

THIS IS YOUR



2017-18
ANNUAL
REPORT





THE CITY OF ALBANY RESPECTFULLY
ACKNOWLEDGES THE MENANG
NOONGAR PEOPLE AS THE
TRADITIONAL CUSTODIANS OF THE
LAND ON WHICH THE CITY CONDUCTS
ITS BUSINESS, AND PAYS RESPECT
TO ELDERS PAST AND PRESENT.



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ALBANY IS



**The City of Albany is passionate about its community.
We're part of your community. It's where we live,
where we work and where we play, just like you.**

Council is made up of people from your community, who were elected by you to make important decisions for Albany. Without a good Council, we wouldn't have all the things that make Albany a great place. Like our roads, sporting fields, footpaths, library, leisure centre, parks and playgrounds, and much more.

Our Councillors and our staff call Albany home. They all love their community and strive to work with the community for the community.

The Community Strategic Plan – Albany 2030 outlines the vision for our community. It's an important document that you helped us compile and it guides everything we do. This Annual Report shares some of the highlights we achieved towards the community's vision during 2017-2018.

YOUR CITY'S ID

ALBANY IS A LARGE AND DIVERSE COMMUNITY. IT'S COMPLEX TOO, WITH LOTS OF DIFFERENT INDUSTRIES, PEOPLE AND CULTURES, AND SOCIAL CHALLENGES.

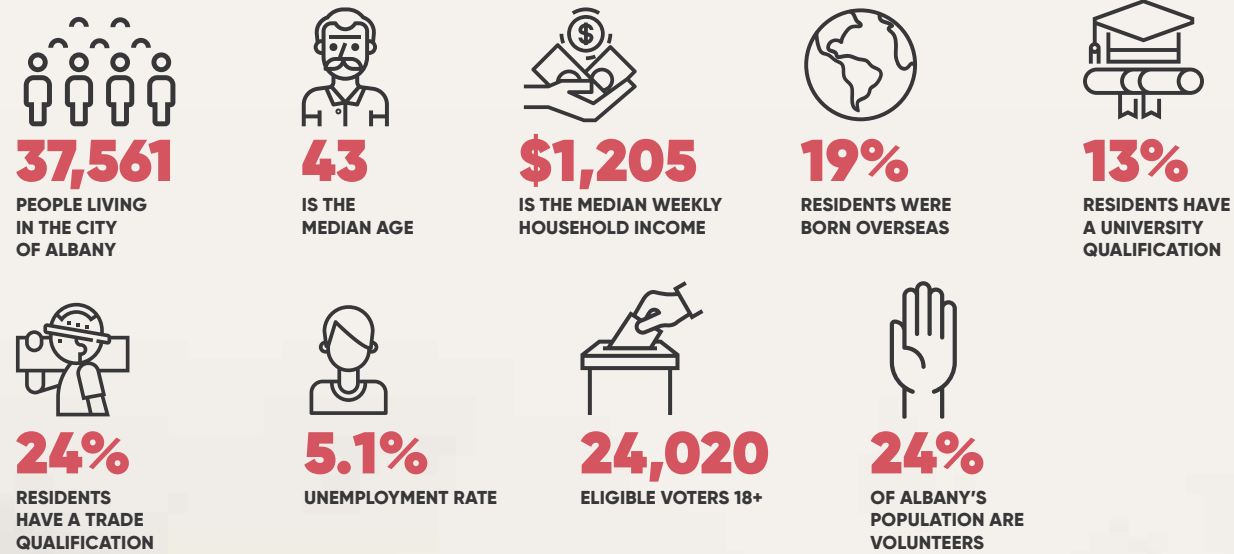
Running the City of Albany is not an easy job. With almost 38,000 residents and more than 3,000 businesses, there is a lot of needs and expectations to balance.

We strive to build a City that is not only a unique place to live, work and visit, but is also growing and sustainable for the future.

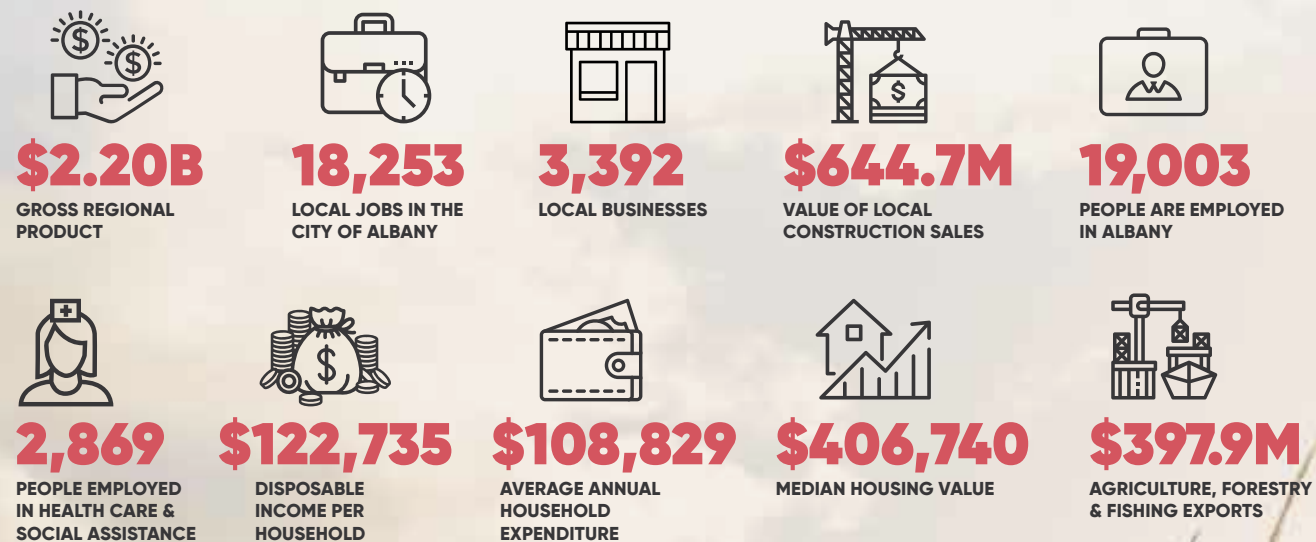
So many things contribute to the make-up of who we are as a community. Here is a snapshot of the current social and economic profile of Albany.

THIS IS YOUR CITY.

SOCIAL



ECONOMIC



MAYOR'S MESSAGE

COUNCIL IS COMMITTED TO COMMUNITY, AND EVERYTHING WE DO IS ABOUT MAKING ALBANY A SOUGHT AFTER AND UNIQUE PLACE TO WORK, LIVE AND VISIT.

That's why we adopted an updated Community Strategic Plan this financial year, which sets out the areas you told us you want us to focus on and ensures we are clear about the priorities of our community and how to achieve them, now and into the future.

We have continued to demonstrate leadership through our involvement in the South Coast Alliance with the shires of Denmark and Plantagenet, breaking down our local government boundaries to achieve regional solutions and outcomes for important things like tourism, waste and renewable energy.

Getting smarter at what we do means our community will be prosperous and the region will continue to grow. Being sustainable is part of this and we've set an ambitious but achievable goal to become 100% energy self-sufficient by embracing clean and green power options.

This process started this year with WA's first Energy Self-Sufficiency Hackathon led by Western Power and involving industry and community to find viable solutions for Albany's energy needs into the future.

This Annual Report looks back on some of these achievements and the highlights of a busy but successful 2017-2018 for the City of Albany. Top of those highlights was the way our community rallied in response to the May bushfire emergency.

The community spirit on display was heart-warming and it was reassuring to see the way our staff, volunteers, residents and businesses came together in what was an unprecedented and intense situation that risked lives and property.

Because of the dedication of our fire brigade volunteers and everyone who assisted, no lives were lost and I was proud of the praise the City of Albany received for its role in helping coordinate the response.

It was another feather in our cap and demonstrated yet again how passionate we are about our community, where we live and what we can achieve when we work together.

Our results are setting a benchmark for regional local government in WA and laying a strong foundation for our future. That's important, because it's our children and the people who live in Albany in the future that will benefit.

Continuous improvement is difficult to achieve but at the City of Albany we continue to take strides forward and I commend Council for what we have been able to achieve over this financial year and thank the community for its ongoing support.

DENNIS WELLINGTON,
MAYOR



CEO'S MESSAGE

THERE IS A LOT WE CAN BE PROUD OF AT THE CITY OF ALBANY. THIS PAST YEAR WAS FULL OF ACHIEVEMENTS THAT CONTINUE TO TAKE OUR COMMUNITY FORWARD IN A POSITIVE AND STRONG DIRECTION.

From growing our regional partnerships and launching The Amazing South Coast tourism strategy and organisation, to major infrastructure upgrades like the new Visitor Centre on York Street and refurbished Albany Public Library.

There has been continued development at the Centennial Sporting Precinct, we have hosted and held successful events like the Queen's Baton Relay and Anzac Albany Convoy Campout, and survived frightening bushfires.

They only scratch the surface of what we have done in partnership with our community, and none of it would have been possible without an incredibly professional, passionate and hardworking team. We have become an employer of choice, with low staff turnover and a high-level of employee satisfaction that speaks volumes for the improvements the City has been able to achieve for our community.

We have worked very hard to develop a positive culture within the City of Albany and this has been built on the back of our strong values of being focussed on community outcomes, united by working and learning together, accountable for our actions, and proud of our people and our community.

As an organisation, we have grown to uphold those values with a stronger focus on customer service standards and working on developing our business processes.

We have continued to develop our business planning and introduced a corporate scorecard to give our Council a clear sight of our focus areas and the performance of the business, which along with our bi-annual Community Perception Survey gives us reliable feedback on how we are progressing against our Community Strategic Plan.

While reflecting on our achievements, it is important we don't rest on our laurels and that we continue to strive for improvement in all areas by listening to our community and continuing to set high standards.

Our Council has provided great leadership throughout the year and I thank them for the good governance they have given our community and their support of our administration.

Thank you to our staff, who are committed to getting great outcomes for Albany and the region. Everything we have achieved is a credit to their dedication to upholding the City's vision and values.

ANDREW SHARPE

CHIEF EXECUTIVE OFFICER, CITY OF ALBANY

ELECTED MEMBERS

YOUR OPPORTUNITY, YOUR VOTE

A two-phase campaign by the City of Albany for the 2017 Local Government Election to encourage candidate nominations and a higher voter turnout delivered encouraging results.

'Your City, Your Opportunity' was the first part of the campaign, encouraging people within the community who were passionate about Albany and wanted to make a difference to nominate for Council.

The resulting 21 candidates vying for six council seats tied with 2015 as the highest number of candidates for an Albany Ordinary Election since 2007 when there were 31 candidates, of which five were running for Mayor.

'Your City, Your Vote' was the second part of the campaign, encouraging residents to make their voice heard by voting in the local government elections.

Strong voter turnout of 38.49% across the City was a 4.33% increase on 2015 and an excellent result in a non-Mayoral election year.

PRINT CAMPAIGN



VIDEO CAMPAIGN



YOUR COUNCIL & WARDS




ALBANY
DENNIS WELLINGTON
MAYOR
TERM EXPIRES 2019




FREDERICKSTOWN WARD
GREG STOCKS
DEPUTY MAYOR
TERM EXPIRES 2019



FREDERICKSTOWN WARD
REBECCA STEPHENS
COUNCILLOR
TERM EXPIRES 2021



YAKAMIA WARD
ANTHONY MOIR
COUNCILLOR
TERM EXPIRES 2019



YAKAMIA WARD
ROBERT SUTTON
COUNCILLOR
TERM EXPIRES 2021



WEST WARD
SANDIE SMITH
COUNCILLOR
TERM EXPIRES 2019



WEST WARD
ALISON GOODE
COUNCILLOR
TERM EXPIRES 2021



VANCOUVER WARD
TRACY SLEEMAN
COUNCILLOR
TERM EXPIRES 2021




VANCOUVER WARD
JOHN SHANHUN
COUNCILLOR
TERM EXPIRES 2019




BREAKSEA WARD
RAY HAMMOND
COUNCILLOR
TERM EXPIRES 2021



BREAKSEA WARD
PAUL TERRY
COUNCILLOR
TERM EXPIRES 2019



KALGAN WARD
EMMA DOUGHTY
COUNCILLOR
TERM EXPIRES 2021



KALGAN WARD
BILL HOLLINGWORTH
COUNCILLOR
TERM EXPIRES 2019

YOUR COUNCIL

The City of Albany welcomed three new elected members and three returning councillors for four-year terms in an election year that delivered some very close contests.

Ballot counting delivered the following results:

FREDERICKSTOWN WARD - 6 CANDIDATES

Rebecca Stephens was elected with 505 votes, or 26.88% of the ward vote, just 20 votes ahead of Vicki Brown on 485 votes (25.81%).

YAKAMIA WARD - 2 CANDIDATES

Incumbent councillor Robert Sutton was returned with 888 votes (51.15%) ahead of Tim Overheu who collected 848 votes (48.85%).

VANCOUVER WARD - 3 CANDIDATES

Tracy Sleeman gathered 722 votes (42.85%) to be elected ahead of Matt Benson-Lidholm who received 499 votes (29.61%).

WEST WARD - 2 CANDIDATES

Incumbent councillor Alison Goode was re-elected with a comprehensive 1,137 votes (64.60%), while Wayne Downes received 623 votes (35.40%).

KALGAN WARD - 5 CANDIDATES

Emma Doughty was elected with 441 votes (24.46%), just 4 votes ahead of incumbent councillor Janelle Price on 437 votes (24.24%).

BREAKSEA WARD - 3 CANDIDATES

Incumbent councillor Ray Hammond was returned with 782 votes (51.31%) ahead of Luke Pilkington who received 612 votes (40.16%).

FULL ELECTION RESULTS CAN BE VIEWED AT WWW.ELECTIONS.WA.GOV.AU

ELECTED MEMBER ATTENDANCE / ORDINARY COUNCIL MEETINGS 2017-18

	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Feb 18	Mar 18	Apr 18	May 18	Jun 18
MAYOR WELLINGTON	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR STOCKS	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR STEPHENS	ELECTED OCTOBER 17			●	●	●	●	●	●	●	●
COUNCILLOR HAMMOND	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR TERRY	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR HOLLINGWORTH	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR DOUGHTY	ELECTED OCTOBER 17			●	●	●	●	●	●	●	●
COUNCILLOR SHANHUN	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR SLEEMAN	ELECTED OCTOBER 17			●	●	●	●	●	●	●	●
COUNCILLOR SMITH	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR GOODE	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR MOIR	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR SUTTON	●	●	●	●	●	●	●	●	●	●	●
COUNCILLOR DOWLING	●	●	●								
COUNCILLOR MULCAHY	●	●	●								
COUNCILLOR PRICE	●	●	●								

ELECTED MEMBER ATTENDANCE / SPECIAL COUNCIL MEETINGS 2016-17

	19 Feb 18
MAYOR WELLINGTON	●
COUNCILLOR STOCKS	●
COUNCILLOR STEPHENS	●
COUNCILLOR HAMMOND	●
COUNCILLOR TERRY	●
COUNCILLOR DOUGHTY	●
COUNCILLOR HOLLINGWORTH	●
COUNCILLOR SHANHUN	●
COUNCILLOR SLEEMAN	●
COUNCILLOR SMITH	●
COUNCILLOR GOODE	●
COUNCILLOR MOIR	●
COUNCILLOR SUTTON	●

LEAVE OF ABSENCE ● APOLOGY ● ATTENDED ●

EXECUTIVE TEAM



ANDREW SHARPE

CHIEF EXECUTIVE OFFICER



MICHAEL COLE

EXECUTIVE DIRECTOR CORPORATE SERVICES



PAUL CAMINS

EXECUTIVE DIRECTOR DEVELOPMENT SERVICES



MATTHEW THOMSON

EXECUTIVE DIRECTOR INFRASTRUCTURE & ENVIRONMENT



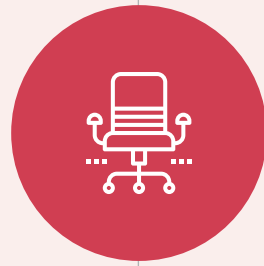
SUSAN KAY

EXECUTIVE DIRECTOR COMMUNITY SERVICES

SERVICE DELIVERY STRUCTURE

MAYOR AND COUNCILLORS

CEO



CORPORATE SERVICES

- OCCUPATIONAL HEALTH & SAFETY
- GOVERNANCE & RISK
- RECORDS & COUNCIL LIAISON
- INFORMATION TECHNOLOGY
- RATES & ACCOUNTS
- PROCUREMENT
- PROPERTY & LEASING
- CUSTOMER SERVICES
- HUMAN RESOURCES
- REVENUE DEVELOPMENT
- ECONOMIC DEVELOPMENT
- STRATEGY & BUSINESS DEVELOPMENT
- TOURISM & VISITOR SERVICING
- AIRPORT SERVICES
- LIGHT FLEET



INFRASTRUCTURE AND ENVIRONMENT

- MAJOR PROJECTS
- MAINTENANCE & CONSTRUCTION
- PLANT & HEAVY FLEET
- TRADES
- WASTE MANAGEMENT
- ASSET MANAGEMENT
- CIVIL INFRASTRUCTURE
- ENGINEERING
- ENVIRONMENTAL SUSTAINABILITY
- RESERVES & MAINTENANCE



DEVELOPMENT SERVICES

- PLANNING
- BUILDING
- ENVIRONMENTAL HEALTH
- DEVELOPMENT INFORMATION SERVICES
- RANGERS
- EMERGENCY SERVICES
- DEVELOPMENT COMPLIANCE



COMMUNITY SERVICES

- LEISURE & AQUATIC
- COMMUNICATIONS
- CLUB DEVELOPMENT
- SPORT & RECREATION
- ALBANY HERITAGE PARK & NATIONAL ANZAC CENTRE
- DAYCARE SERVICES
- ARTS & CULTURE
- LIBRARY SERVICES
- COMMUNITY DEVELOPMENT
- EVENTS
- COMMUNITY ENGAGEMENT



GOVERNANCE

Council focusses on making good decisions for you and your community.

It wants Albany to grow and prosper, and have access to the high level of services and facilities a community like ours needs and expects.

Meeting regularly to consider what is important for Albany and make decisions in the best interest of the community helps achieve this aim.

Providing strong governance ensures the City of Albany fulfils its responsibility as a good and capable corporate citizen.

COUNCIL MEETINGS

Albany City Council held 11 Ordinary Council Meetings and one Special Council Meeting between July 2017 and June 2018.

COMMITTEE MEETINGS

A new committee structure adopted during the previous financial year reduced the number of meetings required of Councillors and Staff during 2017-2018, providing more effective and efficient governance.

Between July 2017 and June 2018, the following committee meetings were held:

- **Commercial, Community & Corporate Services Committee (12)**
- **Development & Infrastructure Services Committee (11)**

Between July 2017 and June 2018, the following closed council committee meetings were held:

- **Audit & Risk Committee (3)**

Between July 2017 and June 2018, the following local area committee meetings were held:

- **Bush Fire Advisory Committee (2)**
- **Local Emergency Management Committee (5)**



11+1

COUNCIL MEETINGS

+ SPECIAL MEETING

DURING 2017-18



955

BUILDING

PERMITS

COMPLIANCE

Compliance is an important function of Local Government, helping ensure our community stays safe and healthy, is in good order and that amenity is maintained.

The City needs to administer local and state laws and regulations transparently and fairly, and assess cases of non-compliance on a case-by-case basis.

These are some of the compliance areas managed by the City during 2017-2018.

STATE RECORDS ACT 2000

Records tell us what, where and when something was done or why a decision was made. They also tell us who was involved and under what authority. In other words, records provide evidence of government and individual authority.

The City captured 106,380 records during 2017-2018. This was 2,155 records more than the previous financial year.

REGISTER OF COMPLAINTS

Any complaint against a council member which results in them being publically censured, apologising publically or undertaking training needs to be reported by the City's compliance officer in accordance with the Local Government Act 1995.

During 2017-2018 one complaint was recorded in the register of complaints.

The Local Government Standards Panel found Cr Janelle Price had committed a minor breach of the Local Government Act 1995 and was ordered to make a public apology, which was not required to be enforced as Cr Price was no longer a councillor at the time of the finding.

For more information about the complaints processes at the City, including lodging feedback or service complaints, visit <https://albany.wa.gov.au/council/comments-complaints/complaints/>.

FREEDOM OF INFORMATION

The City will, in all instances, seek to provide access to information upon request, except where there may be issues under the Privacy Act 1998 or Freedom of Information Act 1992 or other relevant legislation.

An Application for Access to Documents form is available on the City's website or upon request.

The City processed 12 Freedom of Information requests in 2017-2018.

For more information on the Freedom of Information process, visit <https://albany.wa.gov.au/council/comments-complaints/freedom-of-information/>.

BUILDING PERMITS

The City of Albany's Building Services team ensures that State Government building regulations, for residential and business, are followed in accordance with the Building Code of Australia, and that town planning requirements and local building laws are adhered to.

In 2017-2018 the City issued 908 building permits with a total value of \$139,834,788, ranging from new homes to outbuildings, additions, commercial premises and other.

For more information on the City's building services, visit <https://albany.wa.gov.au/residents/building-planning/building-services/>.

DEVELOPMENT APPLICATIONS

The City of Albany is responsible for providing a vision for the future development of Albany, as well as assessing the planning merit of individual projects on private lots. Development is guided not only by state legislation, policies and guidelines but also by local policies and guidelines. The Local Planning Scheme provides the legal framework against which individual development proposals are considered.

In 2016-2017 the City received 679 development applications.

For more information on the City's planning and development services, visit <https://albany.wa.gov.au/residents/building-planning/where-to-start/>.

ENVIRONMENTAL HEALTH

The role of the City of Albany's Environmental Health Officers is to manage the public environmental health risks in areas such as food safety, development control, disease control, pollution control and community living. Where acceptable standards are not maintained the officers assume an enforcement role.

In 2017-2018, the Environmental Health Team assessed 490 building and planning applications, including 95 approvals for on-site effluent disposal systems. The team also investigated 156 health complaints and completed 540 health inspections.

For more information on the City's health services, visit <https://albany.wa.gov.au/residents/health/health-services-for-residents/>.

EVENT APPROVALS

The City of Albany is required by legislation to ensure events comply with basic requirements and are responsible for guaranteeing environmental sustainability and public safety. The City of Albany also aims to ensure that community is well informed about events and that disruption to usual activity within the city is minimal.

In 2017-2018, the City of Albany processed 161 event applications.

For more information on holding an event in Albany, visit <https://albany.wa.gov.au/utility/events/organising-an-event/>.

RISK

The City of Albany's risk management framework provides a consistent process that enables continual improvement in decision making, and insight into organisational risks and their impacts.

An Audit and Risk Committee is responsible for assisting Council to discharge its responsibilities with regard to exercising due care, diligence and skill and addresses any specific requests referred to it from Council in relation to issues of internal control, legislative compliance and risk management.

Throughout 2017-2018 City officers reviewed 128 Events Risk Assessments, in excess of 200 Strategic Risk Assessments relating to Council reports, complementing Operational Risk Assessments which are integrated into day-to-day activities.

The City also received 23 property claims and 48 public liability claims.

The City of Albany has continued to maintain a low risk profile, resulting in lower insurance premiums.

RANGERS

The City's Rangers are focussed on community safety by encouraging and ensuring compliance with relevant State and Local Laws and providing support for the Emergency Services team. Rangers monitor community compliance in a range of areas and investigate complaints. They take an education first approach where appropriate and follow up with regulatory action as required which can include administrative controls, penalties and prosecution.

In 2017-2018, Rangers issued 999 notices in the following areas, which included infringements and warnings:

- **Miscellaneous (55)**
- **Bushfire (29)**
- **Dog (361)**
- **Off-Road (14)**
- **Parking (540)**

Additionally, the Rangers team responds to a large volume of customer service requests regarding but not limited to uncontrolled dogs, straying stock, abandoned vehicles, shark sightings, fire permit breaches, parking obstructions, illegal camping and littering.

In 2017-2018, Rangers responded to 2,127 customer service requests.





CITY OF ALBANY

OUR PEOPLE

It's a big, diverse team at the City of Albany. With more than 400 people working at the City, it makes us one of Albany's largest employers.

The local jobs we provide help support our economy, and we create many more jobs through the various contracts and projects we undertake each year.

Our staff work hard to provide many services to the community.

Our staff are passionate about Albany, they love their work and they take a lot of pride in supporting and collaborating with their community.

We also have a strong band of volunteers who work tirelessly to make your city a friendly and welcoming place to live and visit.

Volunteer firefighters remain our biggest group of volunteers, but we also have a lot of people that give their time to help at Albany Heritage Park, at community events, running tours for visitors, caring for our reserves and more.

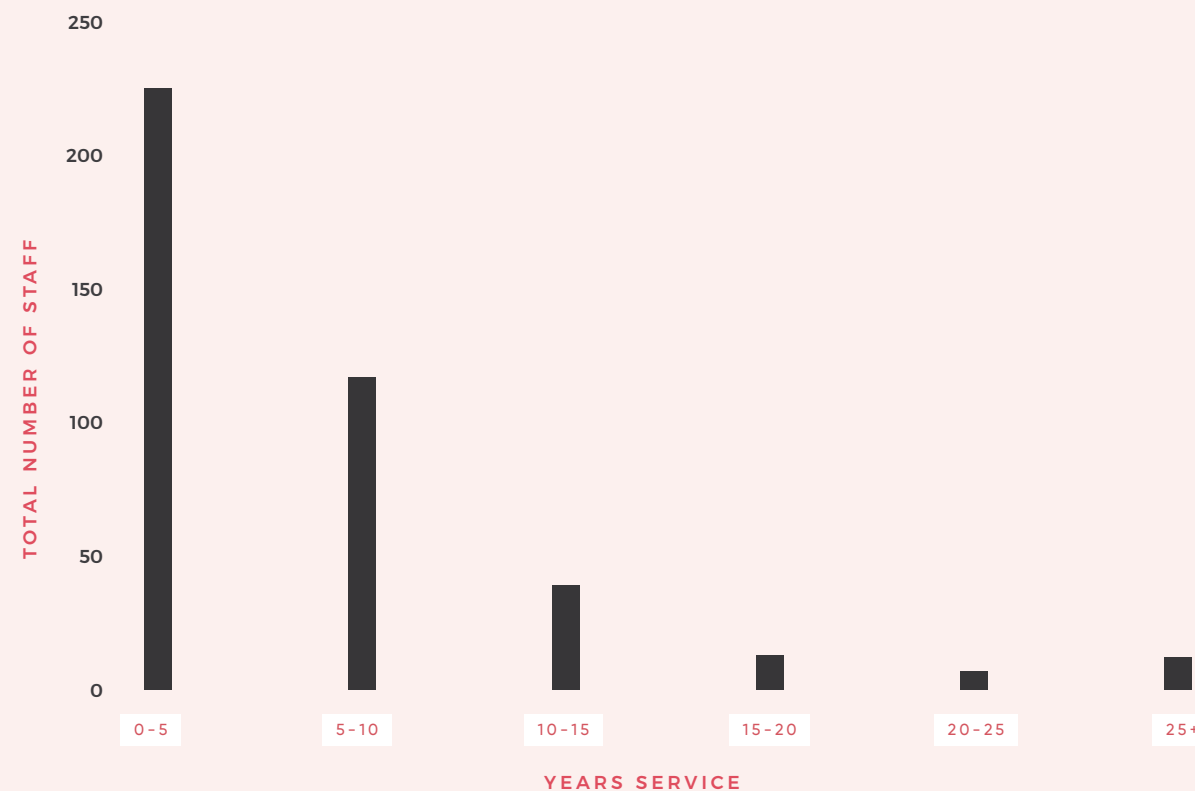
You can learn more about some of our hardworking staff in our 'Your City' videos at www.albany.wa.gov.au

EMPLOYEES

Gender	Casual	Full time	Part time	Grand Total
Female	67	74	81	222
Male	23	144	24	191
Grand Total	90	218	105	413

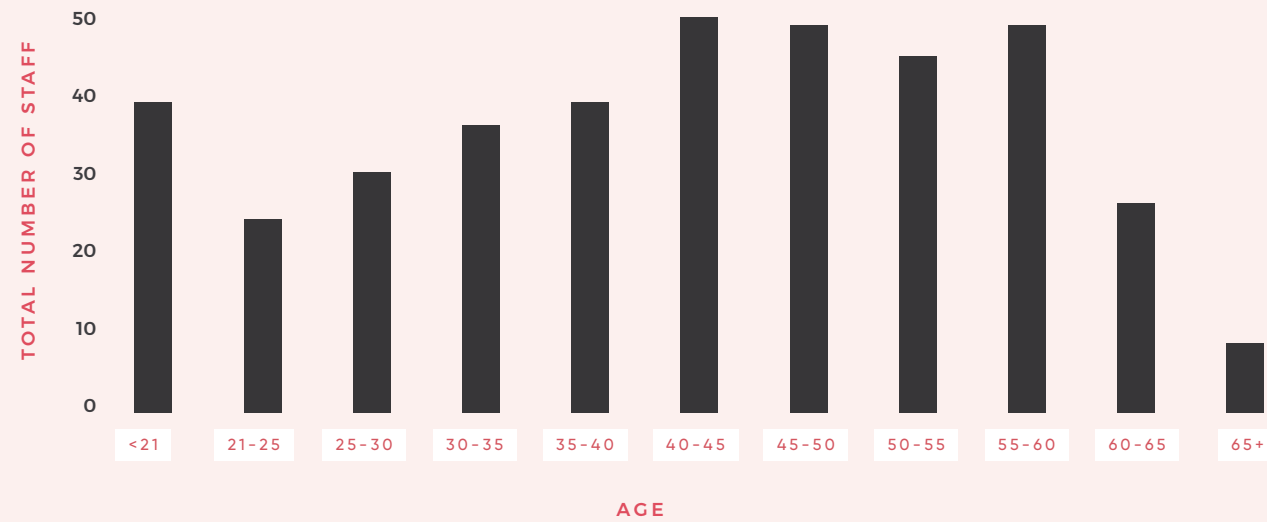
Directorate	Casual	Full time	Part time	Grand Total
CEO	1	3	1	5
Community	72	37	61	170
Corporate	11	38	20	69
Infrastructure	3	107	14	124
Planning & Development	3	33	9	45
Grand Total	90	218	105	413

YEARS SERVICE



OUR PEOPLE

EMPLOYEE AGE



EMPLOYEE REMUNERATION

In accordance with the Local Government (Administration) Regulations 19B, the City of Albany is required to disclose in bands of \$10,000 the number of employees entitled to an annual salary package of \$100,000 or more. The annual salary package includes cash salary, superannuation and all employee entitlements.

Brackets	Fixed Term Contract Employees	Enterprise Agreement Employees	Total Employees
100,000 - 109,999	2	12	14
110,000 - 119,999	1	2	3
120,000 - 129,999	7	3	10
130,000 - 139,999	2	0	2
140,000 - 149,999	3	0	3
150,000 - 159,999	3	0	3
160,000 - 169,999	0	0	0
170,000 - 179,999	2	0	2
180,000 - 189,999	2	0	2
190,000 - 199,999	0	0	0
200,000 - 209,999	2	0	2
210,000 - 279,999	0	0	0
280,000 - 289,999	0	0	0
290,000 - 299,999	0	0	0
300,000 - 309,999	0	0	0
310,000 - 319,999	0	0	0
320,000 - 329,999	1	0	1
Total	25	17	42

A DYNAMIC AND
PASSIONATE TEAM OF
PEOPLE WORK AT THE
CITY OF ALBANY.

53

OFF-ROAD
VEHICLES

9

ILLEGAL
CLEARING

55

ILLEGAL
CAMPING

129

FIRE
RELATED

83

RUBBISH
DUMPING
/LITTERING

182

PARKING &
OBSTRUCTIONS

5

SHARK
SIGHTINGS

22

SIGN
APPLICATIONS
COMPLAINTS

63

ANIMAL
REGISTRATIONS
/ PERMITS

162

BARKING OR
NUISANCE DOGS

169

STRAYING
STOCK

RANGERS DO AN IMPORTANT JOB IN OUR COMMUNITY.

Their primary focus is keeping the community safe, by making sure we are all aware of State and Local Laws, and comply with them.

They also support the City's emergency services team and play a critical role in helping respond to emergencies like bushfires.

They reunite and rehome pets, warn beachgoers about shark sightings, respond to straying stock and dog attacks, investigate illegal clearing and rubbish dumping, and much more.

A lot of the work our rangers do goes largely unnoticed by the public, but it helps keep our community in order.

Here is a snapshot of the reports the City of Albany's rangers responded to in 2017-2018.

754

DOGS
WANDERING

122

ANIMAL
ATTACKS

108

ABANDONED
VEHICLES

82

NUISANCE
CATS

43

OTHER
NUISANCE
ANIMALS

STAFF AND VOLUNTEERS
ALL LOVE ALBANY AND
EVERYTHING THEY DO IS
FOR THEIR COMMUNITY

CITY OF ALBANY

FACILITIES



FACILITIES

ALBANY HERITAGE PARK & NATIONAL ANZAC CENTRE



FACILITIES

ALBANY VISITOR CENTRE



FACILITIES

VANCOUVER ARTS CENTRE



FACILITIES

ALBANY REGIONAL AIRPORT



FACILITIES

ALBANY PUBLIC LIBRARY



FACILITIES

ALBANY REGIONAL DAY CARE



FACILITIES

ALBANY LEISURE & AQUATIC CENTRE



FACILITIES

HANRAHAN WASTE DEPOT

FACILITIES

ALBANY HERITAGE PARK & NATIONAL ANZAC CENTRE

Strong visitation to the National Anzac Centre has continued to push the tourism attraction toward the 250,000th visitor milestone.

With an average annual visitation of 67,864, the centre has welcomed 248,833 people through its doors since opening in November 2014.

The majority of visitation to the National Anzac Centre during 2017-2018 was from WA with 58 per cent, while visitors from other states consisted of NSW (35 per cent), Victoria (26 per cent), Queensland (20 per cent) and South Australia (13 per cent), followed by Tasmania, the Northern Territory and Australian Capital Territory all with similar figures between 1 and 3 per cent.

Of the total 6 per cent of international visitors, 40 per cent came from the United Kingdom, 19 per cent from New Zealand, 8 per cent from Singapore, 7 per cent from the United States, 5 per cent from Canada, and Ireland and France around 4 per cent.

More than 2,740 Albany residents become members of the League of Local Legends program during 2017-2018 resulting in 191 non-local paying visitors to the National Anzac Centre.

Since the centre's opening, 4,481 students have also visited and another 19,722 people have participated in guided tours of the Princess Royal Fortress.

The National Anzac Centre continues to receive industry recognition as a must-see museum offering a moving cultural experience and was awarded a Certificate of Excellence by travel review website Trip Advisor, reflecting people's visitation experience.

Letitia Stone

Manager Facilities



VISITORS

67,864

AVERAGE
ANNUAL VISITS

58%

FROM WESTERN
AUSTRALIA

6%

FROM
OVERSEAS

2,740

LOCAL
LEGENDS

4,481

STUDENTS
SINCE OPENING



FACILITIES

ALBANY REGIONAL AIRPORT

Albany Regional Airport had a busy year with a 4.5 per cent increase in passengers on Rex flights, a number of important infrastructure improvements and several successful events.

While Regular Passenger Transport numbers increased from 56,459 in 2016-2017 to 58,000 in 2017-2018, fly-in fly-out passenger numbers remained stable at just over 5,000.

A new St John's Ambulance patient transfer facility for the Royal Flying Doctor Service was among the major projects completed during the year that were partially funded through the Regional Airports Development Scheme.

Other projects were a dedicated taxiway and apron for RFDS aircraft, a new airport maintenance workshop, and the demolition of an old and unsightly asbestos hangar to make way for improved emergency services access and assembly areas, and allow for additional general aviation hangars.

The Airport successfully hosted an Airport Open Day in September 2017, and Racewars in March 2018, an annual straight-line controlled drag racing event.

In only its second year, Racewars is becoming a major tourism event, attracting about 9,000-plus spectators across the weekend, up from 7,500 last year, and 334 competitors up from 230. This translated into an estimated overall visitor spend in Albany of \$5.3 million across the March long weekend.

The airport also hosted the Royal Australian Navy for two months conducting aeronautical and coastal surveys, and the Royal Australian Air Force during their two-week annual training deployment to Albany.

Stuart Jamieson

Manager Governance and Risk

STATS



58,000

**PASSENGER
TRANSPORT
NUMBERS**



5,000

FIFO PASSENGERS



9,000+

**SPECTATORS FROM
RACE WARS EVENT**



FACILITIES

ALBANY LEISURE & AQUATIC CENTRE

STATS



12,000

VISITS PER WEEK



3,200

ENROLMENTS IN SWIM SCHOOL



1,407

PARTICIPANTS IN THE ACTIVE ALBANY PROGRAM



1,283

HEALTH AND FITNESS MEMBERS

Health and fitness was the major focus of a range of successful programs delivered at Albany Leisure & Aquatic Centre during 2017-2018.

Through its gym, group fitness programs, successful swim school, aquatic operations and recreation activities to keep active and social, the Centre averaged 12,000 visits per week with overall visitation increasing on the previous year.

ALAC continued to be Albany's recreational hub with 1,283 health and fitness members, 3,200 enrolments in swim school and 1,407 participants in the Active Albany program. Throughout the year it also hosted sporting association fixtures including volleyball, basketball, netball and table tennis, as well as swimming club meets.

Around the grounds and the upgraded facilities and ovals provided venues for the regular cricket, soccer and football clubs, while hockey held another successful season and began working with the City on plans to upgrade its synthetic turf.

Other initiatives delivered by the Recreation Services team during the year included the annual Sports Person of the Year award, Travel Smart and Club Development programs.

One of the year's highlights was successfully hosting a WAFL match between Claremont and South Fremantle football clubs at Albany's new Centennial Oval, which attracted a strong crowd of more than 2,600 from across the region.

The redevelopment of the Centennial Sporting Precinct continues into the new financial year, and the Recreation Services team are also exploring the potential for a regional tennis centre and further development for ALAC's aquatic facilities.

Samantha Stevens

Manager Recreation Services

FACILITIES

ALBANY PUBLIC LIBRARY

STATS



325,000

ITEMS TAKEN
HOME 2017 - 2018



47,000

E-BOOKS,
E-AUDIOS AND
E-MAGAZINES
BORROWED

Construction of the new Visitor Centre and other additions to the library slowly transformed the look and feel of the building during the first nine months of the year.

Library staff remained committed to providing the best possible service despite space constraints and the positive feedback from the community was encouraging.

Given the challenges and extended closing periods, borrowing decreased on the year before with 325,000 items taken home in 2017-2018, almost 25,000 less than 2016-2017.

Continuing recent trends, e-books, e-audios and e-magazines made up almost 15 per cent of issues, with 47,000 borrowed.

In addition to the main visitor centre construction, there was a major transformation of the library with new furniture, shelving and counter areas and the introduction of Radio Frequency Identification technology for library stock thanks to Regional Grants Scheme funding.

The project has given the building a remarkable facelift, with library staff enjoying the new space and receiving overwhelmingly positive feedback from the community.

Library staff appreciated the patience and understanding of its patrons throughout construction.

Paul Nielsen

Manager Precinct

FACILITIES

ALBANY VISITOR CENTRE

There were a number of changes to the Albany Visitor Centre during 2017-2018, the most significant being its move from Proudlove Parade to a new state-of-the-art home on York Street.

The Visitor Centre also implemented a range of new technologies designed to improve and enhance the visitor experience.

This work included the development of booking and information touch screens, a partnership with global travel technology company Expedia, digital window projections and a virtual reality experience showcasing the region.

As part of the Great Southern Economic Alliance's tourism and marketing strategy, the Visitor Centre completed a rebrand from Amazing Albany to the new regional destination slogan The Amazing South Coast.

Another project completed was the implementation of a new point-of-sale system and a full review of merchandise carried within the Visitor Centre, with a decision to stock products that were made or produced locally, providing exposure opportunities to new small businesses across the region.

These projects were in addition to the day-to-day visitor servicing and cruise ship support.

The Visitor Centre had more than 88,300 visitors during the financial year, an increase of more than 10,000 on the previous year despite not collecting any visitor data during March while the centre was in transition.

Just over 40,600 of these visitors came through the doors of the new Visitor Centre between March and June 2018, indicating a significant increase in foot traffic resulting from the relocation to the city centre.

Hamish Fell

Project Leader Visitor Services

STATS



88,300

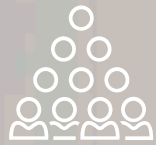
VISITORS TO THE CENTRE



40,600

VISITORS BETWEEN MARCH AND JUNE 2018!

STATS



29,700

PERSON AUDIENCE



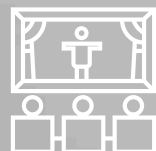
16

EXHIBITIONS



3

RESIDENCIES



49

WORKSHOPS



FACILITIES

VANCOUVER ARTS CENTRE

Vancouver Arts Centre's team delivered another strong arts and cultural program during 2017-2018 and provided support to a range of user groups in craft, visual arts, photography, screen arts and literature.

Exhibitions, events, festivals and workshops involved art forms such as multi-art, theatre, public art, dance, new media, sound and music, engaging an audience from all groups within the community.

There were 16 exhibitions, 49 workshops and 3 residencies throughout the year, which supported 180 artists and attracted 9,030 participants and an audience of more than 29,700.

It was the 10th year of the Albany Art Prize in 2018 and the final year of a successful partnership with the Jack Family Charitable Trust. With 30 finalists chosen from around Australia from more than 300 entries, Victorian artist Kevin Chin won the \$25,000 Major Acquisitive Prize for his work 'Sheltered', and Great Southern artist John Manson won the \$2,500 Highly Commended award for 'Mt Clarence No.2'.

A grant obtained from the Department of Local Government, Sport and Cultural Industries Culture and the Arts (WA) through the New Works in the House program funded a satirical musical theatre work 'Penelope and Martin', developed with local playwrights, singers and actors.

'Pilgrims of the Sea (40 Years Later)' was another creative production resulting from artist in residence Matt RJ Ward who delivered a range of workshops in vocal performance and acting for the public. Working with Albany Choral Society, Albany Sinfonia and About Face Youth Choir, it was a contemporary community opera telling the story of the closure of the Albany Whaling Station.

The Vancouver Arts Centre's inaugural fringe festival was a great success, as was the annual Vancouver Street Festival, which included the 'Noongar Song Project' to increase noongar engagement with the event.

Through this initiative 'The Kaawar Song' was taught to over 990 school children and community choir members across the Great Southern region. The song was written and created through workshops involving young and indigenous musicians and was based on a story written by a local Noongar Elder.

During the year the City of Albany's Art Collection was moved to its new store in Albany Town Hall, and the Albany History Collection moved into Vancouver Arts Centre.

Amber Cordon

Vancouver Arts Centre Team Leader

FACILITIES

ALBANY REGIONAL DAY CARE

High quality care and education has become synonymous with Albany Regional Day Care, and 2017-2018 was no exception.

With almost 200 children enrolled and using the centre each week and an exemplary record of compliance, the Day Care's services remain in demand with local families.

During the year, the centre again passed all its regulatory site inspections and continued to receive excellent feedback from the community.

Sustainable living practices and caring for the environment have been part of the children's learning program, while engaging the elderly community with visits to the centre to take part in interactive activities has provided mutual social, health and wellbeing benefits.

Albany Regional Day Care also supported 10 students during practical field placement during their early childhood studies. Staff also participated in several industry specific professional development courses including hosting to the wider community a 'Reducing Waste in the Early Years' course attended by 25 staff from a variety of centres.

Letitia Stone

Manager Facilities

STATS



200

CHILDREN ENROLLED IN THE CENTRE



10

STUDENTS SUPPORTED DURING PRACTICAL FIELD PLACEMENT

FACILITIES

HANRAHAN WASTE DEPOT



88,000

TONNES OF MATERIAL PROCESSED

More than 80,000 tonnes of materials came through the Hanrahan Road Waste Facility weighbridge in 2017-2018, including 342 fridges and 472 mattresses and bases.

Households put an average of 17kg of waste in their bins each week. Of the rubbish collected from 14,109 homes 28% was recovered, with 1927 tonnes of materials transported for recycling after sorting and 1612 tonnes of green waste composted.

A bulk hard and green waste collection gathered 1097 tonnes including:

- 495.20 tonnes green waste for composting
- 420.41 tonnes hard waste disposed in landfill
- 177.12 tonnes steel for recycling
- 4.30 tonnes e-waste for recycling

Fossicker's Tip Shop had more than 42,000 sales transactions to rehome 1600 electrical items, 3600 pieces of clothing and numerous other pre-loved items, saving 202 tonnes of waste from landfill. Residents dropped off 10.27 tonnes of Household Hazardous Waste including 3890kg gas bottles and 3160kg batteries for recycling, while 1160 participants from school and community groups took the chance to see the workings of the recycling centre and the effects of waste production on education tours.

Thirteen recycle and waste bin stations were installed between Middleton Beach and Emu Point and recycle bins were placed throughout the Albany Leisure and Aquatic Centre to make it easier for residents and visitors to recycle while out in the community.

Mike Richardson

Manager City Operations

RESTRICTION AREA
NO ENTRY
Unless Authorized

STATS



495.20

TONNES OF GREEN WASTE COMPOSTED



177.12

TONNES OF STEEL COLLECTED AND RECYCLED



420.41

TONNES OF HARDWASTE DISPOSED IN LANDFILL



4.3

TONNES OF E-WASTE COLLECTED AND RECYCLED

FIVE KEY THEMES

Our Community Strategic Plan – Albany 2030 – gives the City of Albany an extensive insight into community opinion and expectation. This helps us develop a clear plan for the future that sets out the community's vision and how we can achieve the community's aspirations.

Albany 2030 is an update of our previous Community Strategic Plan and an extension of our ongoing conversation with the community.

A lot has happened since the City's first Community Strategic Plan was developed with the community more than four years ago. More than 1,890 people directly participated in reviewing this document in 2017 by attending workshops, pop-up cafes, completing surveys and making submissions during the public comment period.

THESE FIVE THEMES UNDERPINNED AND INFORMED ALL OF THE WORK DONE BY THE CITY OF ALBANY.



Leadership



Smart, Prosperous & Growing



Clean, Green & Sustainable



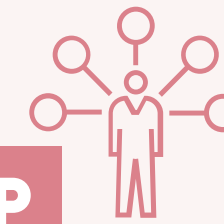
Community Health & Participation



Connected & Safe Built Environment

1

LEADERSHIP



Our community is looking for a Council that develops and communicates a clear vision and direction that balances the diverse range of views and interests within our community.

Our aspiration is to listen to our community and deliver outcomes that reflect their needs and expectations. The objectives set for us to achieve this are:

1. Establish and maintain sound business and governance structures;
2. Provide strong, accountable leadership supported by a skilled and professional workforce;
3. Engage effectively with our community.

One of our priorities is to implement systems and controls that ensure the prudent use of rates and value for money in all aspects of Council operations. This starts with strong financial management through the annual Budget process.

Council's 2017-2018 Budget was measured, one that continued to support major projects, regional partnerships, planning and development, community aspirations and a high level of service delivery to residents, ratepayers and visitors while keeping a rise in rates revenue to a modest 2.5%.

The Budget was one of 184 reports considered by Council at 11 Ordinary Council Meetings and one Special Council Meeting during the financial year.

Overall operating revenue was \$57.9 million with \$24.9 million allocated to capital works, including \$5.2 million for road renewals and upgrades such as the reconstruction of Millbrook Road, reseal of Pfeiffer Road and works to Norwood Road and Middleton Road.

Achieving the community's vision requires strong governance structures and that's why Council adopted an integrated planning framework that was developed to allow the City to report on and track its progress, as well as guide stakeholders to deliver the results the community expects.

The City of Albany has also been supporting other local governments within the region to improve their Integrated Planning and Reporting Frameworks through the establishment of The Great Southern Peer Support Program.

 **\$24.9M**
allocated to capital works

Involving the City as well as the shires of Broomehill-Tambellup, Cranbrook, Denmark, Gnowangerup, Jerramungup, Katanning, Kent, Kojonup, Plantagenet and Woodanilling, the group focuses on achieving meaningful compliant strategic and corporate business planning for each Local Government through collaboration and resource-sharing.

The program has been so successful, the Department of Local Government is supporting a wider rollout to all cities and shires across rural and regional WA. It reinforces the value of the City's efforts to establish and strengthen its partnerships through increased collaboration and resource sharing.

This has included a partnership between the City and shires of Denmark and Plantagenet to explore and advance initiatives that deliver social and economic benefits to Albany and the wider region.

INCORPORATING AS THE SOUTH COAST ALLIANCE INC HAS FORMALISED THE PARTNERSHIP TO CONTINUE TO BUILD ON THE RECENT WORK IT HAS UNDERTAKEN IN ACHIEVING A UNIFORM REGIONAL DESTINATION MARKETING BRAND AND STRATEGY THROUGH THE AMAZING SOUTH COAST.

The Alliance workshopped a Strategic and Priority Action Plan for the next financial year and will continue to focus on establishing a strong and successful regional tourism organisation, explore opportunities for a regional waste facility, and advocate for renewable energy opportunities.

Regional support for exploring new renewable energy initiatives follows the City of Albany partnering with Western Power to hold WA's first Energy Self-Sufficiency Hackathon involving industry experts, businesses, entrepreneurs and researchers.

THE COLLABORATION EXERCISE EXPLORED CONCEPTS FOR ALBANY TO BECOME WA'S FIRST REGIONAL CITY COMPLETELY POWERED BY RENEWABLE ENERGY AND COMPLEMENT THE CITY'S EXISTING GREEN ENERGY SOURCES SUCH AS THE WIND FARM.

Pure Power was the winning team, pitching a 'waste not, want not' approach to power generation for everyday household consumption by combining renewable energy with biofuel options, kick starting a six month process to further develop their idea and see if they can create a viable solution for the Albany region.

Following the successful hackathon, Council resolved to continue to explore options with a goal to become fully self-sustaining with renewable energy generation by 2026, which coincides with Albany's bicentenary.

ACCESSING MORE RELIABLE AND CHEAPER ENERGY WOULD HELP SUPPORT COUNCIL IN GROWING AND BUILDING A MORE SUSTAINABLE REGIONAL CITY. INCREASING JOB OPPORTUNITIES IS ALSO CRUCIAL AND SENIOR CITY STAFF MET WITH RIO TINTO IN AUGUST 2017 TO EXPLORE GROWING FLY-IN FLY-OUT OPTIONS THAT WOULD CREATE MORE EMPLOYMENT AND DRIVE POPULATION AND ECONOMIC GROWTH.

In 2016, Rio Tinto's state-wide regional FIFO program generated a flow-on economic impact of around \$185 million and created more than 1,200 jobs, with Albany reaping some of these benefits.

Rio has been using Albany as a FIFO base since 2012 and discussions focussed on working cooperatively to create opportunities for young people and continuing to grow its FIFO services from Albany.

Fostering opportunities for young people is a shared goal of both the City and Rio, who have partnered to employ a youth development officer to focus on achieving this outcome.

This role assisted Council to develop and adopt the Youth Friendly Albany Strategy 2017-2020, which resulted from extensive consultation with young people and led to the City winning the Children's Consultation category in the 2018 Children's Environment and Health Local Government Policy Awards.

Engagement with local youth included face-to-face forums that encouraged brainstorming ideas and sharing issues, as well as an online 'Have your say wall' and surveys facilitated by the Albany Youth Advisory Council.

The strategy provides a solid framework for the City to contribute to a more inclusive society that values the contribution and opinion of its young people and encourages their participation in all aspects of our society.

Successful youth-focussed events that have already resulted from the strategy consultation have included the 2017 and 2018 Colour Dash, school holiday program, and the 2018 Youthfest music festival as part of National Youth Week.

STRONG ENGAGEMENT WITH THE COMMUNITY HELPS BETTER INFORM COUNCIL TO MAKE GOOD DECISIONS. COUNCIL WANTS THE COMMUNITY TO BE PART OF THE JOURNEY AND IS WHY IT IS STRIVING FOR BEST PRACTICE AND INNOVATIVE ENGAGEMENT.

This has included initiating the 'Your Council' meet and greet forums where Elected Members visit and meet with communities informally to get to know them better, and understand the issues that are important to them.

Other engagement activities this financial year included the '100 cups of coffee, 100 conversations', inviting residents of Spencer Park to a pop-up lounge in the local shopping centre for a cuppa and chat about what they love about their suburb and ideas on how to create better connections between residents.

This feedback will assist the City to support the residents to create a neighbourhood hub that creates capacity for community development and builds on the success of a similar project in Lockyer, with other suburbs to follow.

To help prepare a Coastal Hazard Risk Management and Adaptation Planning process, the City also invited the community to have its say on the future of Emu Point and Middleton Beach through a new online social pinpoint survey.

Residents and visitors were able to identify the assets they valued most and make suggestions on protecting them from future sea level rises and coastal erosion to help assess options for Emu Point and Middleton Beach in the short, medium and long-term.

Work is continuing on this strategic coastal management planning with further community consultation earmarked for the near future.

Residents voiced strong objections to a service station development proposal for a vacant lot adjoining the Chester Pass roundabout and Council agreed, knocking back the development application.

With the roundabout consistently ranked as one of the worst intersections in WA, Council held concerns the proposed service station would create additional traffic management issues and safety risks.

The applicant appealed Council's decision to refuse the development at the State Administrative Tribunal and despite Council diligently defending its position on behalf of the community, the tribunal overruled and approved the service station subject to a range of conditions.

PLANNING APPLICATIONS ARE JUST ONE OF THE MANY FUNCTIONS AND SERVICES THE CITY OF ALBANY DELIVERS FOR THE COMMUNITY.

With about 38,000 residents, Council needs to meet a diverse range of needs and expectations, and that involves more than just rates, roads and rubbish. Thanks to a committed team of skilled, professional people often working behind the scenes, Council is able to provide a breadth of services to its community.

FROM PROCESSING CUSTOMER REQUESTS TO COORDINATING THE PUBLIC CCTV NETWORK, CONTROLLING MOSQUITOS, ORGANISING THE CHRISTMAS PAGEANT, RUNNING RECYCLING WORKSHOPS, REFURBISHING THE ELLEN COVE JETTY, READING CHILDREN STORIES AT THE LIBRARY OR DAY CARE, IT IS ALL IN A DAY'S WORK AT THE CITY OF ALBANY.

Highlighting these services and the people who are responsible for them was the focus of 'Your City', a campaign that launched mid-way through the financial year on Facebook and the City's website, reaching more than 60,000 people in its first few months. It continues to be popular and can be watched at www.albany.wa.gov.au.



1,200+
Jobs created by Rio Tinto's FIFO program across WA



ALLIANCE IPR WORKSHOP



CHESTER PASS ROUNDABOUT



COLOUR DASH




EMU POINT COASTAL MANAGEMENT



ENERGY SELF-SUFFICIENCY HACKATHON



RIO TINTO VISIT

An aerial photograph of a wind farm at sunset. The sun is low on the horizon, casting a warm glow over the scene. The wind turbines are silhouetted against the sky. The landscape is a mix of green vegetation and a dirt road that winds through the turbines. The ocean is visible in the background.

FROM PROCESSING CUSTOMER REQUESTS TO
COORDINATING THE PUBLIC CCTV NETWORK,
CONTROLLING MOSQUITOS, ORGANISING THE
CHRISTMAS PAGEANT, RUNNING RECYCLING
WORKSHOPS, REFURBISHING THE ELLEN
COVE JETTY, READING CHILDREN STORIES
AT THE LIBRARY OR DAY CARE, IT IS ALL IN
A DAY'S WORK AT THE CITY OF ALBANY.

SMART, PROSPEROUS AND GROWING



Our community want the City of Albany to play a key role in growing the local economy including a regional approach to tourism and economic development.

Our aspiration is to partner and advocate with relevant stakeholders to diversify our economy and establish a culture of life-long learning to support and grow local employment. The objectives set for us to achieve this are:

1. Strengthen and grow our region's economic base;
2. Develop a smart city that supports economic growth;
3. Develop and promote Albany as a unique and sought-after visitor location.

A number of priorities have been set out in the Community Strategic Plan to achieve these objectives, including encouraging and supporting significant events that have positive economic and social benefit, and promoting the Amazing South Coast region as a sought after and iconic tourism destination.

The 'Add Amazing to Your Adventure' campaign launched successfully this year, as part of a broader Tourism Development Strategy commissioned by the Lower Great Southern Economic Alliance to strengthen and diversify the economic base of the region.

Running for about six weeks, the campaign coincided with the launch of a new Amazing South Coast

website and included the rollout of large billboards and advertising on bus shelters, radio and TV, and multiple digital platforms across Perth.

Starting with a 30-minute TV travel feature about the Amazing South Coast on Channel 9, the marketing campaign targeted a Perth audience to come and experience the region, stretching from Bremer Bay to Walpole and up to the Stirling Range.

It was the first time the new Amazing South Coast destination brand was used to promote the region, with this unified approach and development of unique experiences a key to the partnership's goal of achieving 3 million visitor nights by 2021.

An audience of more than 186,000 was reached through the campaign's television advertising, with a further 7,600 clicks through the website, 69,000 video views on social media, and a sponsored article on The West online generating over 12,000 views.

It is too early to know if the campaign has had any direct impact on visitor nights within the region, however the City and its Alliance partners remain focussed on building on the campaign.

The City's leadership and achievements in tourism promotion and development has been recognised in winning the Local Government Award for Tourism at the Perth Airport WA Tourism Awards three years running.



NATIONAL ANZAC CENTRE



ALBANY PORT



ANZAC ALBANY FESTIVAL

Its third successive award in 2017 entered the City into the awards' Hall of Fame, while the National Anzac Centre won bronze for Tourism Attractions, capping off a very successful night for The Amazing South Coast region.

ROADS AND TRANSPORT ARE A KEY CONTRIBUTOR TO A STRONG REGIONAL ECONOMY AND IN NOVEMBER 2017 THE CITY OF ALBANY HOSTED THE AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION'S NATIONAL ROADS AND TRANSPORT CONGRESS.

It was the first time Albany had hosted the congress and continued efforts to promote Albany and the surrounding region as an ideal location to hold conferences and training events.

More than 200 delegates from around Australia attended, with intelligent transport solutions, freight productivity and road safety among the presentations and discussions that explored the theme 'Shaping Transport's Future'.

Albany featured prominently with its ring road, grain handling facility and port widely regarded as outstanding examples of how industry and government can collaborate to engineer effective transport and freight solutions.

City of Albany Mayor Dennis Wellington and Chief Executive Officer Andrew Sharpe spoke about how the City was using its Airport facilities to drive new opportunities that maximise the asset for the community and region.



This has included using the airport runway for events such as Racewars on the March long-weekend, attracting more than 9,000 attendees and 334 competitors in 2018, significantly more than the inaugural event in 2017.

Visitation to Racewars from outside the region increased by 20 per cent, with initial modelling estimating the event generated a positive economic impact of \$5.3 million, up from \$4.42 million in 2017.

The City is also exploring other innovative uses for the airport such as an Industrial Park or Solar Park, with the latter concept having the potential to assist Albany in achieving its goal of becoming 100 per cent powered by renewable energy.

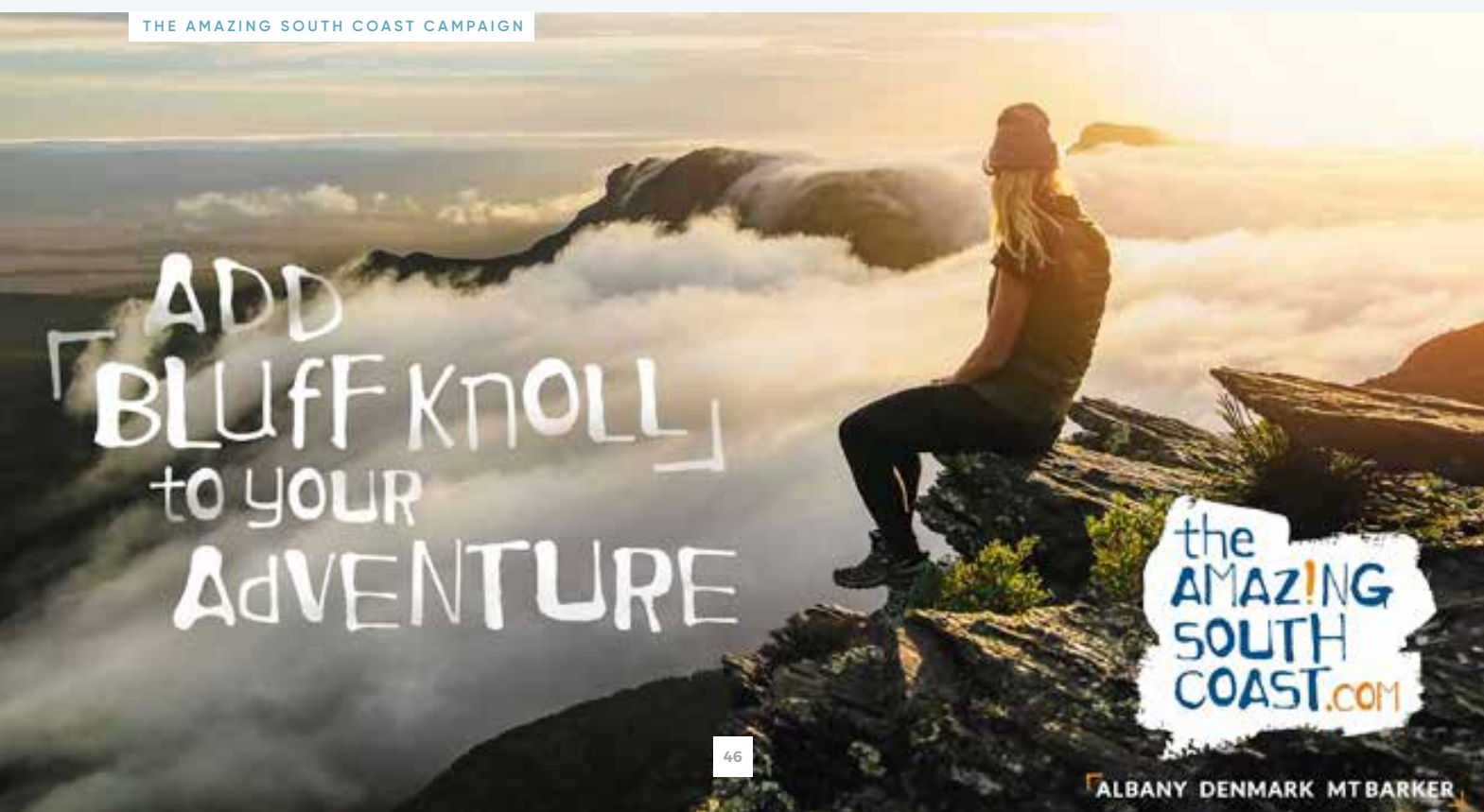
EVENTS PLAY A BIG ROLE IN PROMOTING OUR REGION AND POSITIVELY SUPPORTING OUR COMMUNITY ECONOMICALLY AND SOCIALLY, WHICH IS WHY COUNCIL AIMS TO ENCOURAGE, SUPPORT AND DELIVER SIGNIFICANT EVENTS IN ALBANY.

The Albany Car Classic was one of the major events Council has supported, entering a five-year sponsorship agreement for the Vintage Sports Car Club of WA and the event's Albany Organising Committee to continue an 80-plus years long tradition of racing vintage and classic cars around Albany's CBD streets.

Dating back to 1936, Albany was the first to bring European-style street racing to Australia and it remains an iconic motor sport event with enthusiasts around the country, regularly attracting big crowds of about 10,000 people.

COUNCIL ALSO PROVIDED FUNDING SUPPORT TO SEVEN EVENTS THROUGH ITS ANNUAL REGIONAL EVENTS SPONSORSHIP ROUND, DIVIDING \$65,000 BETWEEN THE SOUTHERN MTB, TASTE GREAT SOUTHERN,

THE AMAZING SOUTH COAST CAMPAIGN



ALBANY SPEEDWAY CLUB'S AUSTRALIAN SUPER SEDAN TITLE, SOUTHERN ART & CRAFT TRAIL, SAIL ALBANY AND THE FOOD FOR THOUGHT FESTIVAL.

In April the City worked closely with the WA Football Commission, WAFL and Claremont Football Clubs to bring the first WAFL match to Albany since 2009. The game was played between Claremont Tigers and South Fremantle Bulldogs at the new Centennial Stadium as a commemorative match honouring the Anzacs.

Players, club officials and staff visited the National Anzac Centre the day before the game. On match day, more than 2,664 spectators from across the region and some loyal supporters from Perth watched the Bulldogs triumph in a hard-fought contest.

Many local businesses and clubs supported the game, and the visitation to Albany had positive spin-offs for the local economy through the purchase of food, fuel and accommodation and the City hopes it can attract more WAFL games and other high profile sporting fixtures to Albany in future.

The City also supported the staging of Anzac Albany 2018, with Council successfully securing \$395,000 in Building Better Regions Funding from the Australian Government to stage a program of commemorations to mark the end of the four-year Anzac Centenary.

An internal project control group was established and met monthly to oversee the planning and delivery of commemoration activities throughout the year and ensure Albany staged a series of events that were a fitting conclusion to the national commemorations it launched in 2014.

Just over 100 campers participated in a unique down service experience at the Convoy Campout within the grounds of the National Anzac Centre on April 24-25, and an Anzac Albany Festival in Albany Heritage Park on Anzac Day involved live entertainment, stalls, and films and documentaries shown on a big screen.

Focus then turned to November 2018 and organising commemorations for the centenary of Armistice with a program of community events headlined by the installation of Bruce Munro's Field of Light: Avenue of Honour in partnership with FORM.

WA PREMIER MARK MCGOWAN VISITED THE AVENUE OF HONOUR IN DECEMBER 2017 TO ANNOUNCE \$300,000 FUNDING FROM LOTTERYWEST TOWARDS THE IMMERSIVE ART INSTALLATION IN HOMAGE TO THE ANZACS.

The funding continued Albany's strong recent record of attracting significant State and Federal Government investment into the region's events, infrastructure and tourism.



\$1,000,000
Lotterywest funding for the Town Hall

This has included State Government funding of \$6.9 million for stage 2 of the Centennial Park Sporting Precinct, \$520,000 for the Yakamia Creek Urban Improvement Project, \$1 million over four years for The Amazing South Coast destination marketing, and \$277,000 from the Regional Airport Development Scheme.

Through the Great Southern Development Commission, \$200,000 was secured for the Library Integration Program and \$150,000 for enhancements to Alison Hartman Gardens, while Lotterywest committed \$1 million to repurposing the Town Hall and a further \$600,000 to the Alison Hartman Gardens project.

The Federal Government provided \$250,000 towards the new Visitor Centre on York Street, and the City successfully applied to the Building Better Regions Fund again, this time for \$4.5 million towards coastal protection works at Middleton Beach.

THESE INVESTMENTS AND PROJECTS ASSIST TO STRENGTHEN OUR ECONOMY BY ENGAGING LOCAL BUSINESSES, COMPANIES AND CONTRACTORS, CREATING JOBS AND BUILDING AND GROWING OUR COMMUNITY.

Embracing technology and innovative electronic solutions also supports economic growth and the City continues to explore ways it can become a smarter city by using different information technology that allows it to manage its assets and resources more efficiently.

This has included researching and commencing a process to acquire the most appropriate software platform that will form the core of what will drive the adoption of a Smart City program in Albany.

Acquiring a drone has also enabled the City to get up-to-date images and data for assessing development applications, monitoring of reserves and infrastructure works.

A VIRTUAL REALITY EXPERIENCE AND THE LATEST IN TOUCH SCREEN TECHNOLOGIES IN THE NEW VISITOR CENTRE ON YORK STREET HAVE ENHANCED THE VISITOR EXPERIENCE AND PROVIDED ALBANY WITH STATE-OF-THE-ART VISITOR SERVICING AND BOOKING SYSTEMS.

With support from the City of Albany, the annual national open data hackathon GovHack came to Albany for the first time, bringing computer coders, programmers and creatives together to innovate, collaborate and use their skills to explore government data and pitch solutions that drive social and economic value.

Two teams including staff from the City took part in the event in July 2017 in Albany Town Hall, putting together video pitches of their ideas, with both teams eventually winning State awards for their work.



WAFL MATCH AT THE NEW CENTENNIAL STADIUM



VIRTUAL REALITY EXPERIENCE AT THE NEW VISITOR CENTRE



ANZAC ALBANY CONVOY CAMPOUT

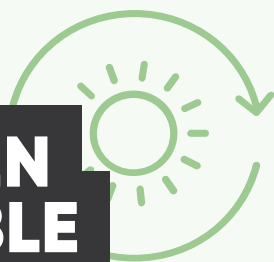


WA PREMIER MARK MCGOWAN AT THE AVENUE OF HONOUR



RACEWARS

CLEAN, GREEN & SUSTAINABLE



Our community continues to love the city's natural assets, coastline and green open spaces within our municipality. Our climate, coastline, parks and natural reserves are strongly valued by our community.

Our aspiration is to value and maintain the natural beauty of our region and the infrastructure that supports this. The objectives set for us to achieve this are:

1. Protect and enhance our natural and built environment in a changing climate;
2. Build, maintain and renew city assets sustainably;
3. Identify and deliver improvements in sustainability within the City of Albany and wider community.

Increased sustainability within the City of Albany and wider community is a key focus to continuously improve environmental outcomes including a sustainable and progressive approach to waste management.

With a staff 'Green Team' dedicated to promoting initiatives and programs that educate the community on sustainability and waste reduction, Albany residents improved their recycling habits with a five per cent decrease in contamination in recycling bins over the past year.

Audits by waste contractor Cleanaway in January 2018 found contamination in only 15 per cent of recycle bins checked, down from 20 per cent in January 2017. Bins contaminated with loose plastic bags decreased from 13 per cent to 7 per cent.

MORE THAN 1,000 STUDENTS AND COMMUNITY MEMBERS ALSO ATTENDED RECYCLING AND WASTE REDUCTION EDUCATIONAL TOURS AT ALBANY'S MATERIAL RECOVERY FACILITY WITH CLEANAWAY'S EDUCATION OFFICER.

Council remains focussed on encouraging the community to minimise waste, and the community's growing understanding of waste is a reflection of the activities undertaken by the City to encourage community participation in waste management such as inviting residents to join the Compost Revolution.

With up to half of what the average Australian household throws out being compostable organic material, the City encouraged residents to start a home composting system by providing free composting workshops and discounted compost bins and aerators. To date more than 250 residents have taken up the option of a discounted compost bin.



COMPOSTING WORKSHOP

Fifty residents attended a popular introductory composting workshop, with four more waste-reduction workshops scheduled due to popular demand covering topics including worm farming, backyard chook keeping for beginners and pallet upcycling.

The requests for workshops and information sessions highlight growing community interest and enthusiasm to take ownership for waste reduction and management.

COUNCIL UNDERTOOK A REVIEW OF ITS BULK-HARD WASTE COLLECTION AND RESOLVED TO AMEND THIS TO A BIENNIAL SERVICE FROM 2018 DUE TO ITS HIGH COST AND THE WASTE LEFT ON VERGES FOR AN EXTENDED TIME DEDUCTING FROM ALBANY'S VISUAL AMENITY AND COUNCIL'S COMMITMENT TO ENCOURAGING ALL RESIDENTS TO REDUCE THEIR WASTE GENERATION.

Although the collection service will reduce, the City's Waste Sustainability Officer is continuing to explore opportunities for community education and events such as garage sale trails that support the ongoing aim of sustainable waste practices.

An extension at Fossicker's Tip Shop using materials salvaged from the old Agricultural Society's McCormack Pavilion was undertaken during the year and once internal fit-out is complete the shed will provide a space for volunteers to work on repair and upcycling projects and future community waste reduction, repair and upcycling workshops.

There are a range of ways the City continues to encourage residents to be waste conscious and keep their community clean and tidy, such as supporting the annual Clean Up Australia Day activities organised by The Keep Albany Beautiful Committee, and opening a Community Waste and Sustainability Grants scheme.

These grants allow eligible applicants to apply for up to \$1,000 to go towards a project tackling community waste issues such as minimising waste streams to landfill, facilitating education programs, and implementing new waste technology.

Mount Manyeaks Primary School (Climate Clever & Terracycle Project), Rainbow Coast Neighbourhood Centre (Migrant Waste Education Project), Wellstead Community Resource Centre (CRC Green Zone Project), Great Southern Grammar (War on Waste Green Wall) and Green Skills (Community Workshops Project) successfully applied for the grants.

The City also provided financial and in-kind assistance through the Waste Social Enterprise Initiative to volunteer group Boomerang Bags Albany who make and distribute fabric shopping bags throughout the community in a bid to banish plastic bags from the environment.

AS WELL AS SUPPORTING GRASSROOTS COMMUNITY PROJECTS WITH FUNDING, THE CITY WAS SUCCESSFUL IN SECURING A GRANT OF ALMOST \$100,000 FROM ROUND THREE OF THE NATIONAL LANDCARE PROGRAM'S 20 MILLION TREES SCHEME TO SUPPORT THE ESTABLISHMENT OF GREEN CORRIDORS AT LAKE SEPPINGS.

The project will involve South Coast NRM, Albany Bushcarers Group and the Friends of Lake Seppings, and supports the objectives of the Urban Tree Strategy adopted by Council in 2017 to recognise important biodiversity green links and encourage biodiversity preservation of threatened flora and fauna.

Under the funding agreement, 1.7 hectares on the western side of the lake will be re-vegetated with at least 50,000 new trees and 20,000 understory plants established by mid-2020.



THE GREEN TEAM



1000+

Attended recycling and waste reduction educational tours at Albany's Material Recovery Facility

The threatened Western Ringtail Possum will benefit from the canopy corridor, with new habitat to support local populations and allow the possums greater connectivity between the Mounts and Emu Point areas.

LAKE SEPPINGS IS AN IMPORTANT WETLAND ECOSYSTEM AND WAS SHOWCASED ALONG WITH OTHER WETLANDS IN THE TOWN SQUARE FOR WORLD WETLANDS DAY IN FEBRUARY 2018 INVOLVING CLEANAWAY, FOSSICKER'S, THE YOUNG NATURALISTS GROUP, GREENSKILLS AND THE ALBANY BUSHCARERS GROUP.

Among the educational activities was a hands-on 'Meet the Macroinvertebrates' with trays of the tiny waterway critters on display and aquariums of marron, koonacs, yabbies and fish found in our local wetland environments.

The lake also supports a vast array of birdlife including a flock of Ibis so large the community has raised concerns about the size and impact the colony is potentially having on the area, prompting the City to partner the Department of Conservation, Biodiversity and Attractions to undertake some studies of the birds.

It began with a census of Ibis in the area with the community encouraged to take part in a survey to help provide information about the numbers and activity of the birds around Lake Seppings.

This has continued with staff from the City and Department undertaking inspections of nesting to better understand breeding patterns and success, and drone photography is being analysed by the UWA Centre for Excellence in NRM to more accurately count the population.

Data collation will continue to inform any future measures required to help control the growth and impact of the Ibis population.

Clearing of the overgrown Wellington Street drains began in May 2018 in preparation to rehabilitate the area into a working wetland that beautifies the area and supports the health and sustainability of Yakamia Creek.

THE WELLINGTON STREET WETLAND PROJECT IS A \$1 MILLION PARTNERSHIP BETWEEN THE CITY OF ALBANY AND DEPARTMENT OF WATER AND ENVIRONMENTAL REGULATION TO CONVERT THE FORMER DRAINAGE BASINS AT THE WESTERN END OF THE CENTENNIAL SPORTING GROUNDS INTO A WETLAND.

Phase one of the project involved the clearing of weeds and regrowth after 12 months of site investigation and project planning, including ensuring statutory approvals for aboriginal heritage and clearing were in place.

Mulching machines cleared the drainage area to prepare it for wetland construction, which will allow stormwater to be filtered by the vegetation to remove nutrients and other pollutants before passing the water back into Yakamia Creek and discharging into Oyster Harbour.

While the drainage area undergoes a makeover, a vacant block opposite the Spencer Park Shopping Centre on Hardie Road also got a much-needed facelift when a pop-up community garden added a splash of greenery to the area.

A collaboration with the Department of Communities, the garden resulted from consultation with Spencer Park residents a year earlier and brought together like-minded people to create a space for the community to enjoy.

Residents were invited to a garden day organised by the City to help bring the area to life as part of a bigger project with the Department to revitalise the Spencer Park area and not only deliver more housing options but also create a community hub.

Projects like the one to revitalise Spencer Park assist in making our community more sustainable. Having robust strategies in place also assists the City to be progressive and plan for the future, like the City of Albany Stormwater Management Strategy adopted in June 2018.

This strategy provides an overarching direction for managing the flow of stormwater and floodwater to protect the social, economic and environmental assets within the community.

Built around three key pillars – protecting private and public infrastructure, managing public safety, and protecting environmental assets – it identifies the challenges and provides guidance, while being supported by an upgrade investment plan, asset management plan and policy.

The upgrade investment plan identifies weaknesses in the existing stormwater infrastructure, costs upgrade works and prioritises them according to risk. Based on this information, the asset management plan then sets a base line service level and service level goals for future years.

Guided by the Cycle City Albany Strategy (2014-2019) with support from the Department of Transport, the City has been proactive in adopting more sustainable ways to get around including promoting cycling as a viable and active mode of transport.

SINCE THE ADOPTION OF THE STRATEGY THIS HAS RESULTED IN INSTALLING OR UPGRADING MORE THAN 25KM OF CYCLE LANES, DUAL-USE PATHWAYS AND SEALED SHOULDERS, HOLDING QUARTERLY RIDE-TO-WORK BREAKFASTS AND IMPLEMENTING NOVATED LEASES FOR E-BIKES FOR STAFF.

Community events have adopted a cycle-friendly approach, Albany Travelsmart Maps have been distributed to local businesses, schools, events and venues, Share the Road signs have been installed on major commute routes and there are now 60 wayfinding signs on local pathways.

In-school bike sessions were provided to more than 500 students during 2017-2018, and the number of bike racks have increased at many locations around the city including Albany Town Square and Albany Leisure and Aquatic Centre.



25km

of cycle lanes, dual-use pathways and sealed shoulders installed or upgraded



CYCLE CITY STRATEGY



FOSSICKER'S HARD WASTE RECYCLING



LAKE SEPPINGS IBIS CENSUS



COMMUNITY GARDEN

COMMUNITY HEALTH & PARTICIPATION



THERE IS A STRONG DESIRE TO ENSURE A SENSE OF BELONGING AND A POSITIVE CONNECTION BETWEEN OUR RURAL AND URBAN COMMUNITIES. IT IS IMPORTANT THAT WE KNOW AND RESPECT OUR NEIGHBOURS, LIVE IN COMMUNITIES WHICH SUPPORT US, AND HAVE SAFE, ACCESSIBLE PLACES TO GATHER AND MEET.

Our aspiration is to live in communities where people feel they belong and are supported in a manner that reflects our rich and diverse heritage. The objectives to achieve this are:

1. Build resilient and cohesive communities with a strong sense of community spirit;
2. Create interesting places, spaces and events that reflect our community's identity, diversity and heritage;
3. Develop and support a healthy inclusive and accessible community.

Promoting and developing programs and services that increase participation in community and civic life through volunteering is one way we can foster a strong sense of community.

Albany has a large group of dedicated volunteers from all walks of life who help the City of Albany, community groups and sporting clubs deliver many activities and events that make people feel welcome, involved and connected.

From welcoming tourists to The Forts, rescuing injured turtles, coaching junior football, driving ambulances, caring for the bush or leading girl guides, all our volunteers are devoted to their community.

That devotion is evident in the work of our 16 volunteer bush fire brigades, which boast more than 700 volunteers who work tirelessly to protect our community and keep us safe.

This commitment was on show in May when our firefighters responded to an unprecedented firestorm in Albany that required assistance from the Department of Fire and Emergency Services and Department of Biodiversity, Conservation and Attractions as well as brigades from across the south of the State.



700

volunteers at our 16 bush fire brigades who protect our community

It included a whole of community response as fires in Redmond, Napier, South Stirling and Torndirrup threatened lives and property, with businesses donating meals and beverages for the fire crews and generous citizens volunteering support.

There was no loss of life in the fires thanks to the outstanding efforts of all the firefighters, but some farmers in the north experience heavy stock and pasture losses, and one home was lost in Napier.

COUNCILLORS ORGANISED A SPECIAL EVENT IN THE TOWN SQUARE IN JUNE FOR THE COMMUNITY TO THANK THE CITY'S VOLUNTEER FIREFIGHTERS AND THE BUSINESSES AND INDIVIDUALS WHO HELPED RESPOND TO THE EMERGENCY.

Fire crews involved in the response arrived to the applause of the crowd, with residents able to talk to the firefighters first-hand about their experience and children getting an up-close look at the fire trucks used to fight the bushfires.

THE QUEEN'S BATON RELAY FOR THE 2018 GOLD COAST COMMONWEALTH GAMES ARRIVED IN ALBANY IN FEBRUARY ON ITS FIRST STOP IN WESTERN AUSTRALIA AND WAS A SPECIAL CELEBRATION OF SOME OF OUR COMMUNITY'S UNSUNG HEROES.

Mayor Dennis Wellington welcomed the Baton to Albany at the National Anzac Centre, before WA RSL President Peter Aspinall carried it to the top of the Convoy Lookout and raised it over King George Sound where the Anzac fleets gathered in 1914.

Twenty-eight local baton bearers then had the honour of carrying the Baton through Albany's streets in recognition of their contributions to the community, with Council-nominated baton bearer Alice Rule concluding in the Town Square to the cheers of more than 500 students from 22 schools across the region.

Other events and festivals held throughout the year were also well-attended and celebrated who we are as a community, with a record 42 community floats in the Christmas Festival and Pageant, a rich celebration of art and culture at the Vancouver Street Festival, and a packed program of activities on the beachfront for the Middleton Beach and Australia Day Festival.

Dedicated volunteer firefighter Heather Bell was a fitting winner of Albany's Citizen of the Year Award, recognised for her efforts raising funds for the Yarloop and Esperance fire appeals, and the purchase of a new Forward Control Vehicle for Albany's volunteer brigades, as well as 17 years volunteering for St John Ambulance.



FIRIE THANK YOU EVENT



MAY FIRE INCIDENT CONTROL CENTRE



PREMIER AND MAYOR MEETS MAY FIRE VOLUNTEERS



QUEEN'S BATON RELAY



CHRISTMAS PAGEANT



2018 CITIZEN OF THE YEAR



AUSTRALIA DAY



AUSTRALIA DAY

WINNER OF THE YOUNG CITIZEN OF THE YEAR AWARD WAS STEPHANIE MITCHELL, WHO WAS INSTRUMENTAL IN RAISING OVER \$10,000 FOR THE ALBANY ROLLER DERBY LEAGUE AND HER PARTICIPATION IN WHITE RIBBON DAY, LIGHT THE NIGHT AND PRIDE RALLY.

Don Perfrement was the recipient of the Senior Citizen of the Year Award following his recognition as a Paul Harris Fellow by Rotary, in addition to his fundraising for various charities including the Royal Flying Doctor Service and Albany Hospice.

Soroptimist International Albany received the Australia Day Active Citizenship Award for a community group or event, recognising its partnerships with organisations such as Albany Women's Centre, Albany Girl Guides, Hawthorn House and Foodbank to raise awareness of issues affecting young girls and women within our region.

Albany Roller Derby League was among the local groups involved in a program of events and activities coordinated by the City of Albany for Youth Week 2018 and also included workshops at Vancouver Arts Centre, clinics at Albany Sk8 and BMX Park, and a gaming event at Albany Public Library.

It culminated in local youth organising and promoting a YouthFest in the Town Square that featured live music by local youth bands and performers, and was supported by Propel Youth Arts WA and Rio Tinto.

Another youth initiative during the year was a creative partnership between Albany Youth Support Association and the City to bring young people into the Town Square to create and install a mural to celebrate local Noongar culture.

Guided by local artists from the Drug Aware Open Access Youth Art Studio, the mural depicted Mokare standing in-between Mount Melville and Mount Clarence – known as the estate of Mokare.

The mural covered the temporary hoarding around the construction site for the new Visitor Centre, bringing a splash of colour to the CBD and was a precursor to other activities taking place in Albany to reflect on the 10 years since the national apology to the stolen generations.

Through a successful partnership with FORM, the City has been able to attract significant cultural projects to Albany that have enriched our community with colourful, large scale artworks and delivered engaging public participation programs.

The City was able to provide \$20,000 sponsorship towards the creation of the fourth mural in FORM's Public Silo Trail and artworks to transform Western Power's transformer boxes around the city, which included several workshops for youth and school group visits.

ACCLAIMED BROOKLYN-BASED STREET ART DUO YOK & SHERYO TOOK OVER 17 DAYS AND USED 180 LITRES OF PAINT TO COMPLETE THE 35-METRES HIGH AND 50-METRES WIDE MURAL NOW SITTING ACROSS THE GIANT SILOS AT CBH GROUP'S ALBANY GRAIN TERMINAL, DRAWING INSPIRATION FROM THE RUBY SEADRAGON AND ITS LEAFY COUSIN FOUND ALONG THE SOUTH COASTAL WATERS.

Art lovers were able to enjoy a more rewarding experience of the Albany Art Prize in April 2018 with Albany's first art guides taking the public through Albany Town Hall to expand their understanding and enjoyment of the exhibited works.

Works from 30 Australian artists including local resident John Mason were featured in the exhibition, which also marked the 10th anniversary of the Art Prize and concluded a decade-long partnership with the Jack Family Charitable Trust to promote contemporary art.

The City is committed to continuing to facilitate the promotion of art and local artists and planning is underway to repurpose the historic Town Hall that will include creating a purpose-built gallery space to host artworks and other exhibitions and allow the iconic building to be open to the public year-round.

Providing facilities that connect people is part of our objective to develop and support a healthy, inclusive and accessible community and we continue to explore and participate in partnerships that help us achieve this.

One of those is the Healthy Albany partnership with WA Country Health Service Great Southern to undertake a range of initiatives and activities that target the prevention of chronic disease risk factors in the community, such as poor diet, physical inactivity and tobacco smoking.

Working with the City's events team, Healthy Albany expanded the Healthy Events Program to the Christmas Pageant, New Year's Eve Fireworks, Middleton Beach and Australia Day Festival, and Colour Dash by working with food and drink vendors to facilitate and promote healthier choices. This resulted in 46 healthier menu items offered and promoted across the four events, reaching up to 17,800 attendees.

Collaborating with other agencies, Healthy Albany also brought the popular Jamie's Ministry of Food program back to Albany in January 2018, delivering food literacy and kitchen skills workshops to some of the community's most vulnerable people.

30

Australian artists featured in Albany Art Prize exhibition



The Healthy Albany and City's Recreation Services teams began developing a Smoke-free Outdoors Policy for the City's commonly used sport, recreation and public facilities and spaces, with the aim of protecting the community's children, young people and families from the harmful effects of second-hand smoke.

With the partnership in its third and final year, the Healthy Albany team also began working with a range of City services and staff to review the City of Albany Public Health Plan and establish it as the vehicle for the City to continue the health promotion focus, capacity and culture developed through the successful partnership.

The Active Albany Program facilitated by Albany Leisure and Aquatic Centre has also been successful in its aim of encouraging people to live a healthier and more active lifestyle that assists in combatting chronic health issues such as heart disease.

Active Albany brings community groups and individual activity leaders together to run a range of unique and affordable programs for the community that include sports, fitness sessions, workshops and more, with a new program each quarter.

A BIG PART OF A HAPPY AND HEALTHY COMMUNITY IS ONE THAT IS ACCESSIBLE AND INCLUSIVE, AND IN NOVEMBER 2017 COUNCIL ADOPTED AN UPDATED DISABILITY ACCESS AND INCLUSION PLAN TO ASSIST IN IDENTIFYING AND ADDRESSING INCLUSION ISSUES THAT PRECLUDE PEOPLE FROM PARTICIPATING IN THE COMMUNITY.

This includes addressing barriers people with disabilities face, but also the wider community including seniors, parents with young children, and people from culturally diverse backgrounds.

According to the Australian Bureau of Statistics, about 14 per cent of Western Australia's population live with a disability, increasing to 46 per cent of people aged over 60 years, and one in 10 people aged over 90 years.

As a regional centre with a growing proportion of aged residents, it is in the City's interests to be more accessible to and inclusive of people with disability, including seniors living with disability.

Public consultation underpinned the review of the City's Access and Inclusion Plan, and included input from people with disability, families and carers of people with disability, agencies and organisations which provide services to people with disability, the City's Access and Inclusion Working Group, City of Albany staff, and Elected Members.

There were several key achievements against the Access and Inclusion Plan in 2017-2018, including an All Abilities Float in the annual Christmas Pageant for the fourth year in a row allowing equal participation in the parade for people with a disability.

The 2018 Colour Dash opened to a wider audience than the previous year's inaugural event, enabling participation by people with mobility impairment and those on the autism spectrum to take part in the quieter periods of the event.

A refurbishment of Albany Public Library following the co-location of Albany Visitor Centre focussed on an open plan layout with accessible features such as user-friendly furniture for people with disability and three universal access toilets.

Albany's first Changing Place opened near Albany Entertainment Centre, providing a secure, clean 24/7 facility for people with a disability who need space and assistance to use the bathroom when out in the community.

The City joined with the WA Primary Health Alliance to launch new online community portal My Community Directory to promote accessible venues across Albany, and enables community groups and health providers to manage their own listing. Available as an 'app' or in hard copy on request, it provides a resource for residents to easily search for sporting clubs, community and interest groups or health services through one website.

Albany Leisure and Aquatic Centre welcomed a Wirrpanda Foundation trainee for 12 months as part of a program to provide career pathways in sport and recreation for young Aboriginal people. Facilitated by The Wirrpanda Foundation and supported by the Department of Local Government, Sport and Cultural Industries, the traineeship program sourced and selected employers to host six sport and recreation trainees throughout WA.

The City also increased opportunities for people with a disability to volunteer and undertake work experience within the organisation, and increased the number of Youth Advisory Council members with disability or who experience mental health conditions.



180L of paint to complete the 35-metres high and 50-metres wide mural at CBH groups Albany Grain Terminal silos

PUBLIC SILO TRAIL

CONNECTED & SAFE BUILT ENVIRONMENT

Our community is looking to be connected by a built environment that meets their needs now and into the future. We want to live in precincts which are alive, thriving, built around the amenities we use at all stages of our life, and which encourage and support healthy lifestyles.

Our aspiration is to develop integrated precincts and neighbourhoods that allow for population growth and enhance the lifestyle of our residents. The objectives to achieve this are:

1. Develop vibrant neighbourhoods which retain local character and heritage;
2. Advocate, plan for and build friendly and connected communities;
3. Promote and support community health and safety.

Among our priorities is the development and implementation of a contemporary Local Planning Strategy that reflects the City of Albany's identity and focuses on supporting economic growth.

A REVIEW OF THE CURRENT LOCAL PLANNING STRATEGY ADOPTED BY COUNCIL IN 2010 IS UNDERWAY TO ENSURE IT GUIDES THE CITY'S PROGRESS TOWARDS ITS VISION TO BE WESTERN AUSTRALIA'S MOST SOUGHT AFTER AND UNIQUE REGIONAL CITY TO WORK, LIVE AND VISIT.

This work began in 2015, with the City preparing background studies into population and settlement, economy and employment, the natural environment, infrastructure and services.

Preliminary community consultation occurred in August 2016 providing an early opportunity for residents to have input into the review, with community information sessions and workshops relevant to the specialist reports.

Through this process it was found that given the current strategy was prepared during a period of high economic growth, it facilitated an oversupply of land zoned for future urban development leaving Albany with 60 years supply of residential land.

The proposed draft strategy presented to Council in October 2017 and certified as compliant by the WA Planning Commission in June 2018 provides strategic direction which, over the long term, will provide a more compact city where residents will live closer to local shops, services and employment with easy access to public transport and great ability to walk or cycle.

Public advertising of the draft strategy was due to commence in 2018-2019.

One of the objectives of the proposed draft Local Planning Strategy is to build on the existing strengths of Albany as a regional centre, particularly Middleton Beach and the Albany Waterfront.

MIDDLETON BEACH HAS BEEN A PRIORITY DEVELOPMENT AREA FOR THE CITY AND STATE GOVERNMENT FOR SOME YEARS, WITH ONGOING COLLABORATION TO ACHIEVE THE ESPLANADE'S FULL POTENTIAL THROUGH ATTRACTING A MIX OF ACCOMMODATION, RETAIL, HOSPITALITY AND RESIDENTIAL DEVELOPMENT ON VACANT SITES.

This continued during the year with Landcorp completing works to realign Flinders Parade to facilitate the new development sites, and the drafting of the Middleton Beach Design Guidelines for Council and community consideration.

The draft design guidelines were prepared by LandCorp in response to earlier community consultation and Local Planning Scheme requirements to put in place a tool to ensure good design outcomes across the project.

This included requirements for a design review panel to review the hotel design, the setbacks and general location of the buildings and heights on each site, and the integration of public and private spaces to encourage an active and vibrant mixed-use precinct with communal open space, visual privacy and connectivity.

Council endorsed the proposed design guidelines in March 2018 to go to public comment so the community could have a chance to help set the expectations for the beachfront development.

Public were invited to comment from April 9 to May 21, which included two Community Information Sessions at Albany Surf Life Saving Club, with the community's feedback assisting the refinement of the guidelines for further consideration in 2018-2019.

The State's and City's investment in improvements to the Middleton Beach precinct continues Council's commitment to creating and renewing infrastructure and developing connected streetscapes that not only enhance the look and feel of our City but also reflect our unique heritage and provide safe spaces for the community to enjoy.

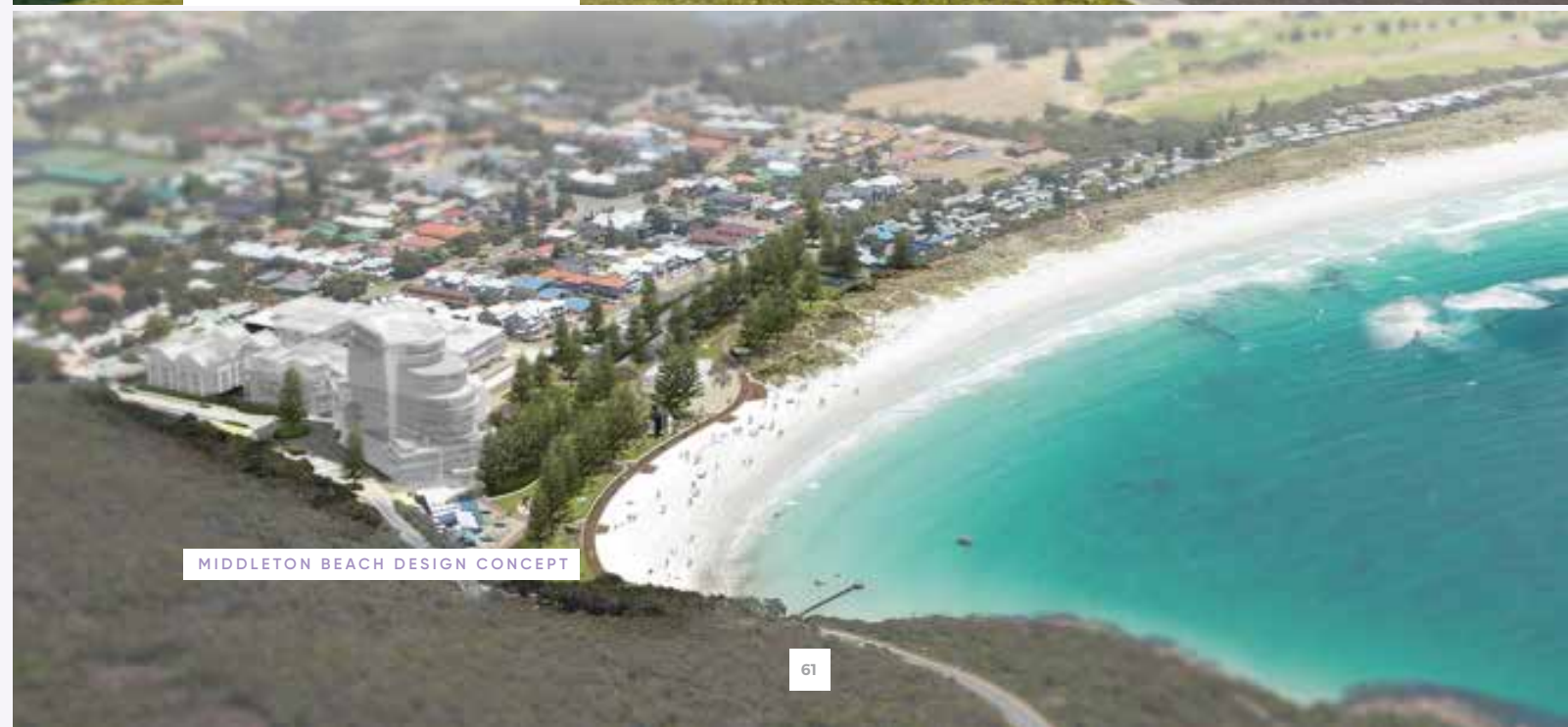
Within the city centre, Council has been working to increase the vibrancy and visitation to the CBD through projects aimed at increasing foot traffic and providing long-term spinoffs that benefit businesses in the area.



FLINDERS PARADE REALIGNMENT



MIDDLETON BEACH DESIGN CONCEPT



MIDDLETON BEACH DESIGN CONCEPT



LIBRARY



VISITOR CENTRE



VISITOR CENTRE



MIDDLETON ROAD RESEAL

The addition of the Visitor Centre to the library building on York Street and refurbishment of the library were key projects in achieving this goal and received more than \$1.5 million through the Federal and State Governments.

AFTER MONTHS OF INTENSE CONSTRUCTION, THE VISITOR CENTRE RELOCATED FROM PROUDLOVE PARADE TO ITS NEW HOME IN TIME TO OPEN FOR GOOD FRIDAY, WITH VISITORS ENJOYING A BREATHTAKING VIRTUAL REALITY EXPERIENCE FLYING OVER THE GRANITE CLIFFS AT THE GAP, SWIMMING WITH KILLER WHALES AT BREMER CANYON AND SOARING OVER THE SANDPATCH WIND FARM.

The opening followed the launch of The Amazing South Coast destination marketing campaign and the beginning of a new era for tourism and visitor servicing in the region, generating an immediate increase in activity within the city centre with more than 40,600 visitors through the centre's doors between March and June 2018.

Albany Public Library reopened not long after the new Visitor Centre with a revised and more flexible layout as well as new furniture and shelving to meet the community's needs, with its new entry providing a linking corridor between Alison Hartman Gardens and the Town Square.

Consultation and planning to redevelop Alison Hartman Gardens and repurpose Albany Town Hall progressed during the year, with both projects due to commence in 2018-2019, adding to the revitalised space and helping attract more people into the heart of the city.

WORK ON THE REDEVELOPMENT OF THE CENTENNIAL SPORTING PRECINCT HAS CONTINUED WITH THE \$6.9 MILLION STAGE 2 WORKS UNDERTAKEN DURING 2017-2018 IN THE EASTERN AND CENTRAL PRECINCTS.

This included completing the concept and design development for a multi-use facility for sharing by junior AFL, Albany Cycle Club and Triathlon Club, refurbishment of the sports fields and a 250-space sealed car park off Cockburn Road with asphalt promenade and lighting.

Seating, planting and pedestrian lighting enhanced the public realm within the eastern precinct, while in the central precinct civil and landscape design documentation was completed, and a new oval perimeter fence erected around Railways Football Club ground.

A SAFE TRANSPORT AND PATHWAY NETWORK THAT CONNECTS PEOPLE AND SERVICES AND ENCOURAGES PEDESTRIANS AND CYCLISTS IS AN IMPORTANT ASPECT OF ANY WELL-CONNECTED BUILT ENVIRONMENT AND THIS AIM UNDERPINNED A RANGE OF UPGRADE WORKS DURING THE FINANCIAL YEAR.

2.4km
of Middleton Road
between Dog Rock and
Adelaide Crescent



Top of the renewal projects was the resurfacing of 2.4km of Middleton Road between Dog Rock and Adelaide Crescent that incorporated new cycle infrastructure with the design, while the staged reconstruction and widening of Millbrook Road and Norwood Road continued.

One of the oldest roads in the State having been originally constructed in the 1830s, Middleton Road is the main connector road between Albany's CBD and Middleton Beach, nowadays carrying as many as 11,000 vehicles a day. The more than \$2 million project received partial funding through the Regional Road Group and included the replacement of drainage pits and kerbing.

Council also supported the installation of six slow points on Bathurst Street and Nelson Street to reduce traffic speed along these roads following public complaints about speeding and investigation into suitable traffic management options.

With Warden Avenue a key link to Spencer Park Primary School, St Joseph's College and Albany Regional Hospital, the City completed a missing pathway link from Collingwood Road to the hospital as recommended in the Cycle City Albany Strategy 2014-2019.

It was one of a number of missing pathway links constructed during the year including Albany Highway opposite McKail General Store, Lancaster Road from Little Henry Street to Albany Highway and LeGrande Avenue to connect to South Coast Highway.

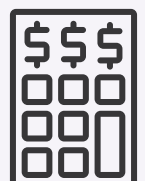
Another need identified within the cycle strategy was a safe route between Mount Elphinstone and the city centre for cyclists and pedestrians, with Stage 1 of the Mt Elphinstone to CBD cycle link scoped and awarded in December 2018. This project received funding from the State Government through the Western Australian Bicycle Network Grants Program with Stage 2 scheduled for 2018-2019.

The City of Albany is committed to providing a safe and welcoming place for residents and visitors and effective ranger and emergency services are integral to this aim including the control and management of beach areas within City reserves.

IN OCTOBER 2017, COUNCIL ADOPTED A BEACH CLOSURE POLICY AND PROCEDURE TO PROVIDE DIRECTION TO RANGERS AND GUIDELINES FOR BEACH CLOSURES IN RESPONSE TO SHARK SIGHTINGS AND ATTACKS AT CITY OF ALBANY MANAGED BEACHES.

While shark attacks are a rare occurrence at City beaches, there are regular shark sightings and warning the public and closing beaches reduces the likelihood of swimmers encountering a shark in the area.

\$1.5M
Federal and State funding
toward new Visitor Centre
and library refurbishment



Fire also poses a risk to public safety and the City ensures its emergency management team as well its volunteer fire brigades are adequately equipped and trained to respond to bushfires and protect the community.

Safety of responding crews is also paramount and following the Coronial Inquest into the fire at Black Cat Creek in 2012, the City voluntarily decommissioned two fire trucks in early 2017, one at the City's depot and one at the South Coast Bushfire Brigade, due to safety concerns.

Upgrading the trucks was a priority and in November 2017, the City delivered another fire truck to the South Coast brigade, fully fitted with a deluge spray system to provide protection in a burn-over, as well as fire blankets and heat shields.

The depot truck received the same safety upgrades, returning the City's firefighting resources to full capacity in time for the 2017-2018 summer fire season and ensuring the highest safety standards for fire crews.

OUR EMERGENCY MANAGEMENT STAFF AND VOLUNTEERS' COMMITMENT TO COMMUNITY SAFETY WAS ON DISPLAY ON SEVERAL OCCASIONS DURING THE YEAR, NONE MORE SO THAN THE MAY BUSHFIRES WHEN THE CITY'S FIREFIGHTING RESOURCES WERE STRETCHED RESPONDING TO MORE THAN 100 BUSHFIRES AND ESCAPED BURNS.

City crews were also stretched responding to a high-volume of call outs to road flooding, road damage and uprooted trees during a week of wild weather in September 2017 that was described as the worst to hit Albany in 20 years.

Gale force winds up to 139km/h and heavy rain between 100mm and 150mm left a trail of destruction that took weeks to clean up, with Main Roads also having to close a number of flooded roads across the region.

Community safety extends beyond emergency response with the day-to-day work of our rangers requiring response to uncontrolled dogs, straying stock, abandoned vehicles, fire permit breaches, parking obstructions, illegal camping and littering.

ALBANY'S PUBLIC CCTV NETWORK IS ALSO MANAGED BY THE CITY OF ALBANY AND, THANKS TO FUNDING FROM FEDERAL SAFER STREETS AND WA CCTV INFRASTRUCTURE FUND, THE CITY COMPLETED AN EXPANSION OF THE NETWORK IN DECEMBER 2017 WHICH INCLUDED AN ADDITIONAL 30 NEW CAMERAS AND UPGRADING EXISTING ANALOGUE CAMERAS TO DIGITAL CAMERAS IN DECEMBER 2017.

This took the network up to 48 cameras covering hot spots identified by police with the aim of increasing the community's sense of safety, facilitating effective policing of these areas through more timely responses to incidents, increased identification and prosecution of offenders, and deterring anti-social behaviour.

48 
Cameras across Albany's public CCTV network covering hot spots identified by police



SOUTH COAST FIRE BRIGADE TRUCK

SPONSOR AND PARTNER ACKNOWLEDGEMENT

YOUR CITY IS A COMMUNITY THAT IS PROUD, PASSIONATE AND PROACTIVE. IT'S SUPPORTIVE AND COMMITTED TO MAKING THINGS BETTER, NOW AND FOR THE FUTURE.

With your support, we've been able to achieve a lot over the past year and it's thanks to every person, organisation, agency and company that has made varied and valuable contributions to our many projects, events, services, programs and more during 2017-2018.

Council thanks them and the many community groups that have worked closely with our team to create new opportunities, solutions and outcomes, not only for the City of Albany but The Amazing South Coast region.

The resilience and vibrancy of our community was highlighted throughout the year, especially during the May bushfires and we're proud of the unity Albany displayed.

Our gratitude also extends to our many funding partners for their significant financial contributions towards the work we have done, which has helped enhance and grow our community both socially and economically.

Partnerships are integral to success and we value the support we receive from our community. After all, Albany is an amazing place.

IT IS YOUR CITY.

THIS IS YOUR

2017-18
FINANCIAL
REPORT





CITY OF ALBANY
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Albany for the financial year ended 30 June 2018 is based on proper accounts and records to present fairly the financial position of the City of Albany at 30 June 2018 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act and Australian Accounting Standards.

Signed on the 21st day of December, 2018



Andrew Sharpe
Chief Executive Officer

CITY OF ALBANY

FINANCIAL REPORT

FOR THE YEAR ENDED 30TH JUNE 2018

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Principal place of business:
City of Albany
102 North Road
YAKAMIA WA 6330

**STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
Rates	24(a)	35,564,946	35,461,300	34,426,766
Operating grants, subsidies and contributions	2(a)	6,495,907	3,833,244	8,861,257
Fees and charges	2(a)	17,612,640	17,105,686	17,761,511
Interest earnings	2(a)	1,278,366	1,134,492	1,174,283
Other revenue	2(a)	249,662	364,522	1,037,644
		<u>61,201,521</u>	<u>57,899,244</u>	<u>63,261,461</u>
Expenses				
Employee costs		(25,778,978)	(26,369,593)	(24,753,301)
Materials and contracts		(16,894,075)	(16,427,271)	(16,380,310)
Utility charges		(1,934,319)	(1,850,099)	(1,775,778)
Depreciation on non-current assets	10	(17,947,190)	(16,910,453)	(16,719,524)
Interest expenses	2(b)	(876,690)	(871,085)	(945,138)
Insurance expenses		(670,678)	(708,302)	(760,312)
Other expenditure		(2,593,910)	(2,911,281)	(2,468,465)
		<u>(66,695,840)</u>	<u>(66,048,084)</u>	<u>(63,802,828)</u>
		(5,494,319)	(8,148,840)	(541,367)
Non-operating grants, subsidies and contributions	2(a)	9,872,906	8,714,879	18,882,464
Profit on asset disposals	10(a)	68,484	15,872	50,243
(Loss) on asset disposals	10(a)	(1,665,889)	(608,999)	(1,041,933)
(Loss) on Sale of Investment Land	21(b)	(10,662)	-	(2,421)
Gain on Valuation of Land held for resale		-	-	10,393
Fair value adjustments to financial assets at fair value through profit or loss	4	(4,537)	-	-
Net result		2,765,983	(27,088)	17,357,379
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	11	(53,196,164)	-	16,680,232
Total other comprehensive income		(53,196,164)	-	16,680,232
Total comprehensive income		(50,430,181)	(27,088)	34,037,611

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

**STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	2018 Actual \$	2018 Budget \$	2017 Actual \$
Revenue				
Governance	2(a)	51,349	6,700	-
General purpose funding		40,978,189	38,617,844	41,741,097
Law, order, public safety		550,722	488,348	696,068
Health		139,638	109,000	125,037
Education and welfare		1,227,922	1,231,575	1,175,346
Community amenities		8,755,101	8,595,830	8,723,494
Recreation and culture		3,247,166	2,999,833	3,878,964
Transport		2,351,637	2,064,401	2,214,753
Economic services		2,800,752	2,796,026	2,832,523
Other property and services		1,099,045	989,687	1,874,179
		<u>61,201,521</u>	<u>57,899,244</u>	<u>63,261,461</u>
Expenses				
Governance	2(a)	(4,647,087)	(4,902,567)	(4,418,681)
General purpose funding		(656,983)	(655,083)	(1,070,470)
Law, order, public safety		(2,698,131)	(2,313,234)	(2,356,490)
Health		(715,094)	(724,265)	(683,330)
Education and welfare		(1,792,257)	(1,690,744)	(1,527,508)
Community amenities		(9,125,550)	(9,764,965)	(9,933,848)
Recreation and culture		(15,409,656)	(14,109,501)	(13,867,277)
Transport		(22,579,940)	(22,538,521)	(21,462,879)
Economic services		(5,922,884)	(6,249,620)	(5,107,235)
Other property and services		(2,271,568)	(2,228,499)	(2,429,972)
		<u>(65,819,150)</u>	<u>(65,176,999)</u>	<u>(62,857,690)</u>
Finance Costs				
Community amenities	2(b)	(766)	(1,114)	(3,764)
Recreation and culture		(397,885)	(408,356)	(429,141)
Transport		(332,765)	(318,901)	(379,751)
Economic services		(64,901)	(64,537)	(40,187)
Other property and services		(80,373)	(78,177)	(92,295)
		<u>(876,690)</u>	<u>(871,085)</u>	<u>(945,138)</u>
		(5,494,319)	(8,148,840)	(541,367)
Non-operating grants, subsidies and contributions	2(a)	9,872,906	8,714,879	18,882,464
Profit on disposal of assets	10(a)	68,484	15,872	50,243
(Loss) on disposal of assets	10(a)	(1,665,889)	(608,999)	(1,041,933)
Profit/(Loss) on Sale of Investment Land	21(b)	(10,662)	-	(2,421)
Gain on Valuation of Land held for resale		-	-	10,393
Fair value adjustments to financial assets at fair value through profit or loss	4	(4,537)	-	-
		<u>8,260,302</u>	<u>8,121,752</u>	<u>17,898,746</u>
Net result		2,765,983	(27,088)	17,357,379
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	11	(53,196,164)	-	16,680,232
Total other comprehensive income		(53,196,164)	-	16,680,232
Total comprehensive income		(50,430,181)	(27,088)	34,037,611

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2018**

	NOTE	2018 \$	2017 \$
CURRENT ASSETS			
Cash and cash equivalents	3	33,457,146	34,722,163
Investments	4	201,068	205,605
Trade and other receivables	6	3,325,088	2,912,992
Inventories	7	899,233	860,486
TOTAL CURRENT ASSETS		37,882,535	38,701,246
NON-CURRENT ASSETS			
Other receivables	6	692,378	651,628
Property, plant and equipment	8	168,326,166	163,945,144
Infrastructure	9	395,452,741	451,342,181
TOTAL NON-CURRENT ASSETS		564,471,285	615,938,953
TOTAL ASSETS		602,353,820	654,640,199
CURRENT LIABILITIES			
Trade and other payables	12	4,120,698	4,665,525
Current portion of long term borrowings	13	2,239,966	2,136,616
Provisions	14	4,854,667	4,075,344
TOTAL CURRENT LIABILITIES		11,215,331	10,877,485
NON-CURRENT LIABILITIES			
Long term borrowings	13	11,617,795	13,857,761
Provisions	14	735,523	689,601
TOTAL NON-CURRENT LIABILITIES		12,353,318	14,547,362
TOTAL LIABILITIES		23,568,649	25,424,847
NET ASSETS		578,785,171	629,215,352
EQUITY			
Retained surplus		308,022,546	305,312,039
Reserves - cash backed	5	26,048,085	25,992,609
Revaluation surplus	11	244,714,540	297,910,704
TOTAL EQUITY		578,785,171	629,215,352

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2018**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2016		295,734,180	18,213,089	281,230,472	595,177,741
Comprehensive income					
Net result		17,357,379	-	-	17,357,379
Changes on revaluation of assets	11	-	-	16,680,232	16,680,232
Total comprehensive income		17,357,379	-	16,680,232	34,037,611
Transfers from/(to) reserves		(7,779,520)	7,779,520	-	-
Balance as at 30 June 2017		305,312,039	25,992,609	297,910,704	629,215,352
Comprehensive income					
Net result		2,765,983	-	-	2,765,983
Changes on revaluation of assets	11	-	-	(53,196,164)	(53,196,164)
Total comprehensive income		2,765,983	-	(53,196,164)	(50,430,181)
Transfers from/(to) reserves		(55,476)	55,476	-	-
Balance as at 30 June 2018		308,022,546	26,048,085	244,714,540	578,785,171

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
CASH FLOWS FROM OPERATING ACTIVITIES		\$	\$	\$
Receipts				
Rates		35,333,399	35,496,300	34,510,737
Operating grants, subsidies and contributions		6,560,406	3,843,843	8,509,186
Fees and charges		17,612,640	17,105,686	17,868,761
Interest earnings		1,278,366	1,154,537	1,174,283
Goods and services tax		2,036,094	400,000	725,091
Other revenue		249,662	364,522	1,114,007
		<u>63,070,567</u>	<u>58,364,888</u>	<u>63,902,065</u>
Payments				
Employee costs		(24,824,233)	(26,523,593)	(24,241,595)
Materials and contracts		(17,627,695)	(17,940,290)	(16,878,450)
Utility charges		(1,934,319)	(1,850,099)	(1,775,778)
Interest expenses		(856,144)	(871,085)	(948,343)
Insurance expenses		(670,678)	(708,302)	(760,312)
Goods and services tax		(2,334,011)	(400,000)	(636,508)
Other expenditure		(2,604,572)	(1,987,762)	(2,542,806)
		<u>(50,851,652)</u>	<u>(50,281,131)</u>	<u>(47,783,792)</u>
Net cash provided by (used in) operating activities	15	<u>12,218,915</u>	<u>8,083,757</u>	<u>16,118,273</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment		(10,631,855)	(12,075,278)	(12,276,303)
Payments for construction of infrastructure		(11,242,665)	(12,881,324)	(13,840,305)
Non-operating grants, subsidies and contributions		9,872,906	8,714,879	18,882,464
Proceeds from sale of fixed assets		642,179	694,888	726,030
Net cash provided by (used in) investment activities		<u>(11,359,435)</u>	<u>(15,546,835)</u>	<u>(6,508,114)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of long term borrowings		(2,136,616)	(2,216,361)	(2,047,876)
Proceeds from self supporting loans		12,119	12,120	-
Proceeds from new long term borrowings		-	2,120,000	1,500,000
Advances to community groups		-	-	(140,000)
Net cash provided by (used in) financing activities		<u>(2,124,497)</u>	<u>(84,241)</u>	<u>(687,876)</u>
Net increase (decrease) in cash held		<u>(1,265,017)</u>	<u>(7,547,319)</u>	<u>8,922,283</u>
Cash at beginning of year		34,722,163	31,438,411	25,799,880
Cash and cash equivalents at the end of the year	15	<u>33,457,146</u>	<u>23,891,092</u>	<u>34,722,163</u>

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

RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2018

	NOTE	2018 Actual	2018 Budget	2017 Actual
OPERATING ACTIVITIES		\$	\$	\$
Net current assets at 1 July b/fwd - surplus/(deficit)		<u>2,668,285</u>	<u>2,230,734</u>	<u>2,078,104</u>
		2,668,285	2,230,734	2,078,104
Revenue from operating activities (excluding general rates)				
Rates (excluding general rates)		200,135	86,158	247,426
Operating Grants, Subsidies and Contributions		6,495,907	3,833,244	8,861,257
Fees and Charges		17,612,640	17,105,686	17,761,511
Profit on Asset Disposal		68,484	15,872	50,243
Interest Earnings		1,278,366	1,134,492	1,174,283
Other Revenue		249,662	364,522	1,037,644
		<u>25,905,194</u>	<u>22,539,974</u>	<u>29,132,364</u>
Expenditure from operating activities				
Employee Costs		(25,778,978)	(26,369,593)	(24,753,301)
Materials and Contracts		(16,894,075)	(16,427,271)	(16,380,310)
Utility Charges		(1,934,319)	(1,850,099)	(1,775,778)
Depreciation on Non-Current Assets		(17,947,190)	(16,910,453)	(16,719,524)
Interest Expenses		(876,690)	(871,085)	(945,138)
Insurance Expenses		(670,678)	(708,302)	(760,312)
Loss On Sale of Assets		(1,665,889)	(608,999)	(1,041,933)
Other Expenditure		(2,593,910)	(2,911,281)	(2,468,465)
		<u>(68,361,729)</u>	<u>(66,657,083)</u>	<u>(64,844,761)</u>
Operating activities excluded				
(Profit) on disposal of assets	10(a)	(68,484)	(15,872)	(50,243)
Loss on disposal of assets	10(a)	1,665,889	608,999	1,041,933
Loss on Sale of Investment Land	21(b)	(10,662)	0	(2,421)
Movement in deferred pensioner rates (non-current)		(53,253)	-	660
Movement in employee benefit provisions (non-current)		45,922	-	156,712
Carrying Value of Investment Land Sold	21(b)	82,000	-	74,341
Depreciation and amortisation on assets	10	17,947,190	16,910,453	16,719,524
Amount attributable to operating activities		<u>(20,179,648)</u>	<u>(24,382,795)</u>	<u>(15,693,787)</u>
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		9,872,906	8,714,879	18,882,464
Proceeds from disposal of assets	10(a)	642,179	694,888	726,030
Purchase of property, plant and equipment	8(b)	(10,631,855)	(12,075,278)	(12,276,303)
Purchase and construction of infrastructure	9(b)	(11,242,665)	(12,815,948)	(13,840,305)
Amount attributable to investing activities		<u>(11,359,435)</u>	<u>(15,481,459)</u>	<u>(6,508,114)</u>
FINANCING ACTIVITIES				
Advances to community groups		-	-	(140,000)
Repayment of long term borrowings	13(a)	(2,136,616)	(2,216,361)	(2,047,876)
Proceeds from new long term borrowings	13(b)	-	2,120,000	1,500,000
Proceeds from self supporting loans		12,119	12,120	-
Restricted Unspent Loan	13(c)	-	-	(841,758)
Restricted Cash Utilised	13(c)	841,758	547,125	-
Transfers to reserves (restricted assets)	5	(19,140,974)	(11,901,803)	(38,034,365)
Transfers from reserves (restricted assets)	5	19,085,498	15,928,031	30,254,845
Amount attributable to financing activities		<u>(1,338,215)</u>	<u>4,489,112</u>	<u>(9,309,154)</u>
Surplus(deficiency) before general rates		<u>(32,877,298)</u>	<u>(35,375,142)</u>	<u>(31,511,055)</u>
Total amount raised from general rates	24	<u>35,364,811</u>	<u>35,375,142</u>	<u>34,179,340</u>
Net current assets at June 30 c/fwd - surplus/(deficit)	25	<u>2,487,513</u>	<u>-</u>	<u>2,668,285</u>

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

1. BASIS OF PREPARATION

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

The Local Government (Financial Management Regulations 1996) takes precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, race course or any other sporting or recreational facility of State or Regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008 have not been recognised in this financial report. This is not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

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 City 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 27 to these financial statements.

2. REVENUE AND EXPENSES

(a) Revenue

Grant Revenue

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

	2018 Actual	2018 Budget	2017 Actual
Operating grants, subsidies and contributions	\$	\$	\$
Governance	51,350	6,700	-
General purpose funding	3,934,372	1,937,052	6,025,892
Law, order, public safety	387,895	371,348	518,561
Education and welfare	117,391	30,500	79,225
Community amenities	17,964	8,541	24,764
Recreation and culture	1,003,826	729,455	1,588,611
Transport	126,151	58,366	55,948
Economic services	545,402	543,282	333,138
Other property and services	311,556	148,000	235,118
	6,495,907	3,833,244	8,861,257
Non-operating grants, subsidies and contributions			
Law, order, public safety	28,414	50,000	1,682,953
Community amenities	-	36,364	-
Recreation and culture	4,195,775	3,191,940	12,304,726
Transport	4,727,092	4,415,200	4,745,160
Economic services	921,625	1,021,375	149,625
	9,872,906	8,714,879	18,882,464
Total grants, subsidies and contributions	16,368,813	12,548,123	27,743,721

SIGNIFICANT ACCOUNTING POLICIES

Grants, Donations and Other Contributions

Grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. 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 23. 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 period.

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Other revenue			
Reimbursements and recoveries	162,199	260,000	931,713
Other	87,463	104,522	105,931
	<u>249,662</u>	<u>364,522</u>	<u>1,037,644</u>
Fees and Charges			
General purpose funding	200,505	85,000	114,155
Law, order, public safety	162,828	117,000	177,507
Health	139,638	109,000	125,037
Education and welfare	1,110,530	1,201,075	1,096,121
Community amenities	8,737,137	8,587,289	8,698,730
Recreation and culture	2,241,964	2,268,856	2,281,401
Transport	2,225,485	2,006,035	2,158,804
Economic services	2,068,524	1,989,744	2,245,294
Other property and services	726,029	741,687	864,462
	<u>17,612,640</u>	<u>17,105,686</u>	<u>17,761,511</u>

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

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Interest earnings			
- Loans receivable - clubs/institutions	4,971	4,302	-
- Reserve funds	565,243	400,000	438,734
- Other funds	366,481	427,690	413,820
Other interest revenue (refer note 24(e))	341,671	302,500	321,729
	<u>1,278,366</u>	<u>1,134,492</u>	<u>1,174,283</u>

(b) Expenses

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Auditors remuneration			
Audit Services	47,855	75,000	50,006
Other Services	31,335	33,990	10,300
	<u>79,190</u>	<u>108,990</u>	<u>60,306</u>
Interest expenses (finance costs)			
Long term borrowings (refer Note 13(a))	876,690	871,085	945,138
	<u>876,690</u>	<u>871,085</u>	<u>945,138</u>

3. CASH AND CASH EQUIVALENTS

	NOTE	2018 \$	2017 \$
Unrestricted		7,406,320	7,885,069
Restricted		26,050,826	26,837,094
		<u>33,457,146</u>	<u>34,722,163</u>

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

Reserves - Cash Backed Reserves

	NOTE	2018 \$	2017 \$
Airport Reserve	5	2,285,329	2,190,421
Albany Entertainment Reserve	5	408,570	454,228
ALAC Synthetic Surface "Carpet" Reserve	5	244,424	224,424
Albany Classics Reserve	5	-	25,281
Bayonet Head Infrastructure Reserve	5	151,146	150,522
Car Parking Reserve	5	255,207	155,285
Emu Point Boat Pens Development Reserve	5	543,074	401,133
Masterplan Funding Reserve	5	190,679	186,621
National Anzac Centre Reserve	5	1,060,819	987,145
Parks and Recreations Grounds	5	218,557	253,054
Plant Replacement Reserve	5	1,772,154	2,139,622
Roadwork's Reserve	5	1,827,141	1,641,687
Waste Management Reserve	5	2,990,856	2,378,090
Refuse Collection & Waste Minimisation Reserve	5	2,749,166	2,102,361
Building Restoration Reserve	5	1,168,369	1,336,623
Debt Management Reserve	5	3,389,081	3,914,614
Land Acquisition	5	632,733	523,676
Coastal Management Reserve	5	661,189	573,713
Information Technology Reserve	5	434,045	617,219
Prepaid Rates Reserve	5	861,339	762,372
Destination Marketing & Economic Development Reserve	5	111,352	97,719
Albany Heritage Park Infrastructure Reserve	5	504,564	496,606
Unspent Grants Reserve	5	3,330,455	4,301,443
Cheynes Beach Reserve	5	152,195	78,750
Capital Seed Funding for Sporting Clubs	5	71,000	0
Centennial Park Stadium and Pavilion Renewal Reserve	5	33,641	0
Great Southern Contiguous Local Authorities Group (CLAG)	5	1,000	0
Subtotal: Reserves - Cash Backed Reserves		<u>26,048,085</u>	<u>25,992,609</u>
Other: National ANZAC Centre Donations		2,741	2,727
Other: Unspent loans	13(c)	-	841,758
Total Restricted Cash		<u>26,050,826</u>	<u>26,837,094</u>

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

4. INVESTMENTS

Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss

At the beginning of the year
Revaluation to income statement
At the end of the year

	2018	2017
	\$	\$
Financial assets at fair value through profit and loss	201,068	205,605
At the beginning of the year	205,605	205,605
Revaluation to income statement	(4,537)	-
At the end of the year	201,068	205,605

SIGNIFICANT ACCOUNTING POLICIES

Classification and subsequent measurement

(i) Financial assets at fair value through profit and loss
Financial assets are classified as “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) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the City 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.

(iii) 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.

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).

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.

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment (Continued)

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.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the City becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the City 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.

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 City no longer has any significant continual involvement in the risks and benefits associated with the asset.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

5. RESERVES - CASH BACKED

	2018	2018	2018	2018	2018	2018	2018	2017	2017	2017	2017
	Actual	Actual	Budget	Budget	Actual	Actual	Budget	Actual	Actual	Actual	Actual
	Opening	Actual	Opening	Transfer	Opening	Transfer	Closing	Opening	Transfer	Closing	Balance
	Balance	to	Balance	(from)	Balance	to	Balance	Balance	to	Balance	Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Alipart Reserve	2,190,421	2,242,959	2,014,007	1,970,205	2,285,329	2,019,571	1,964,641	1,972,536	2,768,964	(2,551,079)	2,190,421
Albany Entertainment Reserve	454,228	4,342	434,228	4,342	408,570	(50,000)	388,570	450,475	3,753	-	454,228
ALAC Synthetic Surface "Carpet" Reserve	224,424	20,000	214,424	10,000	244,424	(183,300)	41,124	204,424	20,000	-	224,424
Albany Classics Reserve	25,281	-	33,281	333	-	-	33,614	32,864	417	(8,000)	25,281
Bayonet Head Infrastructure Reserve	150,522	624	62,391	624	151,146	-	63,015	149,898	624	-	150,522
Car Parking Reserve	155,285	99,922	242,285	-	255,207	-	242,285	155,285	-	-	155,285
Emu Point Boat Pens Development Reserve	401,133	158,723	405,196	78,000	543,074	(16,782)	466,414	316,317	84,816	-	401,133
Masterplan Funding Reserve	186,621	4,058	180,930	-	190,679	(40,000)	140,930	239,183	5,691	(58,253)	186,621
National Anzac Centre Reserve	987,145	73,674	1,113,416	5,000	1,060,819	(10,000)	1,108,416	538,100	449,045	-	987,145
Parks and Recreations Grounds	253,054	5,503	243,462	-	218,557	(40,000)	183,982	253,054	-	-	253,054
Plant Replacement Reserve	2,139,622	132,532	1,548,241	132,532	1,772,154	(801,060)	879,713	1,125,889	1,049,468	(95,735)	2,139,622
Roadwork's Reserve	1,641,687	485,454	1,265,471	92,671	1,827,141	(265,600)	1,092,542	1,302,929	513,758	(175,000)	1,641,687
Waste Management Reserve	2,378,090	1,078,909	2,640,632	1,050,770	2,990,856	(604,086)	3,087,316	2,766,813	1,087,434	(1,476,157)	2,378,090
Refuse Collection & Waste Minimisation Reserve	2,102,361	7,255,719	2,608,783	7,146,690	2,749,166	(6,912,020)	2,843,453	1,292,635	7,173,326	(6,363,600)	2,102,361
Building Restoration Reserve	1,336,623	186,746	908,227	73,025	1,168,369	(50,000)	931,252	921,695	534,928	(120,000)	1,336,623
Debt Management Reserve	3,914,614	491,159	3,685,016	340,452	3,389,081	(833,325)	3,192,143	3,673,896	1,077,139	(836,421)	3,914,614
Land Acquisition	523,676	109,057	483,676	9,333	632,733	-	493,009	269,760	253,916	-	523,676
Coastal Management Reserve	573,713	87,476	499,340	20,000	661,189	(29,896)	489,444	462,696	111,017	-	573,713
Information Technology Reserve	617,219	13,422	617,219	-	434,045	(196,596)	420,623	433,069	310,000	(125,850)	617,219
Prepaid Rates Reserve	762,372	861,339	600,371	600,371	861,339	(600,371)	600,371	600,371	762,372	(600,371)	762,372
Destination Marketing & Economic Development Reserve	97,719	113,633	94,079	155,283	111,352	(175,924)	73,438	72,983	104,736	(80,000)	97,719
Albany Heritage Park Infrastructure Reserve	496,606	10,799	596,606	10,000	504,564	(315,000)	291,606	300,000	273,606	(77,000)	496,606
Unspent Grants Reserve	4,301,443	5,525,065	2,725,422	-	3,330,455	(2,725,422)	-	641,967	21,376,855	(17,717,379)	4,301,443
Cheyne Beach Reserve	78,750	73,445	78,750	145,000	152,195	-	223,750	36,250	72,500	(30,000)	78,750
Capital Seed Funding for Sporting Clubs	-	71,000	-	-	71,000	-	-	-	-	-	-
Centennial Park Stadium and Pavilion Renewal Reserve	-	34,414	-	56,172	33,641	(773)	16,574	-	-	-	-
Great Southern Contiguous Local Authorities Group (CLAG)	-	1,000	-	1,000	1,000	-	1,000	-	-	-	-
	25,992,609	19,140,974	23,295,453	11,901,803	26,048,085	(19,085,498)	19,269,225	18,213,089	38,034,365	(30,254,845)	25,992,609

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

5. 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 Reserve	Anticipated date of use	Purpose of the reserve
Airport Reserve	Ongoing	To facilitate the future development and improvements at the Albany Airport.
Albany Entertainment Reserve	Ongoing	To provide for future funding requirements of the Albany Entertainment Centre.
ALAC Synthetic Surface "Carpet" Reserve	Ongoing	To provide a replacement of the synthetic surface "carpet".
Albany Classics Reserve	Ongoing	To provide funding for the roadside barriers for the Albany Classic Event.
Bayonet Head Infrastructure Reserve	Ongoing	To hold owner funding for infrastructure items and works within the Bayonet Head.
Car Parking Reserve	Ongoing	To provide for the acquisition of land, the development of land for car parking within the Central Business District.
Emu Point Boat Pens Development Reserve	Ongoing	To provide for the development/redevelopment of the Emu Point Boat Pens.
Masterplan Funding Reserve	Ongoing	To provide for funding of asset masterplans.
National Anzac Centre Reserve	Ongoing	To receipt funds for the ongoing management and building renewal for (AIC).
Parks and Recreations Grounds	Ongoing	To facilitate the funding of future works associated with parks and recreation grounds.
Plant Replacement Reserve	Ongoing	To provide for the future replacement of plant, and reduce dependency on loans for this purpose.
Roadwork's Reserve	Ongoing	To facilitate the funding of road and drainage works associated with roads.
Waste Management Reserve	Ongoing	To facilitate the funding of future waste management the rehabilitation, redevelopment and development of refuse sites.
Refuse Collection & Waste Minimisation Reserve	Ongoing	To receipt any annual surplus from Council's Waste Collection/Minimisation Program to provide future funding for Council's Sanitation program.
Building Restoration Reserve	Ongoing	To receipt funds for the ongoing building renewal and expansion projects.
Debt Management Reserve	Ongoing	To receipt funds for the long-term debt strategy.
Land Acquisition	Ongoing	To receipt proceeds from sale of land to acquire strategic parcels of land in a future financial year.
Coastal Management Reserve	Ongoing	To receipt funds to facilitate future coastal works
Information Technology Reserve	Ongoing	To receipt funds for the long-term information technology changes and licensing
Prepaid Rates Reserve	Ongoing	To receipt prepaid rate revenue when these funds relate and are applied to the following financial year.
Destination Marketing & Economic Development Reserve	Ongoing	To receipt funds for the purpose of destination marketing and major event attraction within the City of Albany.
Albany Heritage Park Infrastructure Reserve	Ongoing	To receipt funds for the purpose of maintenance and capital improvements to the Albany Heritage Park.
Unspent Grants Reserve	Ongoing	To receipt grant funds which are unspent at year end to be expended in a future financial year.
Cheyne's Beach Reserve	Ongoing	To receipt funds for the purpose of facilitating community maintenance and enhancement projects within the Cheyenne Beach locality.
Capital Seed Funding for Sporting Clubs	Ongoing	To receipt funds which are unspent at year end to be expended in a future financial year.
Centennial Park Stadium and Pavilion Renewal Reserve	Ongoing	To receipt funds for the future renewal requirements of the Stadium & Pavilion within Centennial Park.
Great Southern Contiguous Local Authorities Group (CLAG)	Ongoing	To receipt funds for the Great Southern Contiguous Local Authorities Group (CLAG) for the purpose of Mosquito Control.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

6. TRADE AND OTHER RECEIVABLES

	2018	2017
	\$	\$
Current		
Rates outstanding	987,604	809,310
Sundry debtors	1,028,412	1,169,859
GST receivable	506,510	208,593
Loans receivable - clubs/institutions	12,504	12,120
Prepaid expenses	293,773	388,875
Other accrued income	496,285	324,235
	<u>3,325,088</u>	<u>2,912,992</u>
Non-current		
Rates outstanding - pensioners	577,001	523,748
Loans receivable - clubs/institutions	115,377	127,880
	<u>692,378</u>	<u>651,628</u>
Information with respect the impairment or otherwise of the totals of rates outstanding and sundry debtors is as follows:		
Rates outstanding		
Includes:		
Past due and not impaired		
- up to 5 years	987,604	809,310
	<u>987,604</u>	<u>809,310</u>
Sundry debtors		
Includes:		
Past due and not impaired		
- up to one month	862,282	754,988
- 1 to 3 months	140,790	358,085
- 3 months to one year	10,755	70,795
	<u>1,013,827</u>	<u>1,183,868</u>
Impaired	62,966	24,196

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

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

Classification and subsequent measurement

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.

7. INVENTORIES

	2018	2017
	\$	\$
Current Inventories		
Fuel and Materials	545,912	442,076
ALAC Stock	3,967	2,186
Albany Visitor Centre Stock	53,595	50,251
Albany Heritage Park	126,343	107,946
Other	11,416	18,027
Land held for resale - cost:		
Cost of acquisition	77,500	77,500
Development costs	2,844,960	2,844,960
Disposals	(2,207,827)	(2,125,827)
Adjustment to Realisable Value	(556,633)	(556,633)
Subtotal: Land held for resale	158,000	240,000
Total Current Inventories	899,233	860,486

SIGNIFICANT ACCOUNTING POLICIES

General

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. 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 resale is classified as current except where it is held as non-current based on the Council's intentions to release for sale.

8 (a). PROPERTY, PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Land and buildings		
Land - freehold land at:		
- Independent valuation 2017 - level 2	20,566,300	20,566,300
- Independent valuation 2017 - level 3	42,811,000	42,811,000
- Management valuation 2017 - level 2	-	133,000
	63,377,300	63,510,300
Land - vested in and under the control of Council at:		
- Management valuation 2017 - level 3	1,015,100	1,015,100
	1,015,100	1,015,100
Total land	64,392,400	64,525,400
Buildings at:		
- Independent valuation 2017 - level 2	9,816,860	3,476,209
- Independent valuation 2017 - level 3	74,682,433	74,682,433
- Management valuation 2017 - level 3	683,564	683,564
Less: accumulated depreciation	(2,525,468)	-
	82,657,389	78,842,206
Total Buildings	82,657,389	78,842,206
Total Land and Buildings	147,049,789	143,367,606
Furniture and equipment at:		
- Independent valuation 2016 - level 3	5,789,539	5,073,183
- Management valuation 2016 - level 3	151,425	151,425
Less: accumulated depreciation	(2,139,121)	(945,588)
	3,801,843	4,279,020
Plant and equipment at:		
- Independent valuation 2016 - level 2	14,905,451	13,699,018
- Independent valuation 2016 - level 3	1,003,170	1,003,170
- Management valuation 2016 - level 3	2,817,130	2,817,130
Less: accumulated depreciation	(3,402,286)	(1,852,514)
	15,323,465	15,666,804
Paintings at:		
- Management valuation 2018 - level 3	740,382	333,613
Less: accumulated depreciation	-	-
	740,382	333,613
Work in progress at cost	1,410,687	298,101
	1,410,687	298,101
Total property, plant and equipment	168,326,166	163,945,144

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8. 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.

	Land - freehold land	Land - vested in and under the control of Council	Total land	Buildings	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Paintings	Work in progress at cost	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	57,004,130	1,015,100	58,019,230	59,654,795	59,654,795	117,674,025	4,413,483	14,760,800	333,613	4,418,321	141,600,242
Additions	-	-	-	8,362,940	8,362,940	8,362,940	569,788	3,343,575	-	-	12,276,303
(Disposals)	(1,102,900)	-	(1,102,900)	(23,784)	(23,784)	(1,126,684)	-	(591,036)	-	-	(1,717,720)
Revaluation increments/ (decrements) transferred to revaluation surplus	7,609,070	-	7,609,070	9,071,162	9,071,162	16,680,232	-	-	-	-	16,680,232
Depreciation (expense)	-	-	-	(2,095,811)	(2,095,811)	(2,095,811)	(945,588)	(1,852,514)	-	-	(4,893,913)
Transfers	-	-	-	3,872,904	3,872,904	3,872,904	241,337	5,979	-	(4,120,220)	-
Carrying amount at 30 June 2017	63,510,300	1,015,100	64,525,400	78,842,206	78,842,206	143,367,606	4,279,020	15,666,804	333,613	298,101	163,945,144
Additions	-	-	-	5,005,963	5,005,963	5,005,963	704,939	2,462,262	-	2,458,691	10,631,855
(Disposals)	(133,000)	-	(133,000)	-	-	(133,000)	-	(1,026,135)	-	-	(1,159,135)
Revaluation increments/ (decrements) transferred to revaluation surplus	-	-	-	-	-	-	-	-	406,769	-	406,769
Depreciation (expense)	-	-	-	(2,525,468)	(2,525,468)	(2,525,468)	(1,193,533)	(1,779,466)	-	-	(5,498,467)
Transfers	-	-	-	1,334,688	1,334,688	1,334,688	11,417	-	-	(1,346,105)	-
Carrying amount at 30 June 2018	63,377,300	1,015,100	64,392,400	82,657,389	82,657,389	147,049,789	3,801,843	15,323,465	740,382	1,410,687	168,326,166

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

8. 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 land	2 & 3	Market Approach using recent observable or estimated market data for similar properties	Independent Registered Valuers & Management Valuation	June 2017	Price per hectare, with reference to current zoning of land. Market values were used unless there were some restrictions or other factors associated with the land.
Land - vested in and under the control of Council	3	Cost approach using current replacement cost	Management Valuation	June 2017	Improvements to land using estimated construction costs.
Buildings	2 & 3	Market Approach using recent market data for similar properties. Cost Approach using depreciated replacement cost	Independent Registered Valuers & Management Valuation	June 2017	Direct market comparisons / price per square Metre (Level 2) - remaining useful life assessments & active market inputs (Level 3)
Furniture and equipment	3	Cost Approach using depreciated replacement cost	Independent Registered Valuers & Management Valuation	June 2016	Purchase costs of similar assets adjusted for current condition and comparability, residual values and remaining useful life assessments.
Plant and equipment	2 & 3	Market Approach using recent observable market data for similar assets. Cost Approach using depreciated replacement cost	Independent Registered Valuers & Management Valuation	June 2016	Market price per item, purchase costs of similar assets adjusted for condition and comparability, residual values, and remaining useful life assessments.
Paintings	3	Market Approach using recent auction information for similar pieces of artwork	Independent Registered Valuers & Management Valuation	June 2018	Recent Auction Sales

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.

9 (a). INFRASTRUCTURE

	2018	2017
	\$	\$
Infrastructure - Roads		
- Management valuation 2018 - level 3	359,431,568	244,328,335
Less: accumulated depreciation	(139,055,381)	(14,123,658)
	<u>220,376,187</u>	<u>230,204,677</u>
Infrastructure - Footpaths		
- Management valuation 2018 - level 3	30,915,470	42,743,095
Less: accumulated depreciation	(7,335,045)	(1,511,730)
	<u>23,580,425</u>	<u>41,231,365</u>
Infrastructure - Drainage		
- Management valuation 2018 - level 3	84,569,639	53,011,260
Less: accumulated depreciation	(33,475,627)	(1,932,629)
	<u>51,094,012</u>	<u>51,078,631</u>
Infrastructure - Parks, Gardens & Reserves		
- Management valuation 2018 - level 3	50,599,288	37,587,980
Less: accumulated depreciation	(19,216,982)	(1,202,192)
	<u>31,382,306</u>	<u>36,385,788</u>
Infrastructure - Other		
- Management valuation 2018 - level 3	96,145,322	93,278,113
Less: accumulated depreciation	(31,502,651)	(4,551,210)
	<u>64,642,671</u>	<u>88,726,903</u>
Work in progress at cost	4,377,140	3,714,817
	<u>4,377,140</u>	<u>3,714,817</u>
Total Infrastructure	<u>395,452,741</u>	<u>451,342,181</u>

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9. 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.

	Infrastructure - Roads	Infrastructure - Footpaths	Infrastructure - Drainage	Infrastructure - Parks, Gardens & Reserves	Infrastructure - Other	Work in progress at cost	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2016	228,617,168	41,147,168	50,283,156	32,753,220	87,143,408	9,383,367	449,327,487
Additions	6,168,657	661,858	483,821	947,991	5,577,978	-	13,840,305
Depreciation (expense)	(7,118,248)	(772,199)	(977,239)	(669,127)	(2,288,798)	-	(11,825,611)
Transfers	2,537,100	194,538	1,288,893	3,353,704	(1,705,685)	(5,668,550)	-
Carrying amount at 30 June 2017	<u>230,204,677</u>	<u>41,231,365</u>	<u>51,078,631</u>	<u>36,385,788</u>	<u>88,726,903</u>	<u>3,714,817</u>	<u>451,342,181</u>
Additions	3,161,420	516,700	905,892	1,797,521	1,873,607	2,987,525	11,242,665
(Disposals)	-	-	-	-	(1,080,449)	-	(1,080,449)
Revaluation increments/ (decrements) transferred to revaluation surplus	(5,540,287)	(17,545,047)	211	(7,140,770)	(23,377,040)	-	(53,602,933)
Depreciation (expense)	(7,500,260)	(791,818)	(1,010,634)	(800,185)	(2,345,826)	-	(12,448,723)
Transfers	50,637	169,225	119,912	1,139,952	845,476	(2,325,202)	-
Carrying amount at 30 June 2018	<u>220,376,187</u>	<u>23,580,425</u>	<u>51,094,012</u>	<u>31,382,306</u>	<u>64,642,671</u>	<u>4,377,140</u>	<u>395,452,741</u>

9. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads	3	Cost Approach using depreciated replacement cost	Management Valuation	June 2018	Construction Costs And Current Condition, Residual Values And Remaining Useful Life Assessments Inputs.
Infrastructure - Footpaths	3	Cost Approach using depreciated replacement cost	Management Valuation	June 2018	Construction Costs And Current Condition, Residual Values And Remaining Useful Life Assessments Inputs.
Infrastructure - Drainage	3	Cost Approach using depreciated replacement cost	Management Valuation	June 2018	Construction Costs And Current Condition, Residual Values And Remaining Useful Life Assessments Inputs.
Infrastructure - Parks, Gardens & Reserves	3	Cost Approach using depreciated replacement cost	Management Valuation	June 2018	Construction Costs And Current Condition, Residual Values And Remaining Useful Life Assessments Inputs.
Infrastructure - Other	3	Cost Approach using depreciated replacement cost	Management Valuation	June 2018	Construction Costs And Current Condition, Residual Values And Remaining Useful Life Assessments Inputs.

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

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

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of fixed assets is determined at least every three years in accordance with the regulatory framework. At the end of each 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.

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

Land under control

In accordance with *Local Government (Financial Management) Regulation 16(a)(ii)*, the City 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.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

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 City.

10. FIXED ASSETS (Continued)

(a) Disposals of Assets

	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	1,026,135	630,206	68,484	(464,413)	1,288,015	694,888	15,872	(608,999)
Land	133,000	11,973	-	(121,027)	-	-	-	-
Infrastructure - Other	1,080,449	-	-	(1,080,449)	-	-	-	-
	2,239,584	642,179	68,484	(1,665,889)	1,288,015	694,888	15,872	(608,999)

The following assets were disposed of during the year:

	Actual Net Book Value	Actual Sale Proceeds	Actual Profit	Actual Loss
	\$	\$	\$	\$
Plant and Equipment				
Caterpillar 12M Grader	146,798	199,089	52,291	-
Caterpillar Wheel Loader	101,631	79,516	-	(22,115)
Hino Ranger Pro 10	52,664	44,722	-	(7,942)
Isuzu FTR 900 Tip Tray Truck	75,808	39,864	-	(35,944)
Mazda CX	33,242	26,364	-	(6,878)
Ford Ranger XL	24,468	23,636	-	(832)
Toyota Hilux SR 4x4	17,003	23,304	6,301	-
Ford Ranger XL	20,818	22,727	1,909	-
Isuzu FSS 550 4x4	36,000	18,000	-	(18,000)
Isuzu 450 Crew Cab Truck	52,055	17,779	-	(34,276)
Isuzu FSS550 Fire Unit	179,327	16,364	-	(162,963)
Holden Colorado LX	14,000	15,455	1,455	-
Isuzu FTS 700	15,000	15,000	-	-
Toyota Landcruiser Fast Attack	15,000	15,000	-	-
Pig Trailer	8,982	14,774	5,792	-
Ford Ranger XL	14,909	13,636	-	(1,273)
Volkswagen Golf	17,401	12,727	-	(4,674)
Bomag Roller	18,792	9,009	-	(9,783)
Noremat reach mower	41,233	7,038	-	(34,195)
Wilson - Road verge slasher	19,895	5,305	-	(14,590)
Outlander 500Xt Quad Bike	8,370	3,468	-	(4,902)
Trailer - Tandem Axle 5T	2,645	3,381	736	-
Trimax stealth mower	4,363	2,038	-	(2,325)
Husqvarna ride on mower	2,481	1,822	-	(659)
Scarifier Trailer	300	188	-	(112)
Toyota Landcruiser Fire Truck	102,950	-	-	(102,950)
	1,026,135	630,206	68,484	(464,413)
Land				
Amalgamation & Sale - Lot 56, 55 Balston Road, Gledhow	133,000	11,973	-	(121,027)
	133,000	11,973	-	(121,027)
Infrastructure - Other				
Brig Amity	1,080,449	-	-	(1,080,449)
	1,080,449	-	-	(1,080,449)

10. FIXED ASSETS (Continued)

(b) Depreciation

	2018	2017
	\$	\$
Buildings	2,525,468	2,095,811
Furniture and equipment	1,193,533	945,588
Plant and equipment	1,779,466	1,852,514
Infrastructure - Roads	7,500,260	7,118,248
Infrastructure - Footpaths	791,818	772,199
Infrastructure - Drainage	1,010,634	977,239
Infrastructure - Parks, Gardens & Reserves	800,185	669,127
Infrastructure - Other	2,345,826	2,288,798
	17,947,190	16,719,524

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested 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:

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

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Depreciation rates

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

Buildings:	
- Heritage Buildings	60 to 145 years
- Contemporary Buildings	40 to 145 years
- Sheds/Minor Structures/Public Toilets	40 to 60 years
Furniture and equipment	2 to 10 years
Plant and equipment	2 to 15 years
Sealed roads and streets:	
- formation	not depreciated
- pavement	60 to 90 years
- surface: single chip seal	8 to 10 years
- surface: double chip seal	20 to 30 years
- surface: asphalt	30 to 40 years
Kerbing	30 to 60 years
Gravel roads:	
- formation	not depreciated
- pavement	60 to 90 years
Formed roads (unsealed):	
- formation	not depreciated
- pavement	60 to 90 years
Footpaths	30 to 80 years
Major Bridges	70 to 100 years
Drainage	60 to 100 years
Infrastructure - Parks, Gardens & Reserves	5 to 45 years
Infrastructure - Other	10 to 70 years

11. REVALUATION SURPLUS

	2018			2018			2017		
	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Total Revaluation	Closing Balance	Opening Balance	Revaluation Increment	Revaluation	Closing Balance
Land & Buildings	71,667,244	-	-	-	71,667,244	54,987,012	16,680,232	16,680,232	71,667,244
Plant & Equipment	3,608,013	-	-	-	3,608,013	3,608,013	-	-	3,608,013
Furniture and Equipment	1,230,932	-	-	-	1,230,932	1,230,932	-	-	1,230,932
Art & Paintings	-	406,769	-	406,769	406,769	-	-	-	-
Infrastructure - Roads	81,759,591	-	(5,540,287)	(5,540,287)	76,219,304	81,759,591	-	-	81,759,591
Infrastructure - Footpaths	29,639,623	-	(17,545,047)	(17,545,047)	12,094,576	29,639,623	-	-	29,639,623
Infrastructure - Drainage	36,827,783	211	-	211	36,827,994	36,827,783	-	-	36,827,783
Infrastructure - Parks, Gardens & Reserves	7,824,895	-	(7,140,770)	(7,140,770)	684,125	7,824,895	-	-	7,824,895
Infrastructure - Other	65,352,623	-	(23,377,040)	(23,377,040)	41,975,583	65,352,623	-	-	65,352,623
	297,910,704	406,980	(53,603,144)	(53,196,164)	244,714,540	281,230,472	16,680,232	16,680,232	297,910,704

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.

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12. TRADE AND OTHER PAYABLES

	2018	2017
	\$	\$
Sundry creditors	2,593,371	3,376,550
Accrued interest on long term borrowings	58,596	38,050
Accrued salaries and wages	703,061	663,938
Sundry Accruals	263,347	172,970
Provision - Gravel Pit Regeneration	163,666	130,773
Income Received in Advance	338,657	283,244
	4,120,698	4,665,525

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

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

13. INFORMATION ON BORROWINGS

Borrowings	2018	2017
	\$	\$
Current	2,239,966	2,136,616
Non-current	11,617,795	13,857,761
	13,857,761	15,994,377

(a) Repayments - Borrowings

Particulars	Borrowing Institution	Interest Rate %	Loan Number #	Principal 1 July 2017 \$	New Loans \$	Principal Repayments		Principal 30 June 2018		Interest Repayments	
						Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Community amenities											
Waste Management	Western Australian Treasury Corporation	5.44	19	19,090	-	19,090	19,095	-	-	767	1,114
Recreation and culture											
Library Development	Western Australian Treasury Corporation	5.44	17	57,839	-	57,839	57,853	-	-	2,321	2,919
Recreation	Western Australian Treasury Corporation	5.44	18	19,374	-	19,374	19,378	-	-	777	1,127
ALAC Redevelopment	Western Australian Treasury Corporation	6.35	30	1,648,001	-	122,408	118,858	1,525,593	1,533,264	113,925	115,333
ALAC Redevelopment	Western Australian Treasury Corporation	7.12	32	1,603,505	-	100,272	96,938	1,503,233	1,510,284	123,190	124,141
Town Square Upgrade	Western Australian Treasury Corporation	4.39	33	372,066	-	46,484	45,756	325,582	327,276	17,729	18,477
Fort Entrance and Public Space	Western Australian Treasury Corporation	4.39	36	372,066	-	46,484	45,756	325,582	327,276	17,572	18,477
Centennial Park Stage 1	Western Australian Treasury Corporation	3.81	37	1,570,869	-	98,966	196,725	1,471,903	1,378,416	67,731	69,087
Centennial Park Stage 2	Western Australian Treasury Corporation	2.94	38	480,146	-	114,834	114,364	365,312	367,001	16,337	16,785
ALAC - Heat Exchange Unit	Western Australian Treasury Corporation	2.94	39	356,681	-	85,305	84,956	271,376	272,630	12,138	12,526
Centennial Park Stage 3	Western Australian Treasury Corporation	2.37	41	505,796	-	96,450	95,404	409,346	412,055	11,141	15,077
Centennial Park Stage 4	Western Australian Treasury Corporation	2.45	42	500,000	-	78,344	77,354	421,656	422,646	15,023	14,408
Town Hall/Alison Hartman Gardens	Western Australian Treasury Corporation	N/A	44	-	-	-	-	-	2,000,000	-	-
ALAC Gym Equipment	Western Australian Treasury Corporation	N/A	45	-	-	-	-	-	120,000	-	-
Transport											
Roadworks - Asset Upgrade	Western Australian Treasury Corporation	7.14	21A	886,260	-	123,063	121,509	763,197	766,961	67,164	67,537
Roadworks - 22C Refinanced	Western Australian Treasury Corporation	4.01	22D	970,300	-	146,100	144,382	824,200	828,516	43,846	44,303
Roadworks - 03/04	Commonwealth Bank of Australia	6.62	23	401,049	-	46,737	46,737	354,312	354,312	25,775	25,792
Roadworks - 04/05	Western Australian Treasury Corporation	5.84	28	1,084,907	-	109,909	112,296	974,998	969,581	69,284	53,473
Roadworks - 06/07	Western Australian Treasury Corporation	6.36	29	1,662,115	-	292,151	289,663	1,369,964	1,376,626	112,638	113,014
Stirling Terrace Upgrade	Western Australian Treasury Corporation	4.39	34	297,654	-	37,188	36,604	260,466	261,847	14,058	14,782
Economic services											
Saleyards Loan	Western Australian Treasury Corporation	6.96	3	148,413	-	46,174	46,130	102,239	102,615	8,841	10,433
Fort Cafe, Retail & Admin Upgrade/Refurbishment	Western Australian Treasury Corporation	4.39	35	446,480	-	55,781	54,907	390,699	392,769	21,087	22,172
Visitor Centre Building	Western Australian Treasury Corporation	2.89	43	1,000,000	-	87,589	86,166	912,411	913,834	34,974	31,932
Other property and services											
Admin Building 1	Western Australian Treasury Corporation	5.84	25	615,273	-	62,332	61,075	552,941	555,775	38,742	39,481
Admin Building 2A	Western Australian Treasury Corporation	3.49	26E	356,646	-	175,239	175,784	181,407	181,497	13,310	13,220
Purchase Land - Lot 20	Western Australian Treasury Corporation	2.37	40	619,847	-	68,503	67,193	551,344	554,363	28,320	25,476
				15,994,377	-	2,136,616	2,214,883	13,857,761	15,929,544	876,690	871,085

All loan repayments were financed by general purpose revenue.

(b) New Borrowings - 2017/18

There were no new borrowings during the 2017/18 financial year.

(c) Unspent Borrowings

Particulars	Loan Number	Date Borrowed	Unspent	Borrowed	Expended	Unspent
			Balance 1 July 17	During Year	During Year	Balance 30 June 18
			\$	\$	\$	\$
Visitor Centre Building	43	June 2017	841,758	-	(841,758)	-
			841,758	-	(841,758)	-

(d) Overdraft

The City did not have an overdraft facility in place as at 30 June 2018.

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are recognised at fair value when the City becomes a party to the contractual provisions to the instrument. Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss. 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.

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.

14. PROVISIONS

	Provision for Annual Leave	Provision for Long Service Leave	Total
	\$	\$	\$
Opening balance at 1 July 2017			
Current provisions	1,950,317	2,125,027	4,075,344
Non-current provisions	-	689,601	689,601
	1,950,317	2,814,628	4,764,945
Additional provision	1,823,984	1,117,893	2,941,877
Amounts used	(1,765,156)	(351,476)	(2,116,632)
Balance at 30 June 2018	2,009,145	3,581,045	5,590,190
Comprises			
Current	2,009,145	2,845,522	4,854,667
Non-current	-	735,523	735,523
	2,009,145	3,581,045	5,590,190

Opening balance at 1 July 2017

Current provisions

Non-current provisions

Additional provision

Amounts used

Balance at 30 June 2018

Comprises

Current

Non-current

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

	Annual Leave	Long Service Leave	Total
	\$	\$	\$
Within 12 months of the end of the reporting period:	1,816,369	465,863	2,282,232
More than 12 months after the end of the reporting period:	192,776	2,379,659	2,572,435
	2,009,145	2,845,522	4,854,667

Current Provisions

Within 12 months of the end of the reporting period:

More than 12 months after the end of the reporting period:

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

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

Other long-term employee benefits

The City's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

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

Other long-term employee benefits (Continued)

rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

Provisions

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

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

15. NOTES TO THE STATEMENT OF CASH FLOWS

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:

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Cash and cash equivalents	33,457,146	23,891,092	34,722,163
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	2,765,983	(27,088)	17,357,379
Non-cash flows in Net result:			
Depreciation	17,947,190	16,910,453	16,719,524
(Profit)/loss on sale of asset	1,597,405	593,127	991,690
Fair value adjustments to fixed assets at fair value through profit or loss	4,537	-	-
Changes in assets and liabilities:			
(Increase)/decrease in receivables	(464,965)	(44,378)	(72,267)
(Increase)/decrease in inventories	(38,747)	(20,998)	89,491
Increase/(decrease) in payables	(544,827)	(442,970)	(539,087)
Increase/(decrease) in provisions	825,245	(169,512)	454,007
Grants contributions for the development of assets	(9,872,906)	(8,714,879)	(18,882,464)
Net cash from operating activities	12,218,915	8,083,757	16,118,273

16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2018	2017
	\$	\$
Governance	15,942,639	17,207,655
General purpose funding	757,835	762,372
Law, order, public safety	4,447,480	5,388,937
Health	150,591	160,128
Education and welfare	319,774	752,720
Community amenities	30,826,753	34,703,069
Recreation and culture	99,721,773	106,355,411
Transport	359,221,536	399,382,098
Economic services	17,994,773	16,846,932
Other property and services	69,358,738	69,169,749
Unallocated	3,611,928	3,911,128
	602,353,820	654,640,199

17. CONTINGENT LIABILITIES

The City, together with the Water Corporation, is part of a joint venture agreement which owns a liquid waste facility. This facility is currently not in operation. Indications from the Water Corporation is that this will not be used in the future. The City may be liable for some costs with the unwinding of this joint venture and the decommissioning of the facility. The facility is currently in care and maintenance, which could continue under the current agreement until 2022.

18. CAPITAL AND LEASING COMMITMENTS

	2018	2017
	\$	\$
(a) Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	3,210,066	3,988,379
- plant & equipment purchases	177,715	356,617
	3,387,781	4,344,996
Payable:		
- not later than one year	3,387,781	4,344,996
The capital expenditure projects outstanding at the end of the current reporting period are:		
Emu Point Boat Pens Upgrade	1,298,660	-
Mercer Rd Office Refurbishment	946,981	-
Middleton Road Upgrade	442,538	-
Radio WAN Systems	191,130	-
King River Bush Fire Brigade Extension	173,305	-
Centennial Park Upgrade	157,452	590,397
UWA Building Renovation	-	772,068
Construction - Albany Tourism and Information Hub	-	2,416,516
Airport Upgrade Works	-	209,398
	3,210,066	3,988,379

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts.

Payable:		
- not later than one year	87,184	83,083
- later than one year but not later than five years	102,109	249,250
- later than five years	-	-
	189,293	332,333

SIGNIFICANT ACCOUNTING POLICIES

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 City, are classified as finance leases. Finance leases are capitalised recording an asset and a liability at the lower of 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 on a straight line basis over the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

19. JOINT VENTURE ARRANGEMENTS

The City, together with the Water Corporation has a joint venture arrangement with regard to the processing of liquid waste. The assets consist of liquid waste processing equipment. These assets are not currently in operation. Indication from the Water Corporation is that these assets will not be used in the future. As a result they have been written down to \$nil.

20. RELATED PARTY TRANSACTIONS

Elected Members (EM) Remuneration

The following fees, expenses and allowances were paid to the Mayor, Deputy Mayor, and the Councillors

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Mayor - Fees	47,046	47,046	47,046
Mayor - Allowances	92,364	92,364	92,414
Deputy Mayor - Fees	31,364	31,364	31,364
Deputy Mayor - Allowances	25,716	25,716	25,116
Councillors - Fees	342,474	361,941	345,035
Councillors - Allowances	38,217	38,500	39,050
	577,181	596,931	580,025

Key Management Personnel (KMP) Compensation Disclosure

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

	2018	2017
	\$	\$
Short-term employee benefits	1,175,289	1,226,467
Post-employment benefits	113,746	102,008
Other long-term benefits	182,902	167,121
Termination benefits	-	8,208
	1,471,937	1,503,804

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found above.

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the City's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

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

Transactions with related parties

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

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

The following transactions occurred with related parties:

	2018	2017
	\$	\$
Associated companies/individuals		
Purchase of goods and services - Elected Members	251,110	334,901
Purchase of goods and services - Key Management Personnel	1,236,033	1,646,314
	1,487,143	1,981,215

Amounts outstanding from related parties:

Trade and other receivables - Elected Members	1,513	-
Trade and other receivables - Key Management Personnel	5,409	10,518
	6,922	10,518

Related Parties

The City's main related parties are as follows:

i. Key management personnel

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

ii. Entities subject to significant influence by the City

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

iii. Joint venture entities accounted for under the equity method

The City, together with the Water Corporation has a joint venture arrangement with regard to the processing of liquid waste. The assets consist of liquid waste processing equipment. These assets are not currently in operation. Indication from the Water Corporation is that these assets will not be used in the future. As a result they have been written down to \$nil.

21. MAJOR LAND TRANSACTIONS

The Ridge' Cull Road Residential Subdivision

(a) Details

As at 30 June 2018, 2 lots remain unsold

No further development costs are anticipated to be spent on this development

(b) Current year transactions

Operating income

Proceeds on Sales
(Less): Cost of Blocks Sold
(Less): Selling Costs

Capital income

- Sale proceeds

Capital expenditure

- Purchase of land
- Development costs

	2018 Actual	2018 Budget	2017 Actual
	\$	\$	\$
Operating income			
Proceeds on Sales	76,364	-	76,363
(Less): Cost of Blocks Sold	(82,000)	-	(74,341)
(Less): Selling Costs	(5,026)	-	(4,443)
	(10,662)	-	(2,421)
Capital income			
- Sale proceeds	-	-	-
Capital expenditure			
- Purchase of land	-	-	-
- Development costs	-	-	-
	-	-	-

(c) Expected Future Cash Flows

Cash inflows

- Loan proceeds
- Sale proceeds

Cash outflows

- Development costs
- Loan repayments

Net cash flows

	2019	2020	2021	2022	Total
	\$	\$	\$	\$	\$
Cash inflows					
- Loan proceeds	-	-	-	-	-
- Sale proceeds	80,000	80,000	-	-	160,000
	80,000	80,000	-	-	160,000
Cash outflows					
- Development costs	-	-	-	-	-
- Loan repayments	-	-	-	-	-
	-	-	-	-	-
Net cash flows	80,000	80,000	-	-	160,000

(d) Assets and Liabilities Associated with the Transaction

	2018	2017
	\$	\$
Land held for resale, per Note 7	158,000	240,000

22. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

The City did not participate in any trading undertakings or major trading undertakings during the 2017/18 financial year.

23. CONDITIONS OVER GRANTS/CONTRIBUTIONS

Grant/Contribution	Opening Balance ⁽¹⁾ 1/07/16	Received ⁽²⁾ 2016/17	Expended ⁽³⁾ 2016/17	Closing Balance ⁽¹⁾ 30/06/17	Received ⁽²⁾ 2017/18	Expended ⁽³⁾ 2017/18	Closing Balance 30/06/18
	\$	\$	\$	\$	\$	\$	\$
Law, order, public safety							
Bushfire Brigade Operating Grant	60,776	302,839	(299,695)	63,920	245,287	(264,295)	44,912
SES Operating Grant	13,895	50,618	(48,212)	16,301	56,213	(60,803)	11,711
Community Emergency Risk Management	7,877	-	(7,877)	-	-	-	-
Bushfire Brigade - DFES contributed assets	-	1,610,524	(1,610,524)	-	59,818	(59,818)	-
Donations & Sponsorship - Forward Control Van	-	52,429	(52,429)	-	-	-	-
Education and welfare							
Torbay Fire Management Strategy	-	7,289	(7,289)	-	-	-	-
Youth Friendly Communities	6,290	-	(6,290)	-	4,500	(4,500)	-
Day Care Centre - Playground Upgrade	1,420	-	(1,420)	-	-	-	-
Disability Awareness Project	9,391	-	(9,391)	-	-	-	-
Aged Care Charter Project	-	-	-	-	65,000	-	65,000
Community amenities							
Accessible Public Toilets	63,636	-	-	63,636	-	(63,636)	-
Recreation and culture							
Library - SLWA Regional Subsidy	-	45,655	(45,655)	-	133,369	(133,369)	-
Travel Smart Officer Grant	-	18,513	(18,513)	-	-	-	-
Vancouver Arts Centre Country Arts	-	31,500	(31,500)	-	50,526	(50,526)	-
Vancouver Arts Centre Workshops/Projects	-	14,990	(14,990)	-	-	-	-
Vancouver Street Festival	-	48,180	(48,180)	-	34,500	(34,500)	-
ALAC - DSR Pool Grant	3,551	32,000	(35,551)	-	-	-	-
Sport 4 All Kidsport Program	3,598	180,000	(169,194)	14,404	93,468	(107,872)	-
Centennial Park Upgrade	309,035	12,031,500	(10,938,638)	1,401,897	3,626,784	(4,099,097)	929,584
Lower King Foreshore Maintenance	2,250	-	(2,250)	-	-	-	-
Share the Road Education Programme	27,107	-	(27,107)	-	-	-	-
Get Set Go	5,000	-	(5,000)	-	-	-	-
Sport 4 All Silversports Program	-	155,000	(94,708)	60,292	-	(60,292)	-
Bikeweek	-	1,400	(1,400)	-	1,500	(1,500)	-
AEC Auspiced Grant	-	23,783	(23,783)	-	-	-	-
Recreational Boating Strategy	-	68,904	(68,904)	-	-	-	-
Minor Art Program Grant (VAC)	-	-	-	-	62,769	(60,769)	2,000
Stronger Communities	-	-	-	-	7,500	-	7,500
Lake Seppings (Ringtail Possum Corridors) 20 Mil Trees	-	-	-	-	22,500	(3,527)	18,973
Transport							
Main Roads Direct Grant	-	405,337	(405,337)	-	242,403	(242,403)	-
Roads to Recovery	-	2,050,000	(2,050,000)	-	-	-	-
State Black Spot Funding	-	230,493	(230,493)	-	-	-	-
Path Funding	-	20,000	(20,000)	-	207,000	(207,000)	-
Commodity Funding	-	202,397	(202,397)	-	-	-	-
Regional Road Group	-	777,230	(617,230)	160,000	1,240,000	(1,400,000)	-
Hunton Bridge	73,451	-	-	73,451	-	(48,257)	25,194
Bridges	-	90,000	-	90,000	-	-	90,000
Airport Runway/Infrastructure - RFDS	-	125,000	(72,134)	52,866	-	(52,866)	-
Airport Runway/Infrastructure - Reseal main runway	-	250,000	(250,000)	-	-	-	-
Airport Runway/Infrastructure - New taxiway	-	100,000	(100,000)	-	-	-	-
Airport Runway/Infrastructure - Overlay threshold	-	100,000	(100,000)	-	-	-	-
DOT Coastal Protection	-	-	-	-	105,544	(54,355)	51,189
Economic services							
Regional Visitors Centre Sustainability Grant	-	106,500	(101,287)	5,213	-	(5,213)	-
Albany Visitors Centre Capital Grants	-	149,625	-	149,625	-	(149,625)	-
Other property and services							
Albany Visitors Centre Building Construction	54,690	-	-	54,690	-	(54,690)	-
IPR Peer Support Program	-	20,000	-	20,000	-	(20,000)	-
Total	641,967	19,301,706	(17,717,378)	2,226,295	6,258,681	(7,238,913)	1,246,063

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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

24. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in Cents	Number of Properties	Rateable Value	Rate	Interim Rates	Back Rates	2018		2017		2018	
							Total Revenue	Budget Rate	Total Revenue	Budget Rate	Total Revenue	Budget Rate
Gross rental valuations												
Rating Category 1 - GRV General	9.7325	15,266	309,770,003	30,148,370	197,635	5,088	30,351,093	28,350,191	30,148,370	200,000	10,000	30,358,370
Unimproved valuations												
Rating Category 3 - UV	0.4321	1,184	658,231,000	2,844,217	-	-	2,844,217	2,798,459	2,844,217	-	-	2,844,217
Sub-Total		16,450	968,001,003	32,992,587	197,635	5,088	33,195,310	31,148,650	32,992,587	200,000	10,000	33,202,587
Minimum payment												
Gross rental valuations												
Rating Category 1 - GRV General	992	1,701	9,694,965	1,687,392	-	-	1,687,392	2,560,360	1,687,392	-	-	1,687,392
Unimproved valuations												
Rating Category 3 - UV	1,071	453	80,586,245	485,163	-	-	485,163	478,610	485,163	-	-	485,163
Sub-Total		2,154	90,281,210	2,172,555	-	-	2,172,555	3,038,970	2,172,555	-	-	2,172,555
Discounts/concessions (refer note 24(d))		18,604	1,058,282,213	35,165,142	197,635	5,088	35,367,865	34,187,620	35,165,142	200,000	10,000	35,375,142
Total amount raised from general rates												
Movement in rates Received in Advance							(3,054)	(8,280)				0
Ex-gratia rates							35,364,811	34,179,340				35,375,142
Totals							98,966	162,001				86,158
							101,169	85,425				35,461,300

SIGNIFICANT ACCOUNTING POLICIES

Rates

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

24. RATING INFORMATION (Continued)

(b) Specified Area Rate

No specified area rates were imposed by the City during the year ended 30 June 2018.

(c) Service Charges

No service charges were imposed by the City during the year ended 30 June 2018.

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

Rates Discounts

Rate or Fee	Discount %	Discount \$	Actual \$	Budget \$	Circumstances in which Discount is Granted
Discount Granted					
Rates Assessment Write-Off	N/A	N/A	3,054	-	Minor balances written off

(e) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan		Unpaid Interest Rate %
		Admin Charge \$	Instalment Plan Interest Rate %	
Option One				
Single full payment	13-Sep-17	nil	nil	11.00%
Option Two				
First instalment	13-Sep-17	nil	nil	11.00%
Second instalment	15-Jan-18	6.50	5.50%	11.00%
Option Three				
First instalment	13-Sep-17	6.50	nil	11.00%
Second instalment	14-Nov-17	6.50	5.50%	11.00%
Third instalment	15-Jan-18	6.50	5.50%	11.00%
Fourth instalment	16-Mar-18	6.50	5.50%	11.00%
		2018 Actual	2018 Budget	2017 Actual
Interest on unpaid rates		\$ 197,046	\$ 160,000	\$ 173,764
Interest on instalment plan		144,625	142,500	147,965
Charges on instalment plan		81,679	75,000	74,160
		423,350	377,500	395,889

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

25. NET CURRENT ASSETS

Composition of net current assets for the purposes of the Rate Setting Statement

	2018 (30 June 2018 Carried Forward) \$	2018 (1 July 2017 Brought Forward) \$	2017 (30 June 2017 Carried Forward) \$
Surplus/(Deficit)	2,487,513	2,668,285	2,668,285
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	7,406,320	7,885,069	7,885,069
Restricted	26,050,826	26,837,094	26,837,094
Investments			
Financial assets at fair value through profit and loss	201,068	205,605	205,605
Receivables			
Rates outstanding	987,604	809,310	809,310
Sundry debtors	1,028,412	1,169,859	1,169,859
GST receivable	506,510	208,593	208,593
Loans receivable - clubs/institutions	12,504	12,120	12,120
Prepaid expenses	293,773	388,875	388,875
Other accrued income	496,285	324,235	324,235
Inventories			
Fuel and Materials	545,912	442,076	442,076
ALAC Stock	3,967	2,186	2,186
Albany Visitor Centre Stock	53,595	50,251	50,251
Albany Heritage Park	126,343	107,946	107,946
Other	11,416	18,027	18,027
Land held for resale	158,000	240,000	240,000
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(2,593,371)	(3,376,550)	(3,376,550)
Accrued interest on long term borrowings	(58,596)	(38,050)	(38,050)
Accrued salaries and wages	(703,061)	(663,938)	(663,938)
Sundry Accruals	(263,347)	(172,970)	(172,970)
Provision - Gravel Pit Regeneration	(163,666)	(130,773)	(130,773)
Income Received in Advance	(338,657)	(283,244)	(283,244)
Current portion of long term borrowings	(2,239,966)	(2,136,616)	(2,136,616)
Provisions			
Provision for annual leave	(2,009,145)	(1,950,317)	(1,950,317)
Provision for long service leave	(2,845,522)	(2,125,027)	(2,125,027)
Unadjusted net current assets	26,667,204	27,823,761	27,823,761
Adjustments			
Less: Restricted cash - Reserves	(26,048,085)	(25,992,609)	(25,992,609)
Less: Restricted cash - Loan	-	(841,758)	(841,758)
Less: Land held for resale	(158,000)	(240,000)	(240,000)
Less: Financial assets at fair value	(201,068)	(205,605)	(205,605)
Less: Loans receivable - clubs/institutions	(12,504)	(12,120)	(12,120)
Add: Current portion of long term borrowings	2,239,966	2,136,616	2,136,616
Adjusted net current assets - surplus/(deficit)	2,487,513	2,668,285	2,668,285

Difference

There was no difference between the surplus/(deficit) 1 July 2017 brought forward position used in the 2018 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2017 audited financial report.

26. FINANCIAL RISK MANAGEMENT

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

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

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

The City held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2018	2017	2018	2017
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	33,457,146	34,722,163	33,457,146	34,722,163
Investments	201,068	205,605	201,068	205,605
Receivables	4,017,466	3,564,620	4,017,466	3,564,620
	<u>37,675,680</u>	<u>38,492,388</u>	<u>37,675,680</u>	<u>38,492,388</u>
Financial liabilities				
Payables	4,120,698	4,665,525	4,120,698	4,665,525
Borrowings	13,857,761	15,994,377	14,666,186	13,689,973
	<u>17,978,459</u>	<u>20,659,902</u>	<u>18,786,884</u>	<u>18,355,498</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

Financial assets at fair value through profit and loss - based on quoted market prices at the reporting date or independent valuation

26. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

Financial assets at fair value through profit and loss

The City's objective is to maximise its return on cash whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash portfolio. The City 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.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market.

Cash is 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 City.

The City manages these risks by diversifying its portfolio and only investing in investments authorised by Local Government (Financial Management) Regulation 19C.

	2018	2017
	\$	\$
Impact of a 10% ⁽¹⁾ movement in price of investments		
- Equity	20,107	20,561
- Statement of Comprehensive Income	20,107	20,561
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	334,571	347,222
- Statement of Comprehensive Income	334,571	347,222

Notes:

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

26. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

The City'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 City 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 City to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The City is 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 City 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 City's credit risk at balance date was:

	<u>2018</u>	<u>2017</u>
	%	%
Percentage of rates and annual charges		
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	90.82%	77.79%
- Overdue	9.18%	22.21%

26. FINANCIAL RISK MANAGEMENT (Continued)

(c) Payables and borrowings

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

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

	<u>Due within 1 year</u>	<u>Due between 1 & 5 years</u>	<u>Due after 5 years</u>	<u>Total contractual cash flows</u>	<u>Carrying values</u>
	\$	\$	\$	\$	\$
2018					
Payables	4,120,698	-	-	4,120,698	4,120,698
Borrowings	2,915,717	9,932,628	3,723,745	16,572,090	13,857,761
	<u>7,036,415</u>	<u>9,932,628</u>	<u>3,723,745</u>	<u>20,692,788</u>	<u>17,978,459</u>
2017					
Payables	4,665,525	-	-	4,665,525	4,665,525
Borrowings	2,887,004	10,776,632	5,892,499	19,556,135	15,994,377
	<u>7,552,529</u>	<u>10,776,632</u>	<u>5,892,499</u>	<u>24,221,660</u>	<u>20,659,902</u>

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

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

	<u><1 year</u>	<u>>1<2 years</u>	<u>>2<3 years</u>	<u>>3<4 years</u>	<u>>4<5 years</u>	<u>>5 years</u>	<u>Total</u>	<u>Weighted Average Effective Interest Rate</u>
	\$	\$	\$	\$	\$	\$	\$	%
Year ended 30 June 2018								
Borrowings								
Fixed rate								
Long term borrowings	181,407	102,239	636,688	1,779,310	2,009,053	9,149,064	13,857,761	5.07%
Weighted average Effective interest rate	3.49%	6.96%	2.94%	5.44%	4.87%	5.19%		
Year ended 30 June 2017								
Borrowings								
Fixed rate								
Long term borrowings	96,303	356,647	148,413	836,827	2,167,911	12,388,276	15,994,377	5.03%
Weighted average Effective interest rate	5.44%	3.49%	6.96%	2.94%	5.43%	5.12%		

27. TRUST FUNDS

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

	1 July 2017	Amounts Received	Amounts Paid	30 June 2018
	\$	\$	\$	\$
Albany Heartsafe	(144)	3,027	(2,960)	(77)
Amity Trust	31,302	-	(31,302)	-
Point King Lighthouse	1,980	-	(1,980)	-
Recycling Committee	3,871	-	(3,871)	-
Auspiced Grants	13,277	24,000	(13)	37,264
Commission Sales- AVC	147,839	987,088	(1,039,302)	95,625
WAPC - POS	730,953	5,285	(36,364)	699,874
Works Bonds	2,500	-	-	2,500
Development Bonds	1,700	-	(1,700)	-
Drainage Upgrade	1,358	-	-	1,358
Extractive Industry Deposits	87,849	5,200	(23,515)	69,534
Housing Deposits	47,000	10,000	-	57,000
Subdivision Maintenance Bonds	196,611	123,472	(60,558)	259,525
Subdivision Bonds	515,803	26,020	(193,571)	348,252
Lotteries House Management	75,193	13,775	(2,001)	86,967
Lotteries House Photocopier	13,016	275	-	13,291
Nomination Deposits	880	1,680	(2,560)	-
Unclaimed Monies	46,638	2,236	(44,430)	4,444
ALAC Sporting Bonds	10,590	3,830	(2,980)	11,440
Public Appeals Revenue	-	2,304	-	2,304
	<u>1,928,216</u>			<u>1,689,301</u>

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018

28. 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 City.

Management's assessment of the new and amended pronouncements that are relevant to the City, 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 City, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	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. The effect of this Standard will depend on the nature of future transactions the City has with those third parties it has dealings with. It may or may not be significant.
(iii) AASB 16 Leases	February 2016	1 January 2019	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 into the 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 when AASB 16 is adopted. 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 City, the impact is not expected to be significant.

Notes:

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

28. NEW ACCOUNTING STANDARDS AND INTERPRETATIONS FOR APPLICATION IN FUTURE PERIODS (Continued)

Title	Issued / Compiled	Applicable (1)	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities	December 2016	1 January 2019	These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are: - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services.

Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the City's operations.

Notes:

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

Adoption of New and Revised Accounting Standards

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

Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:

1 January 2017

(i) AASB 2016-4 Amendments to Australian Accounting Standards - Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities

1 January 2017

(ii) AASB 2016-7 Amendments to Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2018**

29. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

i) Impairment of assets

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

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

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

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

30. ACTIVITIES/PROGRAMS

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

PROGRAM NAME	OBJECTIVE	ACTIVITIES
GOVERNANCE	To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of the 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	To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue.
LAW, ORDER, PUBLIC SAFETY	To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
HEALTH	To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
EDUCATION AND WELFARE	To provide services to disadvantaged persons, the elderly, children and youth.	Elderly person's activities and support, community services planning, disabled persons, youth services, aboriginal issues, playgroup, pre-schools and other welfare and voluntary persons.
COMMUNITY AMENITIES	To provide services required by the community.	Refuse collection services, including recycling, greenwaste and hardwaste. Operation of tip facilities, administration of the Town Planning Scheme, public amenities and urban stormwater drainage works. Protection of the environment, coastline and waterways. Environmental planning.
RECREATION AND CULTURE	To establish and effectively manage infrastructure and resource which will help the social well being of the community	Maintenance of halls, recreation and cultural facilities, including sportsgrounds, parks, gardens, reserves, playgrounds and foreshore amenities. Maintenance of boat ramps and jetties. Townscape works. Operation of the Library, Albany Leisure Centre, Vancouver, Art Centre, and other cultural activities.
TRANSPORT	To provide safe, effective and efficient transport services to the community.	Construction & maintenance of roads, drainage, footpaths, bridges, and traffic signs. Maintenance of pump stations and road verges. Strategic planning for transport and traffic flows. Street lighting and street cleaning. Airport operation. Parking control and car park maintenance.
ECONOMIC SERVICES	To help promote the city and its economic well being.	Tourism and area promotion, operation of the Visitor Centre, Sister City expenses, City marketing and economic development, implementation of building control, operation of plant nursery.
OTHER PROPERTY AND SERVICES	To monitor and control council's overheads operating accounts.	Private works operation, plant repair, Public works overhead, land acquisition (including town planning schemes) and subdivision development and sales.

31. FINANCIAL RATIOS

	2018	2017	2016
Current ratio	1.06	1.09	1.05
Asset consumption ratio	0.61	0.64	0.63
Asset renewal funding ratio	0.94	0.93	0.93
Asset sustainability ratio	0.78	0.83	0.90
Debt service cover ratio	3.89	5.39	4.14
Operating surplus ratio	(0.13)	(0.03)	(0.09)
Own source revenue coverage ratio	0.80	0.84	0.86

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

Two of the ratios disclosed above were distorted by the early receipt of Financial Assistance Grants.

	2017/18	2016/17	2015/16
	\$	\$	\$
Amount of Financial Assistance Grant received during the year relating to the subsequent year.	(2,084,393)	(2,075,150)	-
Amount of Financial Assistance Grant received in prior year relating to current year.	2,075,150	-	1,996,621

If recognised in the year to which the allocation related, the calculations of the affected ratios would be as follows:

	2018	2017	2016
Debt service cover ratio	3.89	4.70	4.83
Operating surplus ratio	(0.13)	(0.07)	(0.05)

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE CITY OF ALBANY**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the accompanying financial report of the City of Albany (the City), which comprises the Statement of Financial Position as at 30 June 2018, 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.

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

- a) is based on proper accounts and reports; and
- b) fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the Local Government Act 1995 (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the City in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared for the purpose of fulfilling the City's financial reporting responsibilities under the Act. Regulation 16 of the Local Government (Financial Management) Regulations 1996 (Regulations), does not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report. Our opinion is not modified in respect of this matter.

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the City is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State government has made decisions affecting the continued existence of the City.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE CITY OF ALBANY (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT (CONTINUED)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives of the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, international omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the CEO.
- Conclude on the appropriateness of the CEO's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report, as we cannot predict future events or conditions that may have an impact.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council and the CEO regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITOR'S REPORT
TO THE COUNCILLORS OF
THE CITY OF ALBANY (CONTINUED)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

- a) All required information and explanations were obtained by us.
- b) All audit procedures were satisfactorily completed in conducting our audit.
- c) In our opinion, the asset consumption ratio and the asset renewal ratio included in the annual financial report were supported by verifiable information and reasonable assumptions.

MATTERS RELATING TO THE ELECTRONIC PUBLICATION OF THE AUDITED FINANCIAL REPORT

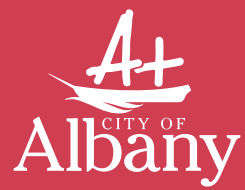
This auditor's report relates to the annual financial report of the City of Albany for the year ended 30 June 2018 included on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

MOORE STEPHENS
CHARTERED ACCOUNTANTS



WEN-SHIEN CHAI
PARTNER

Date: 21 December 2018
Perth, WA



CITY OF ALBANY

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