) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Major depreciation periods used for each class of depreciable asset are:

Plant and Major Equipment	
Powered Equipment	3-5 years
Electrical Equipment	10 years
Park Equipment and Furniture	10 years
Attachable Non-Licensed Plant	10 years
Playground Equipment	3-7 years
Mobile Plant	3-5 years
Electrical and Internal Equipment	10 years
Furniture and Equipment	5 years
Buildings	50 years
Infrastructure Assets	
Road Pavement	40-50 years
Road Surface	20-30 years
Footpaths	30-50 years
Drainage	50-100 years
Parks & Reserves	10-40 years
Car Park Pavement	40-50 years
Car Park Surface	20-30 years
Street Furnitures	10-20 years
Street Lights	20-30 years
Public Art Collection	40-50 years
Reticulation	20-25 years

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

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

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

Capitalisation threshold

Expenditure on items of equipment under \$2,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities

When performing a revaluation, the Town uses a mix of both independent and management valuations using the following as a guide:

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

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

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

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

Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities (Continued)

Valuation techniques (Continued)

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 an asset at its current service capacity.

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

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

(h) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Town becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Town commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or at cost.

Amortised cost is calculated as:

- (a) the amount in which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments and any reduction for impairment; and
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method. □

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and subsequent measurement (continued)

(i) Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the Town has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets, where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which will have an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the Town no longer has any significant continual involvement in the risks and benefits associated with the asset. □

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.

(i) Impairment of Assets

In accordance with Australian Accounting Standards the Town'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.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

(j) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Town prior to the end of the financial year that are unpaid and arise when the Town becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Employee Benefits

Short-term employee benefits

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

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

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

(l) 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.

(m) Provisions

Provisions are recognised when the Town 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.

(n) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Town, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Investment in Associates

An associate is an entity over which the Town has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Town's share of net assets of the associate. In addition, the Town's share of the profit or loss of the associate is included in the Town's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Town's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the Town and the associate are eliminated to the extent of the Town's interest in the associate.

When the Town's share of losses in an associate equals or exceeds its interest in the associate, the Town discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Town will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

(p) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting.

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Town's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 4

(q) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

(r) Superannuation

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Current and Non-Current Classification

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

(t) Rounding Off Figures

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

(u) Comparative Figures

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

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

(v) 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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Town.

Management's assessment of the new and amended pronouncements that are relevant to the Town, applicable to future reporting periods and which have not yet been adopted are set out as follows:

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Town, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2018	<p>This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p> <p>The effect of this Standard will depend upon the nature of future transactions the Town has with those third parties it has dealings with. It may or may not be significant.</p>
(iii) AASB 16 Leases	February 2016	1 January 2019	<p>Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted.</p> <p>Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Town, the impact is not expected to be significant.</p>

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(iv) AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	August 2014	1 January 2016	<p>This Standard amends AASB 11: <i>Joint Arrangements</i> to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: <i>Business Combinations</i>, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations.</p> <p>Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the Town's financial statements.</p>
(v) AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	August 2014	1 January 2016	<p>This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.</p> <p>Given the Town currently uses the expected pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.</p>
(vi) AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	December 2014	1 January 2017	<p>Consequential changes to various Standards arising from the issuance of AASB 15.</p> <p>It will require changes to reflect the impact of AASB 15.</p>

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(vii) AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]	January 2015	1 January 2016	<p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements.</p> <p>This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column.</p> <p>It is not anticipated it will have any significant impact on disclosures as they currently exist and any changes will relate to presentation.</p>
(viii) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]	March 2015	1 July 2016	<p>The objective of this Standard is to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities.</p> <p>The Standard is expected to have a significant disclosure impact on the financial report of the Town as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.</p>

Notes:

⁽¹⁾ Applicable to reporting periods commencing on or after the given date.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Adoption of New and Revised Accounting Standards

During the current year, the Town adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

These new and revised standards were as follows:

- (i) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality
- (ii) AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES	2016	2015	
	\$	\$	
(a) Net Result			
The Net result includes:			
(i) Charging as an expense:			
Auditors remuneration			
- Audit of the annual financial report	21,826	25,900	
- Financial Management Review	5,000	7,000	
- Assistance with the finalisation of the annual financial report	0	4,000	
- Audit of Acquittals	1,300	2,650	
Depreciation			
Buildings	751,696	691,891	
Furniture and Equipment	84,491	71,718	
Electronic Equipment	308,949	271,631	
Plant and Equipment	317,790	300,368	
Roads	1,350,894	611,059	
Footpaths	246,118	24,744	
Drainage	132,887	6,564	
Parks & Reserves	131,317	57,052	
Car Parks	68,750	4,236	
Street Furnitures	28,812	0	
Street Lights	31,284	0	
Public Art Collection	12,564	6,012	
Reticulation	29,771	0	
	<u>3,495,323</u>	<u>2,045,275</u>	
Interest expenses (finance costs)			
Debentures (refer Note 22 (a))	539,567	640,884	
	<u>539,567</u>	<u>640,884</u>	
Rental charges			
- Operating leases	3,332	23,324	
	<u>3,332</u>	<u>23,324</u>	
Significant revenue			
Initial Recognition of Artefact	<u>744,000</u>		
Artefacts includes number of objects of historical significance found in Claremont Museum and Claremont Railway Station Signal Cabin. They have been classified as other revenue in the Statement of Comprehensive Income by Nature or Type and other property and services by Program.			
Other revenue			
Reimbursements and recoveries	291,189	510,443	
Significant revenue (refer above)	744,000	0	
Other	235,011	251,960	
	<u>1,270,200</u>	<u>762,403</u>	
	2016	2016	2015
	Actual	Budget	Actual
	\$	\$	\$
Interest earnings			
- Reserve funds	349,130	347,087	455,557
- Other funds	263,550	177,600	229,760
Other interest revenue (refer note 28)	115,547	101,000	114,062
	<u>728,227</u>	<u>625,687</u>	<u>799,379</u>

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective

The Town of Claremont is dedicated to providing high quality services to the community through the various service orientated programs which it has established.

COMMUNITY VISION

Claremont will develop as a harmonious cosmopolitan town creating opportunities for community wellbeing and business prosperity; whilst respecting and celebrating the past. Town operations as disclosed in these financial statements encompass the following service orientated activities/programs.

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

GOVERNANCE

Objective:

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

Activities:

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

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the provision of services.

Activities:

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective:

To provide services to help ensure a safer and environmentally conscious community.

Activities:

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

HEALTH

Objective:

To provide an operational framework for environmental and community health.

Activities:

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

EDUCATION AND WELFARE

Objective:

To provide services to disadvantaged persons, the elderly, children and youth.

Activities:

Pre-schools, aged and disabled, senior citizens, welfare administration, donations to welfare organisations.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

COMMUNITY AMENITIES

Objective:

To provide services required by the community.

Activities:

Rubbish collections, recycling, litter control, public litter bins, town planning control/studies.

RECREATION AND CULTURE

Objective:

To establish and effectively manage infrastructure and resource which will help the social well being of the community.

Activities:

Public halls, civic centres, swimming pool, golf course, parks, sports grounds, sports groups, community recreation programs, library, community arts program, youth activities, heritage and museum.

TRANSPORT

Objective:

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

Activities:

Roads, footpaths, cycleways, right of way, drainage, road verges, median strips, street lighting, street cleaning, street trees, traffic surveys, parking services, traffic management and underground power.

ECONOMIC SERVICES

Objective:

To help promote the shire and its economic wellbeing.

Activities:

Building services, strategic planning and activities involving the Royal Agricultural Society Claremont Now and Anzac Cottage.

OTHER PROPERTY AND SERVICES

Objective:

To monitor and control Town's overheads operating accounts.

Activities:

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions		Opening Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽³⁾	Closing Balance ⁽¹⁾	Received ⁽²⁾	Expended ⁽³⁾	Closing Balance
Grant/Contribution	Function/ Activity	1/07/14	2014/15	2014/15	30/06/15	2015/16	2015/16	30/06/16
		\$	\$	\$	\$	\$	\$	\$
Public Art Funding		20,000	0	(20,000)	0	0	0	0
LandCorp - Depot Relocation		68,713	0	(44,193)	24,520	0	(24,520)	0
Developer - DA3086 (^)		408,252	0	0	408,252	0	0	408,252 ^
Stirling Highway/Queenslea Drive - Intersection		101,150	0	(101,150)	0	0	0	0
Stirling Road/Claremont Crescent - Intersection		38,400	0	(38,400)	0	0	0	0
St Quentin Avenue - Intersection		34,880	0	(34,880)	0	0	0	0
Local Government Reform		50,000	0	(50,000)	0	0	0	0
Total		<u>721,395</u>	<u>0</u>	<u>(288,623)</u>	<u>432,772</u>	<u>0</u>	<u>(24,520)</u>	<u>408,252</u>

Notes:

(1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.

(2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.

(3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

(^)- These amounts have been transferred to Reserves.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	Note	2016 \$	2015 \$
3. CASH AND CASH EQUIVALENTS			
Unrestricted		3,673,869	3,646,948
Restricted		<u>12,349,379</u>	<u>13,776,797</u>
		<u><u>16,023,248</u></u>	<u><u>17,423,745</u></u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Aged Transport Subsidy	12	12,149	11,801
Plant Reserve	12	75,959	73,782
Golf Course Land	12	69,740	38,601
Parking	12	917,422	917,156
Public Art	12	59,417	58,221
Future Fund	12	6,884,549	8,570,123
Claremont Joint Venture	12	883,740	1,163,673
Pool Upgrade	12	469,594	379,589
Claremont Now	12	118,143	79,403
Administration Building	12	248,820	421,164
Underground Power	12	2,587,438	1,847,557
Bore Replacement	12	22,408	21,766
Unspent grants	2(c)	0	24,520
Unspent loans	22(c)	0	169,441
		<u><u>12,349,379</u></u>	<u><u>13,776,797</u></u>

4 INVESTMENTS

INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

Non-Current

Investment in Joint Venture - Western Metropolitan Regional Council (WMRC)

The Town together with the Town of Cottesloe, the Town of Mosman Park, the Shire of Peppermint Grove and the City of Subiaco have an interest in the WMRC waste of transfer station. The Council was formed to provide for the efficient treatment and/or disposal waste. A waste transfer station was constructed from funds provided from constituent Councils. The voting power held by the Town is 20%. The Town's 21.34% share of the net assets are included as follows:

	2016 \$	2015 \$
(a) Retained Surplus attributable to interest in joint venture:		
Balance at the beginning of the financial year	468,208	484,611
Share of joint venture's net result	<u>64,060</u>	<u>(16,403)</u>
Balance at the end of the financial year	<u><u>532,268</u></u>	<u><u>468,208</u></u>
(b) Carrying amount of investment in joint venture:		
Balance at the beginning of the financial year	1,215,107	1,231,510
Share of joint venture's net assets	<u>64,060</u>	<u>(16,403)</u>
Balance at the end of the financial year	<u><u>1,279,167</u></u>	<u><u>1,215,107</u></u>

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	2016	2015
	\$	\$
5. TRADE AND OTHER RECEIVABLES		
Current		
Rates outstanding	183,203	147,481
Sundry debtors	152,154	241,542
Provision for Doubtful Debts	(3,378)	(3,378)
GST receivable	33,262	6,842
Accrued Income	30,017	23,134
Prepayment	0	18,121
	<u>395,258</u>	<u>433,742</u>
Non-current		
Rates outstanding - pensioners	<u>185,190</u>	<u>176,850</u>
	<u>185,190</u>	<u>176,850</u>
6. INVENTORIES		
Current		
Land held for resale - cost		
Development costs	0	129,307
	<u>0</u>	<u>129,307</u>
Non-current		
Land held for resale - cost		
Development costs	50,335	50,335
	<u>50,335</u>	<u>50,335</u>
	2016	2015
	\$	\$
7 (a). PROPERTY, PLANT AND EQUIPMENT		
Land and buildings		
Land - freehold at:		
- Independent valuation 2014 - level 2	22,375,000	22,375,000
- Independent valuation 2014 - level 3	9,010,000	9,010,000
	<u>31,385,000</u>	<u>31,385,000</u>
Land - vested in and under the control of Council at:		
- Management valuation 2014 - level 3	216,221	216,221
	<u>216,221</u>	<u>216,221</u>
	<u>31,601,221</u>	<u>31,601,221</u>
Buildings - non-specialised at:		
- Independent valuation 2014 - level 2	400,000	400,000
- Additions after valuation - cost	26,775	0
Less: accumulated depreciation	(32,438)	(15,996)
	<u>394,337</u>	<u>384,004</u>
Buildings - specialised at:		
- Independent valuation 2014 - level 3	13,053,750	13,053,750
- Additions after valuation - cost	7,580,012	7,254,620
Less: accumulated depreciation	(1,411,149)	(675,895)
	<u>19,222,613</u>	<u>19,632,475</u>
	<u>19,616,950</u>	<u>20,016,479</u>
Total land and buildings	<u>51,218,171</u>	<u>51,617,700</u>

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

7 (a). PROPERTY, PLANT AND EQUIPMENT (Continued)

Furniture and Equipment at:		
- Management Valuation 2013 - level 3	0	233,268
- Additions after Valuation - Cost	0	377,268
- Management valuation 2016 - level 3	397,804	0
Less accumulated depreciation	<u>0</u>	<u>(113,216)</u>
	<u>397,804</u>	<u>497,320</u>
Electronic Equipment at:		
- Management Valuation 2013 - level 3	0	710,108
- Additions after Valuation - Cost	0	267,909
- Management valuation 2016 - level 3	583,409	0
Less accumulated depreciation	<u>0</u>	<u>(446,243)</u>
	<u>583,409</u>	<u>531,774</u>
Minor Plant and Equipment at:		
- Management Valuation 2013 - level 3	0	1,277,359
- Additions after Valuation - Cost	0	146,955
- Management valuation 2016 - level 3	928,540	0
Less accumulated depreciation	<u>0</u>	<u>(339,945)</u>
	<u>928,540</u>	<u>1,084,369</u>
Major Plant and Equipment at:		
- Management Valuation 2013 - level 2	0	139,322
- Management valuation 2016 - level 2	69,637	0
Less accumulated depreciation	<u>0</u>	<u>(40,953)</u>
	<u>69,637</u>	<u>98,369</u>
Motor Vehicles at:		
- Management Valuation 2013 - level 2	0	133,894
- Additions after Valuation - Cost	0	549,937
- Management valuation 2016 - level 2	539,258	0
Less accumulated depreciation	<u>0</u>	<u>(145,390)</u>
	<u>539,258</u>	<u>538,441</u>
	<u><u>53,736,819</u></u>	<u><u>54,367,973</u></u>

The fair value of property, plant and equipment is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires property, plant and equipment to be shown at fair value.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

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

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Depreciation (Expense) \$	Carrying Amount at the End of Year \$
Land - freehold	31,385,000	0	0	0	0	31,385,000
Land - vested in and under the control of Council	216,221	0	0	0	0	216,221
Total land	31,601,221	0	0	0	0	31,601,221
Buildings - non-specialised	384,004	26,775	0	0	(16,442)	394,337
Buildings - specialised	19,632,475	325,392	0	0	(735,254)	19,222,613
Total buildings	20,016,479	352,167	0	0	(751,696)	19,616,950
Total land and buildings	51,617,700	352,167	0	0	(751,696)	51,218,171
Furniture and Equipment	497,320	0	(39,816)	24,791	(84,491)	397,804
Electronic Equipment	531,774	305,682	(22,120)	77,023	(308,949)	583,410
Minor Plant and Equipment	1,084,369	47,356	(21,541)	20,312	(201,956)	928,540
Major Plant and Equipment	98,369	0	0	(8,245)	(20,487)	69,637
Motor Vehicles	538,441	88,052	(19,168)	27,280	(95,347)	539,258
Total property, plant and equipment	54,367,973	793,256	(102,645)	141,161	(1,462,926)	53,736,819

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

7. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Land and buildings					
Land - freehold	2 3	Market approach using recent observable data for similar properties. Improvements to land valued using cost approach using depreciated replacement cost	Independent Valuation	June 2014	Price per square metre. Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life (Level 3) inputs.
Land - vested in and under the control of Council	3	Improvements to land valued using cost approach using depreciated replacement cost	Management Valuation	June 2014	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life (Level 3) inputs.
Buildings - non-specialised	2	Market approach using recent observable data for similar properties.	Independent Valuation	June 2014	Price per square metre
Buildings - specialised	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent Valuation	June 2014	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life (Level 3) inputs.
Furniture and Equipment	3	Cost approach using depreciated replacement cost	Management Valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Electronic Equipment	3	Cost approach using depreciated replacement cost	Management Valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Minor Plant and Equipment	3	Cost approach using depreciated replacement cost	Management Valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Major Plant and Equipment	2	Market approach using recent observable data for similar assets.	Management Valuation	June 2016	Price per item
Motor Vehicles	2	Market approach using recent observable data for similar assets.	Management Valuation	June 2016	Price per item

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.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	2016	2015
	\$	\$
8 (a). INFRASTRUCTURE		
Roads		
- Independent Valuation 2015- level 3	19,692,630	19,692,630
- Additions after Valuation - Cost	2,581,645	0
Less accumulated depreciation	<u>(1,350,894)</u>	<u>0</u>
	20,923,381	19,692,630
Footpaths		
- Independent Valuation 2015- level 3	8,732,003	8,732,003
- Additions after Valuation - Cost	228,061	0
Less accumulated depreciation	<u>(246,118)</u>	<u>0</u>
	8,713,946	8,732,003
Drainage		
- Independent Valuation 2015- level 3	5,583,395	5,583,395
- Additions after Valuation - Cost	53,150	0
Less accumulated depreciation	<u>(132,887)</u>	<u>0</u>
	5,503,658	5,583,395
Parks & Reserves		
- Independent Valuation 2015- level 3	2,051,859	2,051,859
- Additions after Valuation - Cost	226,047	0
Less accumulated depreciation	<u>(131,317)</u>	<u>0</u>
	2,146,589	2,051,859
Car Parks		
- Independent Valuation 2015- level 3	869,337	869,337
Less accumulated depreciation	<u>(68,750)</u>	<u>0</u>
	800,587	869,337
Street Furnitures		
- Independent Valuation 2015- level 3	511,769	511,769
- Additions after Valuation - Cost	65,431	0
Less accumulated depreciation	<u>(28,812)</u>	<u>0</u>
	548,388	511,769
Street Lights		
- Independent Valuation 2015- level 3	417,110	417,110
Less accumulated depreciation	<u>(31,284)</u>	<u>0</u>
	385,826	417,110
Artefact		
- Cost 2016 - level 3	<u>744,000</u>	<u>0</u>
	744,000	0
Public Art Collection		
- Independent Valuation 2015- level 3	177,894	177,894
- Management valuation 2015 - level 3	290,816	290,816
- Additions after valuation - cost	79,065	0
Less accumulated depreciation	<u>(12,564)</u>	<u>0</u>
	535,211	468,710
Reticulation		
- Independent Valuation 2015- level 3	401,740	401,740
- Additions after valuation - cost	1,206	0
Less accumulated depreciation	<u>(29,771)</u>	<u>0</u>
	373,175	401,740
	<u>40,674,761</u>	<u>38,728,553</u>

The fair value of infrastructure is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost. Given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and, where appropriate, the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (*Financial Management*) Regulation 17A (2) which requires infrastructure to be shown at fair value.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

8. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

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

	Balance as at the Beginning of the Year	Additions	Initial Recognition of Asset	Depreciation (Expense)	Carrying Amount at the End of the Year
	\$	\$	\$	\$	\$
Roads	19,692,630	2,581,645	0	(1,350,894)	20,923,381
Footpaths	8,732,003	228,061	0	(246,118)	8,713,946
Drainage	5,583,395	53,150	0	(132,887)	5,503,658
Parks & Reserves	2,051,859	226,047	0	(131,317)	2,146,589
Car Parks	869,337	0	0	(68,750)	800,587
Street Furnitures	511,769	65,431	0	(28,812)	548,388
Street Lights	417,110	0	0	(31,284)	385,826
Artefact	0	0	744,000	0	744,000
Public Art Collection	468,710	79,065	0	(12,564)	535,211
Reticulation	401,740	1,206	0	(29,771)	373,175
Total infrastructure	<u>38,728,553</u>	<u>3,234,605</u>	<u>744,000</u>	<u>(2,032,397)</u>	<u>40,674,761</u>

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

8. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Roads	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Footpaths	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Drainage	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Parks & Reserves	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Car Parks	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Street Furnitures	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Street Lights	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Public Art Collection	3	Cost approach using depreciated replacement cost	Independent & Management Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Reticulation	3	Cost approach using depreciated replacement cost	Independent Valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	2016	2015
	\$	\$
9. TRADE AND OTHER PAYABLES		
Current		
Sundry creditors	877,978	1,100,884
Accrued interest on debentures	4,673	4,673
Accrued salaries and wages	48,371	0
Other Accrued Expenses	0	18,852
Income Received in Advance	21,175	0
	<u>952,197</u>	<u>1,124,409</u>

10. LONG-TERM BORROWINGS

Current		
Secured by floating charge		
Debentures	333,814	2,129,137
	<u>333,814</u>	<u>2,129,137</u>
Non-current		
Secured by floating charge		
Debentures	8,866,909	9,200,723
	<u>8,866,909</u>	<u>9,200,723</u>

Additional detail on borrowings is provided in Note 22.

11. PROVISIONS

	Provision for Annual Leave	Provision for Long Service Leave	Provision for Sick Leave	Total
	\$	\$	\$	\$
Opening balance at 1 July 2015				
Current provisions	483,108	430,669	78,593	992,370
Non-current provisions	0	199,576	0	199,576
	<u>483,108</u>	<u>630,245</u>	<u>78,593</u>	<u>1,191,946</u>
Additional provision	0	54,193	17,094	71,287
Amounts used	(38,085)	0	0	(38,085)
Balance at 30 June 2016	<u>445,023</u>	<u>684,438</u>	<u>95,687</u>	<u>1,225,148</u>
Comprises				
Current	445,023	457,961	95,687	998,671
Non-current	0	226,477	0	226,477
	<u>445,023</u>	<u>684,438</u>	<u>95,687</u>	<u>1,225,148</u>

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

12. RESERVES - CASH BACKED

	Actual 2016 Opening Balance \$	Actual 2016 Transfer to \$	Actual 2016 Transfer (from) \$	Actual 2016 Closing Balance \$	Budget 2016 Opening Balance \$	Budget 2016 Transfer to \$	Budget 2016 Transfer (from) \$	Budget 2016 Closing Balance \$	Actual 2015 Opening Balance \$	Actual 2015 Transfer to \$	Actual 2015 Transfer (from) \$	Actual 2015 Closing Balance \$
Aged Transport Subsidy	11,801	348	0	12,149	11,736	352	0	12,088	11,386	415	0	11,801
Plant Reserve	73,782	2,177	0	75,959	73,021	1,830	0	74,851	71,191	2,591	0	73,782
Golf Course Land	38,601	31,139	0	69,740	38,395	1,149	0	39,544	37,245	1,356	0	38,601
Parking	917,156	127,051	(126,785)	917,422	669,562	20,087	0	689,649	812,345	104,811	0	917,156
Public Art	58,221	1,196	0	59,417	21,128	634	0	21,762	63,128	57,093	(62,000)	58,221
Future Fund	8,570,123	639,729	(2,325,303)	6,884,549	7,592,561	1,150,369	(2,239,810)	6,503,120	7,996,506	1,119,698	(546,081)	8,570,123
Claremont Joint Venture	1,163,673	30,902	(310,835)	883,740	836,142	25,084	0	861,226	1,122,213	158,528	(117,068)	1,163,673
Pool Upgrade	379,589	90,005	0	469,594	296,547	88,896	0	385,443	290,047	89,542	0	379,589
Claremont Now	79,403	38,740	0	118,143	38,980	1,169	0	40,149	87,998	3,305	(11,900)	79,403
Administration Building	421,164	11,492	(183,836)	248,820	245,556	7,367	0	252,923	2,909,512	61,772	(2,550,120)	421,164
Underground Power	1,847,557	739,881	0	2,587,438	1,736,435	52,093	0	1,788,528	1,450,000	397,557	0	1,847,557
Bore Replacement	21,766	642	0	22,408	21,640	649	0	22,289	21,000	766	0	21,766
	<u>13,582,836</u>	<u>1,713,302</u>	<u>(2,946,759)</u>	<u>12,349,379</u>	<u>11,581,703</u>	<u>1,349,679</u>	<u>(2,239,810)</u>	<u>10,691,572</u>	<u>14,872,571</u>	<u>1,997,434</u>	<u>(3,287,169)</u>	<u>13,582,836</u>

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

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

12. RESERVES - CASH BACKED

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

Name of Reseve	Anticipated date of use	Purpose of the reserve
Aged Transport Subsidy	Ongoing	to account to receive proceeds from sale of Aged Community Bus and to provide a subsidy to the CAPPs regional service for aged patrons' transport.
Plant Reserve	Ongoing	to provide for the replacement of major items of heavy plant.
Golf Course Land	2016/17	to account for the receipt of the sale of an easement on the golf Course land to Western Power and to provide assistance for the future development of the Lake Claremont golf Course.
Parking	2016/17	to provide for the purchase of land for car parking in accordance with Clause 33(2).
Public Art	Ongoing	to assist with the programmed purchase and development of Public Art assets throughout the Town.
Future Fund	2016/17	to receive proceeds of Lakeway Subdivision sales and to provide for the future planning and undertaking of capital and infrastructure works in the Town.
Claremont Joint Venture	2016/17	to fund major infrastructure construction within CBD.
Pool Upgrade	2016/17	to fund major maintenance of the Claremont Pool.
Claremont Now	Ongoing	to fund promotion and publicity of claremont CBD.
Administration Building	2016/17	to account for receipt of insurance settlement for fire to Administration Centre in 2010 and to fund the construction of new Administration Office.
Underground Power	Ongoing	to provide for the undergrounding of power lines within the balance of the Town not already.
Bore Replacement	Ongoing	to be used for the replacement of Park bores.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

13. REVALUATION SURPLUS

	2016	2016	2016	2016	2016	2015	2015	2015	2015	2015
	Opening	Revaluation	Revaluation	Total	Closing	Opening	Revaluation	Revaluation	Total	Closing
	Balance	Increment	Decrement	Movement on	Balance	Balance	Increment	Decrement	Movement on	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land	20,955,689	0	0	0	20,955,689	20,955,689	0	0	0	20,955,689
Building	1,606,372	0	0	0	1,606,372	1,606,372	0	0	0	1,606,372
Furniture and Equipment	34,831	24,791	0	24,791	59,622	34,831	0	0	0	34,831
Electronic Equipment	213,409	77,023	0	77,023	290,432	213,409	0	0	0	213,409
Minor Plant and Equipment	529,452	20,312	0	20,312	549,764	529,452	0	0	0	529,452
Major Plant and Equipment	32,744	0	(8,245)	(8,245)	24,499	32,744	0	0	0	32,744
Motor Vehicles	6,053	27,280	0	27,280	33,333	6,053	0	0	0	6,053
Roads	6,495,561	0	0	0	6,495,561	0	6,495,561	0	6,495,561	6,495,561
Footpaths	2,880,227	0	0	0	2,880,227	0	2,880,227	0	2,880,227	2,880,227
Drainage	1,841,668	0	0	0	1,841,668	0	1,841,668	0	1,841,668	1,841,668
Parks & Reserves	676,800	0	0	0	676,800	0	676,800	0	676,800	676,800
Car Parks	286,748	0	0	0	286,748	0	286,748	0	286,748	286,748
Street Furnitures	168,806	0	0	0	168,806	0	168,806	0	168,806	168,806
Street Lights	137,583	0	0	0	137,583	0	137,583	0	137,583	137,583
Public Art Collection	154,603	0	0	0	154,603	0	154,603	0	154,603	154,603
Reticulation	132,514	0	0	0	132,514	0	132,514	0	132,514	132,514
	36,153,060	149,406	(8,245)	141,161	36,294,221	23,378,550	12,774,510	0	12,774,510	36,153,060

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

14. 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:

	2016	2016	2015
	\$	Budget	\$
		\$	
Cash and cash equivalents	<u>16,023,248</u>	<u>12,791,504</u>	<u>17,423,745</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	1,946,152	1,003,957	2,274,037
Non-cash flows in Net result:			
Depreciation	3,495,323	2,123,268	2,045,275
(Profit)/Loss on sale of asset	(366,691)	(383,734)	8,413
Share of Joint Venture's Net Assets accounted using equity accounting method	(64,060)	0	16,403
Initial Recognition of Artefact at Deemed Cost.	(744,000)	0	0
Changes in assets and liabilities:			
(Increase)/Decrease in Rates Receivables	(44,062)	0	(15,472)
(Increase)/Decrease in receivables	74,206	(70,000)	(58,460)
Increase/(Decrease) in payables	(172,212)	30,000	(624,568)
Increase/(Decrease) in provisions	33,202	40,000	199,521
Grants contributions for the development of assets	<u>(624,140)</u>	<u>(354,744)</u>	<u>(663,506)</u>
Net cash from operating activities	<u><u>3,533,718</u></u>	<u><u>2,388,747</u></u>	<u><u>3,181,643</u></u>

	2016	2015
	\$	\$
(c) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Credit card limit	52,000	51,000
Credit card balance at balance date	<u>(1,224)</u>	<u>(1,574)</u>
Total amount of credit unused	<u><u>50,776</u></u>	<u><u>49,426</u></u>
Loan facilities		
Loan facilities - current	333,814	2,129,137
Loan facilities - non-current	<u>8,866,909</u>	<u>9,200,723</u>
Total facilities in use at balance date	<u><u>9,200,723</u></u>	<u><u>11,329,860</u></u>
Unused loan facilities at balance date	<u><u>NIL</u></u>	<u><u>NIL</u></u>

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

15. CONTINGENT LIABILITIES

The Town of Claremont had no contingent liabilities on 30 June 2016.

16. CAPITAL AND LEASING COMMITMENTS	2016	2015
	\$	\$
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
Payable:		
- not later than one year	3,332	19,992
- later than one year but not later than five years	<u>0</u>	<u>3,332</u>
	<u><u>3,332</u></u>	<u><u>23,324</u></u>
Receivable:		
- not later than one year	288,383	262,167
- later than one year but not later than five years	1,415,963	1,321,556
- later than five years	<u>466,252</u>	<u>849,041</u>
	<u><u>2,170,598</u></u>	<u><u>2,432,764</u></u>

The above lease arrangement is relating to lease of 333 Stirling Hwy for 10-year term commenced on 1 September 2012 and expiring on 31 August 2022, with the rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by 10% per annum for first 6 years and by CPI plus 2% per annum for remainder of lease agreement. An option exists to renew the lease for 1st and 2nd further terms of additional 5 years.

(b) Capital Expenditure Commitments

Contracted for:		
- capital expenditure projects	0	156,025
Payable:		
- not later than one year	0	156,025

The Town did not have any future capital expenditure commitments at the reporting date. The prior year commitments was for Infrastructure works.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

17. JOINT VENTURE ARRANGEMENTS

The Town of Claremont takes part in the Western Metropolitan Regional Council Waste Transfer Station Joint Venture. See financial details in Note 4 to these statements.

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2016	2015
	\$	\$
Governance	8,727,537	8,827,056
General purpose funding	0	550
Law, order, public safety	122,445	104,946
Health	314,636	326,082
Education and welfare	8,217,720	8,236,213
Community amenities	383,601	453,318
Recreation and culture	18,447,301	17,967,396
Transport	39,752,196	38,737,732
Economic services	18,107,609	18,230,122
Other property and services	388,870	392,753
Unallocated	17,882,863	19,249,444
	<u>112,344,778</u>	<u>112,525,612</u>

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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	2016	2015	2014
19. FINANCIAL RATIOS			
Current ratio	1.78	0.99	1.44
Asset sustainability ratio	0.79	1.75	1.26
Debt service cover ratio	2.01	5.62	5.28
Operating surplus ratio	0.07	0.09	0.09
Own source revenue coverage ratio	1.01	1.04	1.07

The above ratios are calculated as follows:

Current ratio	$\frac{\text{current assets minus restricted assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset sustainability ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{Depreciation expenses}}$
Debt service cover ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating surplus ratio	$\frac{\text{operating revenue minus operating expenses}}{\text{own source operating revenue}}$
Own source revenue coverage ratio	$\frac{\text{own source operating revenue}}{\text{operating expenses}}$

Notes:

- a) Information relating to the **asset consumption ratio** and the **asset renewal funding ratio** can be found at Supplementary Ratio Information on Page 59 of this document.
- b) **For 2016**
- 1) The Debt Service Cover and Operating Surplus ratios disclosed above are distorted by the early receipt of half of the allocation of the 2015-16 Financial Assistance Grant (FAG) on 30 June 2015.

The early payment of the grant received increased operating revenue in 2015 and decreased operating revenue in 2016 by \$ 162,623.
 - 2) The Debt Service Cover ratio was also distorted by part repayment (\$2 million) of loan taken for the purchase of the commercial building at 333 Stirling Highway which was funded by the Future Fund Reserve.
 - 3) The Debt Service Cover and Operating Surplus ratios disclosed above are distorted by item of significant revenue totalling \$744,000 relating to the initial recognition of Artefacts.
- c) **For 2015**
The Current, Debt Service Cover and Operating Surplus ratios disclosed above were distorted by an item of revenue relating to the early payment of 2015/16 Financial Assistance Grants (FAGs) of \$162,623 which was received prior to year end.
- d) **For 2014**
The Current, Debt Service Cover and Operating Surplus ratios disclosed above were distorted by the change to the payment of FAGs during the year ended 30 June 2014 which saw the advance payment for the first quarter of the following year cease. This created a timing difference which resulted in an amount of some \$164,286 less revenue for the year.

Items (b) to (d) mentioned above are considered to be "one-off" and are non-cash in nature and, if they were ignored, the calculations disclosed in the columns above would be as follows:

	2016	2015	2014
Current ratio	1.78	0.95	1.50
Debt service cover ratio	7.14	5.41	5.54
Operating surplus ratio	0.04	0.08	0.10

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

20. TRUST FUNDS

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

	1 July 2015 \$	Amounts Received \$	Amounts Paid (\$)	30 June 2016 \$
BCITF	36,135	112,653	(141,507)	7,281
BRB Levy	37,336	91,536	(123,217)	5,655
Damage Bonds	1,210,559	581,068	(594,128)	1,197,499
Hall Hire Bonds	100	0	0	100
Performance Bonds	79,367	8,000	0	87,367
Staff Tube of Charity	159	23	0	182
Use of Verge	5,300	0	0	5,300
DAP Fees	150	3,503	(3,653)	0
Staff Social Club	1,537	5,015	(3,982)	2,570
Car Bay Bond	0	1,620	0	1,620
	<u>1,370,643</u>			<u>1,307,574</u>

21. DISPOSALS OF ASSETS - 2015/16 FINANCIAL YEAR

The following assets were disposed of during the year.

	Actual Net Book Value \$	Actual Sale Proceeds \$	Actual Profit \$	Actual Loss \$	Budget Net Book Value \$	Budget Sale Proceeds \$	Budget Profit \$	Budget Loss \$
Plant and Equipment								
Governance								
Various Furniture Items	18,656	0	0	(18,656)	0	0	0	0
Various Electronic Equipments	10,733	0	0	(10,733)	0	0	0	0
PE 346 Holden Captiva	19,168	18,864	0	(304)	0	0	0	0
General purpose funding								
Minor Furniture Items	452	0	0	(452)	0	0	0	0
Law, order, public safety								
Minor Furniture Items	884	0	0	(884)	0	0	0	0
Various Electronic Equipment	130	0	0	(130)	0	0	0	0
Health								
Minor Furniture Items	1,336	0	0	(1,336)	0	0	0	0
Community amenities								
Minor Furniture Items	3,124	0	0	(3,124)	0	0	0	0
Minor Electronic Equipment	17	0	0	(17)	0	0	0	0
Recreation and culture								
Various Furniture Items	3,904	0	0	(3,904)	0	0	0	0
Electronic Equipment	1,337	0	0	(1,337)	0	0	0	0
Various Plants & Equipments	7,360	0	0	(7,360)	0	0	0	0
Transport								
Various Furniture Items	6,136	0	0	(6,136)	0	0	0	0
Various Electronic Equipment	9,413	0	0	(9,413)	0	0	0	0
Various Plants & Equipments	14,181	0	0	(14,181)	0	0	0	0
Economic services								
Minor Furniture Items	2,220	0	0	(2,220)	0	0	0	0
Other property and services								
Minor Furniture Items	3,104	0	0	(3,104)	0	0	0	0
Various Electronic Equipment	490	0	0	(490)	0	0	0	0
Land Held for Resale								
Economic services								
Lot 15 Claremont Cres	135,935	586,407	450,472	0	125,357	509,091	383,734	0
	<u>238,580</u>	<u>605,271</u>	<u>450,472</u>	<u>(83,781)</u>	<u>125,357</u>	<u>509,091</u>	<u>383,734</u>	<u>0</u>

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

22. INFORMATION ON BORROWINGS

(a) Repayments - Debentures

Particulars	Principal	New	Principal		Principal		Interest	
	1 July		Loans	Repayments	Repayments	30 June 2016	Repayments	Repayments
	2015		Actual	Budget	Actual	Budget	Actual	Budget
	\$	\$	\$	\$	\$	\$	\$	\$
Governance								
4 - Civic & Administration Centre	1,947,883	0	53,882	53,882	1,894,001	1,894,001	78,580	78,538
Recreation and culture								
3 Claremont Community Hub	1,012,497	0	40,924	40,924	971,573	971,573	51,303	49,212
1 Pool Refurbishment	869,476	0	34,329	34,329	835,147	835,147	60,402	58,887
Economic services								
2 Purchase 333 Stirling Hwy	7,500,000	0	7,500,000	7,500,000	0	0	256,660	256,500
Refinance - 333 Stirling Highway loan on maturity.	0	5,500,000	0	0	5,500,000	5,500,000	92,622	112,750
	<u>11,329,856</u>	<u>5,500,000</u>	<u>7,629,135</u>	<u>7,629,135</u>	<u>9,200,721</u>	<u>9,200,721</u>	<u>539,567</u>	<u>555,887</u>

Loans 1, 3 & 4 repayments are financed by General Purpose Revenue and Loan 2 is financed by Future Fund Reserve.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

22. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2015/16

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate	Amount Used		Balance Unspent
	Actual	Budget						Actual	Budget	
	\$	\$				\$	%	\$	\$	\$
Refinance - 333 Stirling Highway loan on maturity.	5,500,000	5,500,000	WATC	Debenture	3	185,350	2.67%	(5,500,000)	(5,500,000)	0
	<u>5,500,000</u>	<u>5,500,000</u>				<u>185,350</u>		<u>(5,500,000)</u>	<u>(5,500,000)</u>	<u>0</u>

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 1 July 15	Borrowed	Expended	Balance 30 June 16
			During Year	During Year	
		\$	\$	\$	\$
Lakeway Subdivision	Apr 2008	169,441		(169,441)	0
		<u>169,441</u>	<u>0</u>	<u>(169,441)</u>	<u>0</u>

(d) Overdraft

The Town of Claremont has no overdraft facility.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

23. RATING INFORMATION - 2015/16 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Total Revenue \$
Gross rental value valuations									
Residential	5.6930	3,537	145,480,490	7,920,128	53,771	7,973,899	11,601,927	74,733	11,676,660
Commercial	5.6930	195	55,586,702	3,164,551	0	3,164,551	0	0	0
Industrial	5.6930	56	9,635,106	548,527	0	548,527	0	0	0
Miscellaneous	5.6930	4	752,130	42,819	0	42,819	0	0	0
Sub-Total		3,792	211,454,428	11,676,025	53,771	11,729,796	11,601,927	74,733	11,676,660
Minimum payment	Minimum \$								
Gross rental value valuations									
Residential	1,240	1,219	20,869,300	1,511,560	0	1,511,560	1,546,280	0	1,546,280
Commercial	1,240	19	321,860	23,560	0	23,560	0	0	0
Miscellaneous	1,240	1	14,560	1,240	0	1,240	0	0	0
Sub-Total		1,239	21,205,720	1,536,360	0	1,536,360	1,546,280	0	1,546,280
		5,031	232,660,148	13,212,385	53,771	13,266,156	13,148,207	74,733	13,222,940
Discounts/concessions (refer note 27)									
Total amount raised from general rate						13,266,156			13,222,940
Specified Area Rate (refer note 25)						117,465			120,000
Totals						13,383,621			13,342,940

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

24. NET CURRENT ASSETS

Composition of net current assets

	2016 (30 June 2016 Carried Forward) \$	2016 (1 July 2015 Brought Forward) \$	2015 (30 June 2015 Carried Forward) \$
Surplus	<u>2,118,259</u>	<u>1,963,911</u>	<u>1,963,911</u>
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	3,673,869	3,646,948	3,646,948
Restricted	12,349,379	13,776,797	13,776,797
Receivables			
Rates outstanding	183,203	147,481	147,481
Sundry debtors	152,154	241,542	241,542
GST receivable	33,262	6,842	6,842
Prepayment	0	18,121	18,121
Accrued Income	30,017	23,134	23,134
Provision for Doubtful Debts	(3,378)	(3,378)	(3,378)
Land held for resale - cost			
Development costs	0	129,307	129,307
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(877,978)	(1,100,884)	(1,100,884)
Accrued interest on debentures	(4,673)	(4,673)	(4,673)
Accrued salaries and wages	(48,371)	0	0
Other Accrued Expenses	0	(18,852)	(18,852)
Income Received in Advance	(21,175)	0	0
Current portion of long term borrowings			
Secured by floating charge	(333,814)	(2,129,137)	(2,129,137)
Provisions			
Provision for annual leave	(445,023)	(483,108)	(483,108)
Provision for sick leave	(95,687)	(78,593)	(78,593)
Provision for long service leave	(457,961)	(430,669)	(430,669)
Unadjusted net current assets	<u>14,133,824</u>	<u>13,740,878</u>	<u>13,740,878</u>
Adjustments			
Less: Reserves - restricted cash	(12,349,379)	(13,582,836)	(13,582,836)
Less: Land held for resale - cost			
Development costs	0	(129,307)	(129,307)
Municipal Restricted Funds - Unspent Grant	0	(24,520)	(24,520)
Municipal Restricted Funds - Loan	0	(169,441)	(169,441)
Current portion of long term borrowings			
Add: Secured by floating charge	333,814	2,129,137	2,129,137
Adjusted net current assets - surplus	<u>2,118,259</u>	<u>1,963,911</u>	<u>1,963,911</u>

Difference

There was no difference between the surplus 1 July 2015 brought forward position used in the 2016 audited financial report and the surplus carried forward position as disclosed in the 2015 audited financial report.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

25. SPECIFIED AREA RATE - 2015/16 FINANCIAL YEAR

Specified Area Rate	Basis of Valuation	Rate in \$	Rateable Value \$	Rate Revenue \$	Interim Rate Revenue \$	Back Rate Revenue \$	Total Specified Area Rate Revenue	Budget Rate Revenue \$	Budget Back Rate Revenue \$	Budget Interim Rate Revenue \$
Central Business District (CBD)	GRV	0.2610	45,056,061	120,206	(2,741)	0	117,465	120,000	0	0
				120,206	(2,741)	0	117,465	120,000	0	0

26. SERVICE CHARGES - 2015/16 FINANCIAL YEAR

The Town did not impose any service charges.

**27. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS
- 2015/16 FINANCIAL YEAR**

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount % or \$	Actual \$	Budget \$
Rate Assessments - Various	Write-off		4,239	1,000
			<u>4,239</u>	<u>1,000</u>

Town does not offer any discount, incentives and concessions on the payment of rates. However Town did write off small rate balances at 30 June 16. These small balances were mainly interest being charges on late payment of rates.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

28. INTEREST CHARGES AND INSTALMENTS - 2015/16 FINANCIAL YEAR

	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Instalment Options				
Option One				
Single full payment	14-Aug-15			11.00%
Option Two				
First Instalment	14-Aug-15	16.5	5.50%	11.00%
Second Instalment	14-Oct-15	16.5	5.50%	11.00%
Third Instalment	14-Dec-15	16.5	5.50%	11.00%
Fourth Instalment	16-Feb-16	16.5	5.50%	11.00%

	Revenue \$	Budgeted Revenue \$
Interest on unpaid rates	29,112	22,000
Interest on instalment plan	86,435	79,000
Charges on instalment plan	59,977	54,000
	<u>175,524</u>	<u>155,000</u>

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

29. FEES & CHARGES	2016	2015
	\$	\$
Governance	225	300
General purpose funding	111,600	92,348
Law, order, public safety	24,436	31,521
Health	96,788	32,363
Community amenities	521,829	568,385
Recreation and culture	1,370,881	1,389,796
Transport	1,029,756	780,604
Economic services	590,432	677,599
	<u>3,745,947</u>	<u>3,572,916</u>

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

30. GRANT REVENUE

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

By Nature or Type:	2016	2015
	\$	\$
Operating grants, subsidies and contributions		
Governance	0	11,000
General purpose funding	106,790	329,158
Recreation and culture	7,548	54,338
Transport	80,756	188,404
Economic services	500	40,311
	<u>195,594</u>	<u>623,211</u>
Non-operating grants, subsidies and contributions		
Recreation and culture	10,500	0
Transport	613,640	663,506
	<u>624,140</u>	<u>663,506</u>

31. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

<u>63</u>	<u>67</u>
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32. ELECTED MEMBERS REMUNERATION

The following fees, expenses and allowances were paid to council members and/or the president.

	2016	2016	2015
	\$	Budget	\$
Meeting Fees	166,365	173,457	165,019
Mayor's Allowance	36,050	37,132	36,050
Deputy Mayor's Allowance	9,013	9,283	9,013
Travelling Expenses	0	3,670	0
Telecommunications Allowance	34,636	36,050	30,630
	<u>246,064</u>	<u>259,592</u>	<u>240,712</u>

33. MAJOR LAND TRANSACTIONS

The Town did not participate in any major land transactions during the 2015/16 financial year.

34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The Town did participate in any trading undertakings or major trading undertakings during the 2015/16 financial year.

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

35. FINANCIAL RISK MANAGEMENT

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

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

Financial risk management is carried out by the finance area under policies approved by the Council.

The Town held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2016	2015	2016	2015
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	16,023,248	17,423,745	16,023,248	17,423,745
Receivables	580,448	610,592	580,448	610,592
	<u>16,603,696</u>	<u>18,034,337</u>	<u>16,603,696</u>	<u>18,034,337</u>
Financial liabilities				
Payables	952,197	1,124,409	952,197	1,124,409
Borrowings	9,200,723	11,329,860	8,608,032	11,032,306
	<u>10,152,920</u>	<u>12,454,269</u>	<u>9,560,229</u>	<u>12,156,715</u>

Fair value is determined as follows: □

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

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

35. FINANCIAL RISK MANAGEMENT (Continued)
(a) Cash and Cash Equivalents

The Town's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). Council has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

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

The Town manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	2016	2015
	\$	\$
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	206,851	208,903
- Statement of Comprehensive Income	206,851	208,903

Notes:

⁽¹⁾ Sensitivity percentages based on management's expectation of future possible market movements.

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

35. FINANCIAL RISK MANAGEMENT (Continued)
(b) Receivables

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

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

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

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

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

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

	2016	2015
Percentage of rates and annual charges		
- Current	0.00%	0.00%
- Overdue	100.00%	100.00%
Percentage of other receivables		
- Current	86.67%	42.94%
- Overdue	13.33%	57.06%

TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

35. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables
Borrowings

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

The contractual undiscounted cash flows of the Town's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
<u>2016</u>					
Payables	952,197	0	0	952,197	952,197
Borrowings	2,281,681	6,423,156	1,798,625	10,503,462	9,200,723
	<u>3,233,878</u>	<u>6,423,156</u>	<u>1,798,625</u>	<u>11,455,659</u>	<u>10,152,920</u>
<u>2015</u>					
Payables	1,124,409	0	0	1,124,409	1,124,409
Borrowings	8,030,536	2,661,992	1,974,345	12,666,873	11,329,860
	<u>9,154,945</u>	<u>2,661,992</u>	<u>1,974,345</u>	<u>13,791,282</u>	<u>12,454,269</u>

**TOWN OF CLAREMONT
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

35. FINANCIAL RISK MANAGEMENT (Continued)

**(c) Payables
Borrowings (continued)**

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The Town manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
<u>Year ended 30 June 2016</u>								
Borrowings								
Fixed rate								
Debentures	1,894,002	0	5,500,000	0	0	1,806,721	9,200,723	3.33%
Weighted average Effective interest rate	3.36%		2.67%			5.32%		
<u>Year ended 30 June 2015</u>								
Borrowings								
Fixed rate								
Debentures	7,500,000	1,947,884	0	0	0	1,881,976	11,329,860	5.53%
Weighted average Effective interest rate	6.14%	3.36%				5.32%		

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INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE TOWN OF CLAREMONT

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of the Town of Claremont, which comprises the statement of financial position as at 30 June 2016, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and the rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Chief Executive Officer.

Management's Responsibility for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the *Local Government Act 1995* (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) and for such internal control as Management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial report of the Town of Claremont is in accordance with the *Local Government Act 1995* (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a) giving a true and fair view of the Town's financial position as at 30 June 2016 and of its financial performance and its cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

**INDEPENDENT AUDITOR'S REPORT
TO THE ELECTORS OF THE TOWN OF CLAREMONT (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Town.
- b) No matters indicating non-compliance with Part 6 of the *Local Government Act 1995* (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 59 of this report, we have reviewed the calculations as presented and nothing has come to our attention to suggest it is not:
 - i) reasonably calculated; and
 - ii) based on verifiable information.
- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit

MOORE STEPHENS
CHARTERED ACCOUNTANTS



WEN-SHIEN CHAI
PARTNER

Date: 18 November 2016
Perth, WA

**TOWN OF CLAREMONT
SUPPLEMENTARY RATIO INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2016**

RATIO INFORMATION

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report.

	2016	2015	2014
Asset consumption ratio	0.91	0.71	0.73
Asset renewal funding ratio	1.09	1.02	0.98

The above ratios are calculated as follows:

Asset consumption ratio	$\frac{\text{depreciated replacement costs of assets}}{\text{current replacement cost of depreciable assets}}$
Asset renewal funding ratio	$\frac{\text{NPV of planning capital renewal over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$