



City of
Kalgoorlie
Boulder

ANNUAL REPORT 2019-2020



ACKNOWLEDGMENT OF COUNTRY

In releasing the Annual Report 2019/20, the City of Kalgoorlie-Boulder acknowledges the Traditional Custodians of this land and pays its respects to its elders past, present and emerging.



TABLE OF CONTENTS

Mission, Strategic and Vision Statements	01
Mayor's Foreword	03
Message from the CEO	04
Councillors	05
City Snapshot	07
Our Organisation	09
Planning & Reporting	11
Statutory Reports	19
Financial Report	27

MISSION, STRATEGIC & VISION STATEMENTS



MISSION STATEMENT

The City of Kalgoorlie-Boulder will be a dynamic regional centre with a proud history and a high quality of life. We are dedicated to working with the community to achieve the best possible services.

STRATEGIC STATEMENT

To guide the growth and enhancement of an integrated and broad economy for the City of Kalgoorlie-Boulder and the wider region by providing outstanding civic leadership, creating a better environment for people to live, work and invest, and by ensuring our own organisation is always financially strong, smart, operationally effective, internally and externally focused and dedicated to delivering measurable results that show we are really making a difference.

VISION STATEMENT

- Kalgoorlie-Boulder will be a city of opportunity and prosperity.
- It will be a place its diversified people call home.
- Connected to its community, resilient and smart, it will be futuristic and strategic in its outlook.
- It will be a city that listens first and then delivers on what it plans and promises.

MAYOR'S FOREWARD



John Bowler
Mayor,
City of Kalgoorlie-Boulder

There are many proud moments that have contributed to the success of the 2019/20 financial year. In saying this I would like to congratulate and thank our staff and my fellow Councillors for their diligence, commitment and their combined efforts in meeting the needs of our community.

I am once again honoured to be your Mayor, and am proud of our community as it navigated an unprecedented year, dominated by the COVID-19 global pandemic.

I am proud of the way, unlike many Councils, we were able to maintain our staffing levels, and of the way in which City staff were able to pivot to ensure the smooth operation of the City as staff were working from home. The CEO and all staff are to be congratulated for the way in which they worked through the issues that arose from COVID-19 to maintain services to the community and kept staff safe. It is easy to look back now, but when there were confirmed cases of the virus here in Kalgoorlie-Boulder, there were uncertain times, not just for the City but for all residents of Kalgoorlie-Boulder.

I am pleased to see my idea of a COVID Recovery Fund is still in effect, and has helped to keep everything

alive for when we come out the other end. As of 30 June 2020, more than \$220,000 had been allocated to community groups, charities, social and sporting clubs through the fund, and more applications are expected in the coming months. I hope to see the entire \$1million fund allocated.

A constant for me, not just during the 2019/20 financial year, but always, is my 'Buy Local' mantra, and the work the City has been doing in this space has been complemented by the Goldfields Esperance Development Commission.

Water emerged as a significant issue as the year progressed, and it was the City's ability to provide cheap treated effluent water that attracted Lynas Corporation to Kalgoorlie-Boulder. We are now well underway with our \$13million upgrade to the sewer system that will increase the City's capacity to supply treated waste water for commercial use. I will continue my campaign to highlight the top end charges our local residents and businesses are paying for water when the Water Corporation makes excessive profits from such charges.

John Bowler, Mayor

MESSAGE FROM THE CEO



John Walker
Chief Executive Officer,
City of Kalgoorlie-Boulder

2019/20 was a challenging year, but coming out of it, I am proud of the work we have done. In particular, there has been a lot of work done in the economic development space, specifically with the development of Strategic Industrial Land and the signing of an agreement with the Lynas Corporation in December 2019.

A lot of work done on projects to help stimulate and develop the local economy, not least being the City's appointment of Aspect Studios to complete the detailed design for the Kal City Centre project.

In April 2020, Council adopted the Strategic Community Plan, the principal document in the suite of plans that make up our Integrated Planning and Reporting Framework, and from this City Officers are now reviewing the Long Term Financial Plan and Corporate Business Plan, which are expected at the end of 2020. The Strategic Community Plan incorporates the sentiments of the community and strives to be inclusive whilst balancing diverse views within our community. Maintaining a balance between competing community priorities and limited resources will be a focus for the City during the life of the plan.

The emergence of COVID-19, and the many challenges that brought, however I am proud of the way the City as an organisation managed it, particularly in the retention of our workforce when other local governments were standing staff down. The City has continued to move forward, and from an operational perspective is nearly back to where it was "pre-COVID", with the reduction in flight numbers in and out of Kalgoorlie-Boulder Airport as a result of COVID-19, being the main area of difference.

The year also started strongly for arts and culture, with the City welcoming Opera Australia to the Goldfields Arts Centre to perform its production of Madama Butterfly in August, a high point for Kalgoorlie-Boulder.

The City's Financial Health Indicator results for 2018/19, which were released this year, have seen us maintain our place amongst the top ranked Councils, showing the ongoing sound management of the City's finances, a trend we expect to see continued for the 2019/20 results.

John Walker, CEO

COUNCILLORS





JOHN BOWLER
Mayor
Term Expires 2023

Meetings Attended
OCM 20 out of 21
APC 8 out of 8



LISA MALICKY
Deputy Mayor
Term Expires 2023

Meetings Attended
OCM 19 out of 21
APC 4 out of 8



DEBORAH BOTICA
Councillor
Term Expires 2021

Meetings Attended
OCM 15 out of 21
APC 3 out of 8



LAURIE AYERS
Councillor
Term Expires 2021

Meetings Attended
OCM 14 out of 21
APC 7 out of 8



MANDY REIDY
Councillor
Term Expires 2023

Meetings Attended
OCM 16 out of 21
APC 5 out of 8



GARY BROWN
Councillor
Term Expires 2021

Meetings Attended
OCM 19 out of 21
APC 7 out of 8



GLENN WILSON
Councillor
Term Expires 2023

Meetings Attended
OCM 21 out of 21
APC 6 out of 8



PAM TOWNSEND
Councillor
Term Expires 2021

Meetings Attended
OCM 19 out of 21
APC 7 out of 8



NARDIA TURNER
Councillor
Term Expires 2023

Meetings Attended
OCM 18 out of 21
APC 8 out of 8



LINDEN BROWNLEY
Councillor
Term Expires 2023

Meetings Attended
OCM 16 out of 21
APC 6 out of 8



DAVID GRILLS
Councillor
Term Expires 2023

Meetings Attended
OCM 14 out of 14
APC 6 out of 6



TERRENCE WINNER
Councillor
Term Expires 2023

Meetings Attended
OCM 13 out of 14
APC 6 out of 6



JOHN MATTHEW
Councillor
Term Expires 2023

Meetings Attended
OCM 3 out of 3
APC 3 out of 3

ALLAN PENDAL
Deputy Mayor
Term Expired 2019

Meetings Attended
OCM 5 out of 7
APC 1 out of 2

SUZIE WILLIAMS
Councillor
Term Expired 2019

Meetings Attended
OCM 6 out of 7
APC 2 out of 2

NATALIE COXON
Councillor
Term Expired 2019

Meetings Attended
OCM 7 out of 7
APC 1 out of 2

ROBERT HICKS
Councillor
Resigned 2019

Meetings Attended
OCM 3 out of 3
APC 1 out of 1

Note: there were 21 OCM's and 8 APC's (Due to a change in meeting structure, no APC meetings were held after June 2020).

OCM - Ordinary Council Meeting. APC - All Purpose Committee.

CITY SNAPSHOT





People:
29.1k



Electors:
16.7k



Sealed Roads:
397km



Dwellings:
12.7k



Land Area:
95k km2



Unsealed Roads:
977km



Rates Levied:
\$25.996m



Total Revenue:
\$65.8m

The City of Kalgoorlie-Boulder is located in the heart of the Goldfields-Esperance Region of Western Australia, approximately 600kms east of Perth.

The City of Kalgoorlie-Boulder is responsible for an area of 95,575km². The town site of Kalgoorlie-Boulder is 70km², which is made up of residential, commercial and industrial properties. The City includes the suburbs of Kalgoorlie, Boulder, Hannans, Karlkurla, Lamington, Piccadilly, Williamstown, South Kalgoorlie, Somerville, West Kalgoorlie, Victory Heights, Broadwood and South Boulder.

The remaining land is utilised for primarily mining and agricultural purposes. The mining industry is the largest sector in Kalgoorlie-Boulder and is pivotal to its financial sustainability. Our lands are rich in minerals, especially gold, nickel and lithium.

As per the 2016 Census, Kalgoorlie-Boulder has a population of 32,638. The population is a young demographic with an influx of young adults into the mining industry with the median population age of 31 years.

OUR ORGANISATION



ORGANISATIONAL STRUCTURE 2019/20

The City has been on a transformational journey and during 2019/20, and employed on average 293 employees across our diverse range of fields, thus reflecting our commitment to maintaining community services in addition to entrepreneurial new projects to meet our vision of pursuing strategies that will future-proof our City.



Chief Executive Officer
John Walker

- Economy & Growth
- Policy & Research
- Media, Marketing & Engagement
- People & Culture
- Customer Service
- Strategic Financial



General Manager of Infrastructure and Environment
Stuart Devenish

- Engineering
- Construction
- Planning, Development & Regulatory Services
- Water Services



General Manager of Finance and Corporate
David Trevaskis

- Financial Services
- Information & Communication Technology
- Council Businesses
- Governance



General Manager of City Living
Holly Phillips

- Communities, Strategy & Place
- Arts & Culture
- Presentation & Open Space
- Property Management

KEY STATISTICS

X

21%
Gen X

Y

39%
Gen Y

Z

24%
Gen Z

BB

16%
Baby Boomers



40% | 60%
Employees



50% | 50%
Management

PLANNING AND REPORTING



STRATEGIC COMMUNITY PLAN

The City of Kalgoorlie-Boulder adopted the Strategic Community Plan 2020-2030 in April 2020. The Strategic Community Plan is the primary document in the City's suite of Integrated Planning and Reporting Framework documents, and must be reviewed every four years, but can also be reviewed at a strategic level every two years.

The Plan takes into account current and expected changes in community demographics, social issues and local, national and global influences. The Strategic Community Plan 2020-2030 outlines a number of key themes, goals and objectives, established based on community priorities, namely:

We will be safe and free from harm and crime.

We will be connected to our history, culture and community.

A green ecologically sustainable City for current and future generations.

We continue to believe in the principles of representational democracy and are enabled to make decisions about our lives.

We will have the resources to contribute to our community and economy.

We plan for the future proofing of our City by being a thinking and innovative society.

CORPORATE BUSINESS PLAN

The City of Kalgoorlie-Boulder adopted its Corporate Business Plan in 2017. This is currently under review, and a new Corporate Business Plan is scheduled for delivery in 2021. The Corporate Business Plan is a four-year plan that translates the City's strategies into priorities and actions which support the achievement of the Strategic Community Plan. It is an internal business planning tool that informs the annual planning and budgeting process. It outlines specific operating activities and capital works programs that are to be delivered.

The Corporate Business Plan is based on the themes, goals and objectives of the community as outlined in the Strategic Community Plan.



LONG TERM FINANCIAL PLAN

The City of Kalgoorlie-Boulder adopted its Long Term Financial Plan (LTFP) in June 2017, with the scheduled review completed in 2020. The LTFP has provided the City with a clear path in terms of long-term financial sustainability. It is a fluid document linking to the Corporate Business Plan and Asset Management Plan.

The City uses the LTFP as a base for budgeting, it guides rate increases, resourcing, operating costs, and capital programming costs, all of which support the fulfilment of the actions and strategies within the Corporate Business Plan. It does this in the context of ensuring that the City maintains a high standard of financial performance. The LTFP has helped drive an improved financial performance in the 2016/17, 2017/18 and 2018/19 financial years. It has provided insight into the City's capacity and capability, and has helped deliver efficiencies and resulted in a more effective organisation.

The City is focusing on service level reviews as a priority, this is a critical element in ensuring that the Strategic Community Plan is delivered, and in turn this vision is realised through the LTFP.

The LTFP is reviewed internally as priorities change.

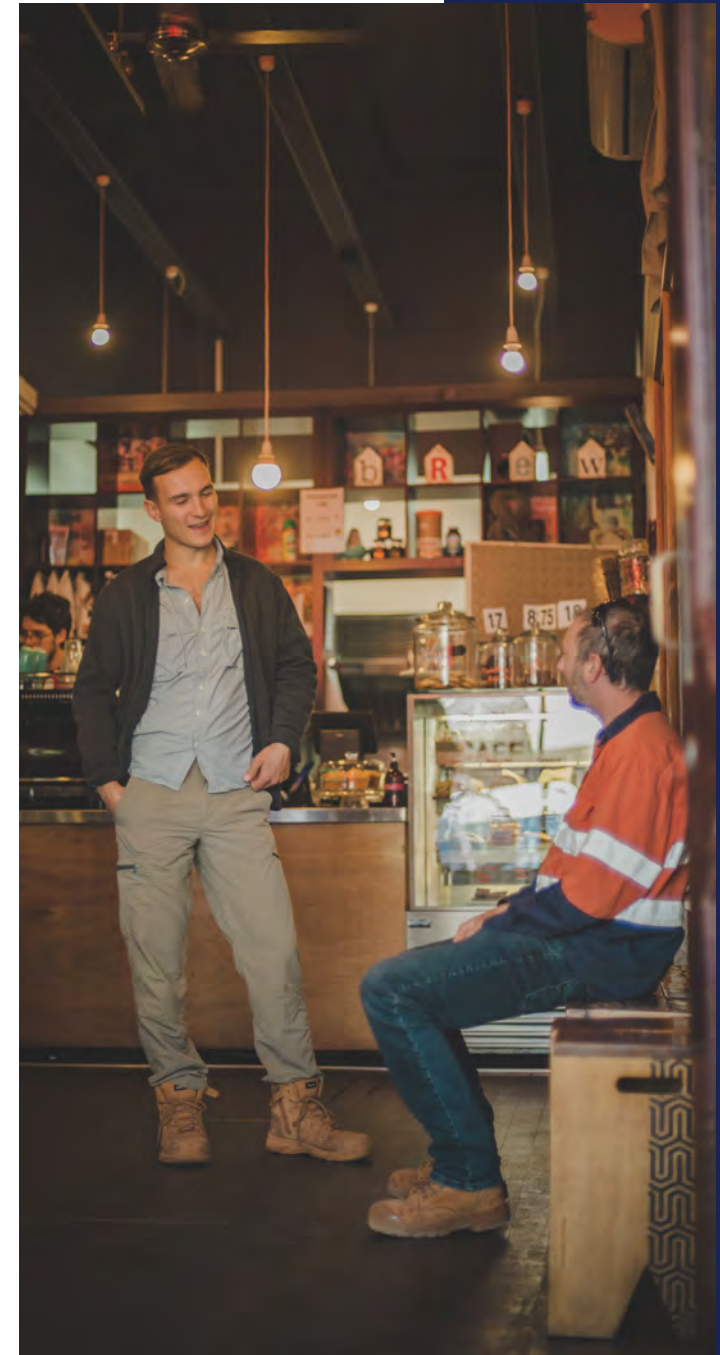
The City acknowledges that this is made necessary due to the requirement to make assumptions, the changing economy, and the unknown impact of external elements that influence the local economy. This process is informed through a collaborative effort with Management, Council and the Finance and Audit Committee.

GROWING KALGOORLIE-BOULDER PLAN

This Plan is a guiding strategic document focusing on economic growth for the whole of the City. 2019/20 saw the delivery of a number of major initiatives from the Plan, including significant progress in making available large scale industrial land, securing a head lease for a 135Ha site and resolving mining rights, and progress to sign an option to sublease the site to Lynas Corporation.

The City also made significant headway in its efforts to secure a head lease over a 214Ha site, completing various studies, reports and negotiations required to deliver a development ready site once tender has been obtained. The City has established and is continuing ongoing discussions with more than eight proponents for large scale projects.

Other achievements include delivering an Energy Strategy, a submission on FBT to the Federal Government, an Infrastructure Australia application for the Kalgoorlie Rail Realignment Project, successfully obtained funding to continue studies for the Rail Realignment Project and industrial land, and delivering the Education and Training Guides highlighting the educational opportunities offered in Kalgoorlie-Boulder.





RECONCILIATION ACTION PLAN

In 2018 the City launched its inaugural Reflect Reconciliation Action Plan (RAP). Over the previous two years, the City has achieved numerous deliverables that were outlined in the Reflect RAP Document.

The City's Reflect RAP consisted of three focus areas aligned to elements of reconciliation: Relationships, Respect and Opportunities, with a fourth focus area of Reporting to ensure ongoing support for future RAPs. Within this time, the City has formed relationships with local Aboriginal and Torres Strait Islander peoples and businesses, participated in NAIDOC and National Reconciliation Week activities, and is currently developing an Equal Opportunity Management Plan to create more employment opportunities.

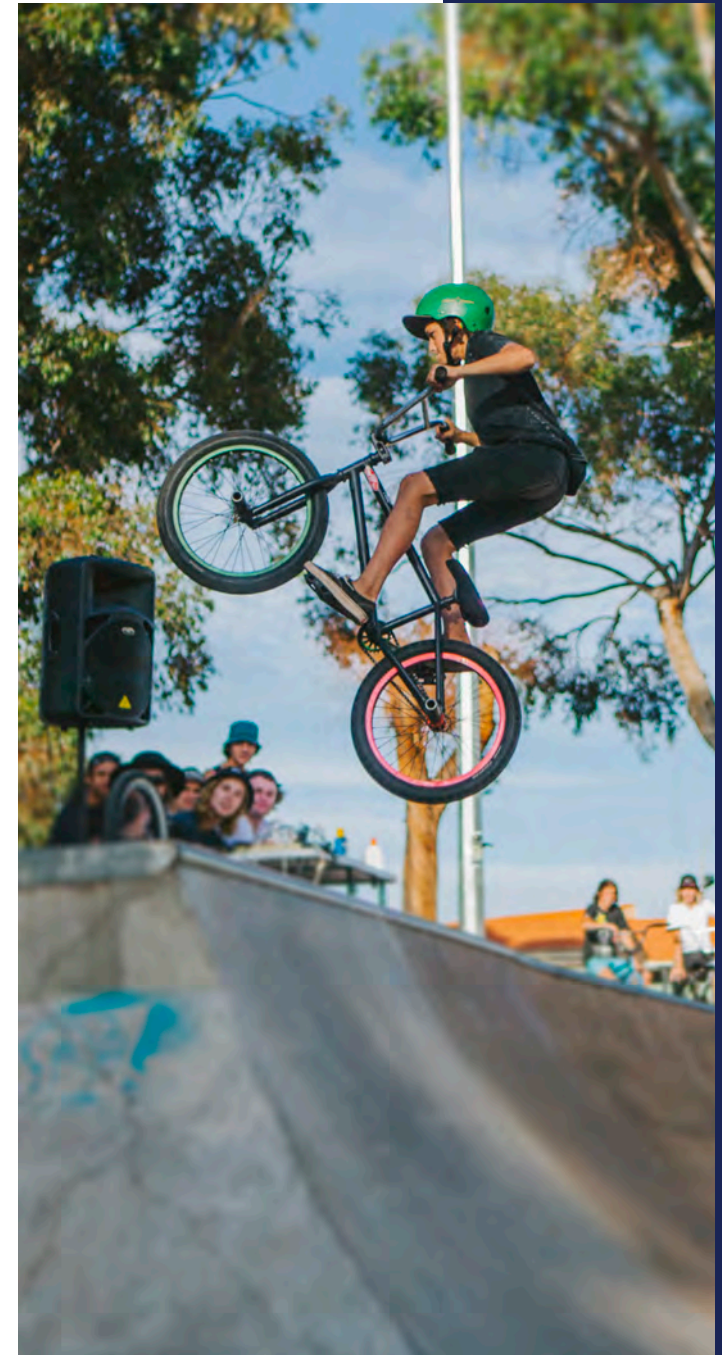
On 25 November 2019 the City appointed three Council Members to join the Reconciliation Action Plan Working Group (RAPWG), followed by two Appointed Community Representatives on 22 June 2020. The RAPWG offers support, guidance and direction to the City on the Reconciliation journey.

YOUTH STRATEGIC ACTION PLAN

The Youth Strategic Action Plan 2018-21 has seen a range of successful initiatives for young people delivered in the 2019/20 financial year. This document guides how the City of Kalgoorlie-Boulder delivers its services to young people. This is done to achieve the three key goals identified in the plan of building confidence in our young people, growing the capability of our young people and to foster connections between them and the wider community.

Throughout the course of the 2019/20 financial year, the City partnered with a diverse cross section of youth focused services and organizations to deliver an array of events and initiatives. Considerable success has been seen in Kingsbury Park and Lord Forrest in activating those spaces as youth focused precinct through key events such as 'The Grind' skate park series, the Boom Box, headspace Street Van and more. The Summer Vibes School Holiday Program kept young people engaged with access to a range of activities over the summer break by incentivizing patronage of local businesses and services such as Archer Boulder, BMG Gaming Lounge and the pool sessions at Oasis. The Kalgoorlie-Boulder Youth Council took the time to successfully review their structure, guidelines and future direction.

The impact of COVID-19 has been felt across almost every facet of the community. While Youth Week celebrations were unable to continue in April 2020, the Hit FM Kalgoorlie-Boulder Youth Awards was well timed in announcing a series of outstanding achievements and contributions that our youth are making in the community. This has now become an annual occurrence to better raise the profile of what young people are up to. Moving in to the 2020/21 financial year the City is looking to prioritise initiatives such as this that serve to better connect young people with the broader community.



STATUTORY REPORTS



WATER UTILITY SERVICES PLAN

This plan is the guiding strategic document for Water Services, and outlines the strategic intent for the delivery of wastewater and recycled water services to the City of Kalgoorlie-Boulder and gives effect to two of the five community aspirations set out in the City's Corporate Business Plan 2017-21, namely ensuring a sustainable asset and infrastructure base; and utilising water efficiently and maximise reuse potential

The Plan has defined objectives and Key Performance Indicators that are already driving significant changes in the water services area. One stand out project is the fast tracked development of an integrated Asset Management System that will be completed before the end of the 2020/21 financial year and will create a continuous improvement culture.

A substantial \$13million capital works program is presently underway, involving the removal of two decades of sludge build up from the waste water ponds and the refurbishment of the lagoon system, to create a secondary water treatment train, doubling the City's water processing capability.

The strategy sets up a framework to optimise the City's reuse of water. The ability to supply large quantities of water at appropriate price point is a critical enabler for industry. Plans are currently being finalised that will see a 300 per cent increase in the volume of water able to be supplied to customers.

The refurbishment works are establishing infrastructure that will service the community for the next generation.



WASTE UTILITY SERVICES PLAN

This plan is the guiding strategic document for the Waste Services department in the Infrastructure and Environment service area. Adopted in April 2020, the plan outlines the strategic intent for the delivery of waste collection and disposal services to the City of Kalgoorlie-Boulder. The plan also outlines the asset management framework to ensure ongoing waste disposal requirements are met into the future.

Importantly, the plan sets performance measures and targets to identify areas that require attention, enabling the principles of continuous improvement to progressively lead to operational excellence. These performance measures are reported on to Council, facilitating transparent and accountable delivery of waste services to the community.





POLICY REVIEW

The policy review is biennial (or otherwise as required). A Stage One policy review was carried out in 2019, and was endorsed by Council at the Ordinary Council Meeting of 26 August 2019.

The policy review process is intended to ensure the policies are relevant to operational and legislative requirements. The reviewed and amended policies are presented to Council for endorsement and the individual policy documents will be then made available on the City website and ECM.

Policies are now published as independent documents. The Record Keeping Policy and is published on the staff intranet, City website and registered in ECM and is promulgated throughout the organisation during inductions. It is available to all staff, contractors, Elected Members and outsourced agencies.

Recordkeeping

The record keeping procedures and guidelines are authorised by the Information Management Coordinator. These procedures set out standardised processes for all staff and contractors to follow when carrying out record keeping tasks.

The procedures and guidelines are available to all staff and to contractors, Elected Members and for outsourced agencies when requested.

FREEDOM OF INFORMATION ACT (1992)

Freedom of Information gives the public a right to access government documents, subject to some limitations. In Western Australia, under the Freedom of Information Act 1992 (the FOI Act), the right applies to documents held by most State government agencies such as local government. Documents accessible under the FOI Act include paper records, plans and drawings, photographs, tape recordings, films, videotapes or information stored in a computerised form. As part of this, yearly statistical return are required, below shows table of activity for the City.

	2019/20	2018/19	2017/18	2016/17	2015/16
FOI REQUESTS RECEIVED	10	11	11	17	10
AVERAGE PROCESSING TIME - DAYS	34	25	25	16	19
3RD PARTY CONSULTATIONS	-	-	-	-	-
	Outcomes	Outcomes	Outcomes	Outcomes	Outcomes
ACCESS IN FULL	0	1	4	3	3
ACCESS WITH REDACTION - EXEMPTION	7	7	5	14	6
APPLICATION WITHDRAWN	1	1	1	-	1
ACCESS DENIED	1	-	-	-	-
ACCESS REFUSED	1	1	1	-	-





THE STATE RECORDS ACT 2000

The City of Kalgoorlie-Boulder, as a Local Government Authority, is required under the State Records Act 2000 (the Act) to provide an annual report, as outlined in the Record Keeping Plan.

Recordkeeping System & Evaluation

The City's Record Keeping Plan was first created in February 2004 and has received comprehensive reviews and approval in 2007, 2014 and 2019. The City's record keeping systems are continuously reviewed and developed to improve efficiency, reliability and meet new requirements. ECM/Ci Anywhere provides centralisation for all corporate documents and increases efficiency in document retrieval, storage and retention. Additional business information systems have been added to the 2019 plan, they are; Synergy Soft, Links Modular, OCLC Worldshare, Alchemy Service Management System, Definitiv, ManageEngine and Intramaps.

Training Program & Evaluation

Training for new & existing employees is provided by the Information Management Team and forms a part of the Induction Program. Information Sessions are presented, on a fortnightly basis, all employees are required to attend. This training starts with a Records Management and Freedom of Information (FOI) session.

In these sessions employees are informed of their record keeping obligations and are provided access to the Record Keeping Policy, Record Keeping Guidelines, Record Keeping Procedures and a brief overview of the Record Keeping system. Employees are also provided with information regarding FOI, which is outlining their responsibility and the process.

A second training session covers the City's electronic document records management systems (ECM/ Ci Anywhere) which are complemented by recordkeeping work instructions and guidelines, in accordance with the course outline. Employees are required to engage with the IM Training plan.

The effectiveness and efficiency of the recordkeeping program is reviewed regularly to ensure it meets the business needs and compliance for record keeping. Evaluation forms are completed at the end of each training session.

Elected Members will receive training in their record keeping obligations and the associated process at the commencement of their term of office. Regular updates are provided to Elected Members through their normal communication channels.





DISABILITY ACCESS AND INCLUSION PLAN

Upon conclusion of the Disability Access and Inclusion Plan 2016-20, key achievements include the City's Eastern Goldfields Community Centre becoming a registered National Disability Insurance Scheme provider.

For the next five years the City will be implementing the Access and Inclusion Plan (AIP) from 2021-26. The new plan will focus on access and inclusion to City Facilities, Events, and Communications for all community members. The AIP has been created in conjunction with community members, service providers and stakeholders to ensure a holistic approach to access and inclusion.

The main focus areas include:

- City events, communications and services will be accessible to all community members;
- City buildings and facilities will be accessible to all community members;
- City information will be accessible to all community members;
- All community members to receive the same level and quality of service from the staff at the City;
- All community members will have the same opportunities to make complaints to the City; and
- All community members have an opportunity to participate in all public consultation conducted by the City.

The AIP's actions are integrated into the City's Corporate Business Plan and is reviewed bi-annually by City Officers; and reported to the Department of Communities annually.

NATIONAL COMPETITION ACT COMPLIANCE

The City of Kalgoorlie-Boulder, in satisfaction of the provisions of clause seven of the Competition Principles Agreement, offers the following reports on activities which occurred during 2017/18.

COMPETITIVE NEUTRALITY

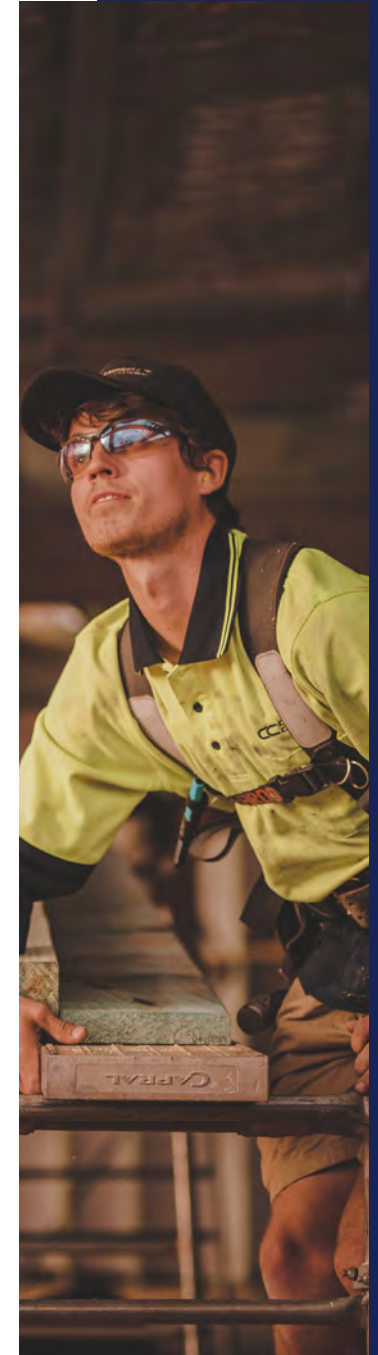
This principle deals with ensuring that government business operations have no advantage or disadvantage in comparison with the private sector.

The policy dictates that competitive neutrality should apply to all business activities which generate a user pays income of over \$200,000 unless it can be shown that it is not in the public interest. In this regard, no significant new business activities for the purposes of competitive neutrality were initiated or considered during the year and no noncompliance allegations were made.

PAYMENTS TO EMPLOYEES

Set out below in bands of \$10,000 is the number of employees of the City entitled to an annual salary of \$100,000 or more.

SALARY RANGE \$	2020	2019	SALARY RANGE \$	2020	2019
380,000 - 389,999	1	1	190,000 - 199,999	0	0
370,000 - 379,999	0	0	180,000 - 189,999	1	2
360,000 - 369,999	0	0	170,000 - 179,999	1	1
260,000 - 269,999	0	0	160,000 - 169,999	1	0
250,000 - 259,999	1	1	150,000 - 159,999	3	2
240,000 - 249,999	0	0	140,000 - 149,999	4	5
230,000 - 239,999	2	0	130,000 - 139,999	2	2
220,000 - 229,999	0	1	120,000 - 129,999	6	3
210,000 - 219,999	0	1	110,000 - 119,999	6	12
200,000 - 209,999	0	0	100,000 - 109,999	5	15



FINANCIAL REPORT



CITY OF KALGOORLIE-BOULDER
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income by Nature or Type	3
Statement of Comprehensive Income by Program	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Rate Setting Statement	8
Notes to and forming part of the Financial Report	9
Independent Auditor's Report	67

Principal place of business:
577 Hannan Street
Kalgoorlie WA 6430


**CITY OF KALGOORLIE-BOULDER
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Kalgoorlie-Boulder for the financial year ended 30 June 2020 is based on proper accounts and records to present fairly the financial position of the City of Kalgoorlie-Boulder at 30 June 2020 and the results of the operations for the financial year then ended in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed on the 11 day of December 2020



John Walker
Chief Executive Officer



**CITY OF KALGOORLIE-BOULDER
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
Rates	28(a)	26,054,113	25,876,292	24,402,931
Operating grants, subsidies and contributions	2(a)	4,588,731	4,077,067	5,124,070
Fees and charges	2(a)	31,025,226	33,292,537	32,846,597
Income from Property	13	798,593	2,115,948	1,867,073
Interest earnings	2(a)	1,383,299	1,610,201	1,551,511
Other revenue	2(a)	1,982,384	10,575,465	4,146,186
		65,832,346	77,547,510	69,938,368
Expenses				
Employee costs		(24,483,794)	(26,744,356)	(25,532,949)
Materials and contracts		(16,935,099)	(20,283,809)	(17,499,434)
Contributions, Donations & Subsidies		(1,908,269)	(1,668,688)	(1,885,779)
Utility charges		(3,786,795)	(4,253,817)	(3,922,583)
Depreciation on non-current assets	10(c)	(11,868,269)	(11,767,892)	(10,643,078)
Interest expenses	2(b)	(531,788)	(395,046)	(460,369)
Insurance expenses		(782,422)	(718,366)	(776,747)
Other expenditure	2(b)	(1,453,334)	(7,333,989)	(1,086,177)
		(61,749,770)	(73,165,963)	(61,807,116)
		4,082,576	4,381,547	8,131,252
Non-operating grants, subsidies and contributions	2(a)	3,663,574	7,597,856	3,213,330
Profit on asset disposals	10(a)	3,024	116,504	68,779
(Loss) on asset disposals	10(a)	(299,350)	(30,085)	(105,841)
Change of Investment in Associate (AMCA)	25	(1,408)	0	(2,841)
		3,365,840	7,684,275	3,173,427
Net result for the period		7,448,416	12,065,822	11,304,679
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	(3,822,460)	0	0
Total other comprehensive income for the period		(3,822,460)	0	0
Total comprehensive income for the period		3,625,956	12,065,822	11,304,679

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



CITY OF KALGOORLIE-BOULDER
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
Revenue				
	2(a)			
Governance		1,164	8,001,110	2,647
General purpose funding		30,689,440	30,100,292	28,664,417
Law, order, public safety		233,290	251,845	237,891
Health		413,783	486,572	475,904
Education and welfare		1,064,233	1,394,189	2,226,698
Housing		35,188	37,055	33,484
Community amenities		16,496,684	17,067,879	16,060,588
Recreation and culture		4,323,499	5,811,665	5,372,233
Transport		10,784,300	12,468,180	13,498,745
Economic services		787,962	643,940	752,113
Other property and services		1,002,804	1,284,783	2,613,648
		<u>65,832,347</u>	<u>77,547,510</u>	<u>69,938,368</u>
Expenses				
	2(b)			
Governance		(2,624,314)	(2,918,899)	(2,835,013)
General purpose funding		(2,504,579)	(1,352,675)	(1,079,019)
Law, order, public safety		(1,682,753)	(1,681,728)	(1,811,743)
Health		(985,847)	(1,231,987)	(1,117,301)
Education and welfare		(2,224,953)	(2,690,535)	(2,588,083)
Housing		(61,837)	(80,045)	(57,797)
Community amenities		(10,026,902)	(12,512,622)	(9,950,488)
Recreation and culture		(19,757,901)	(21,803,768)	(20,403,123)
Transport		(17,859,506)	(22,545,235)	(16,282,374)
Economic services		(3,196,093)	(3,874,159)	(2,847,684)
Other property and services		(293,298)	(2,079,264)	(2,374,123)
		<u>(61,217,983)</u>	<u>(72,770,917)</u>	<u>(61,346,748)</u>
Finance Costs				
	2(b)			
Law, order, public safety		(86)	0	0
Health		(177)	0	0
Education and welfare		(29,401)	(26,011)	(14,907)
Community amenities		(917)	(4,390)	825
Recreation and culture		(285,468)	(257,915)	11,170
Transport		(334)	0	0
Economic services		(51,884)	(6,052)	(12,875)
Other property and services		(163,521)	(100,678)	(444,581)
		<u>(531,788)</u>	<u>(395,046)</u>	<u>(460,368)</u>
		<u>4,082,576</u>	<u>4,381,547</u>	<u>8,131,252</u>
Non-operating grants, subsidies and contributions	2(a)	3,663,574	7,597,856	3,213,330
Profit on disposal of assets	10(a)	3,024	116,504	68,779
(Loss) on disposal of assets	10(a)	(299,350)	(30,085)	(105,841)
Change of Investment in Associate (AMCA)	25	(1,408)	0	(2,841)
		<u>3,365,840</u>	<u>7,684,275</u>	<u>3,173,427</u>
Net result for the period		7,448,416	12,065,822	11,304,679
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	12	(3,822,460)	0	0
Total other comprehensive income for the period		(3,822,460)	0	0
Total comprehensive income for the period		3,625,956	12,065,822	11,304,679

Total comprehensive income for the period

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



CITY OF KALGOORLIE-BOULDER
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020

	NOTE	2020	2019
		\$	(Restated) \$
CURRENT ASSETS			
Cash and cash equivalents	3	48,130,405	41,870,746
Trade and other receivables	6	7,376,142	10,122,804
Other financial assets	5(a)	3,850,000	8,568,232
Inventories	7	370,738	810,528
TOTAL CURRENT ASSETS		59,727,285	61,372,310
NON-CURRENT ASSETS			
Trade and other receivables	6	1,300,640	1,365,243
Other financial assets	5(b)	4,054,030	0
Inventories	7	80,000	80,000
Investment in associate	25	5,937	7,345
Property, plant and equipment	8	138,068,361	141,367,677
Infrastructure	9	386,121,913	384,333,197
Investment property	13	11,335,928	11,333,447
Right of use assets	11(a)	1,506,400	0
TOTAL NON-CURRENT ASSETS		542,473,209	538,486,909
TOTAL ASSETS		602,200,494	599,859,219
CURRENT LIABILITIES			
Trade and other payables	14	7,653,751	8,998,512
Contract liabilities	15	4,824,399	8,568,232
Lease liabilities	16(a)	181,807	0
Borrowings	17(a)	1,016,820	1,174,305
Employee related provisions	18	1,938,183	2,341,445
TOTAL CURRENT LIABILITIES		15,614,960	21,082,494
NON-CURRENT LIABILITIES			
Contract liabilities	15	4,054,030	0
Lease liabilities	16(a)	1,345,079	0
Borrowings	17(a)	7,655,903	8,672,670
Employee related provisions	18	778,615	794,461
TOTAL NON-CURRENT LIABILITIES		13,833,627	9,467,131
TOTAL LIABILITIES		29,448,587	30,549,625
NET ASSETS		572,751,907	569,309,594
EQUITY			
Retained surplus		258,702,998	252,891,125
Reserves - cash backed	4	39,236,502	37,783,602
Revaluation surplus	12	274,812,407	278,634,867
TOTAL EQUITY		572,751,907	569,309,594

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



**CITY OF KALGOORLIE-BOULDER
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	RETAINED SURPLUS	RESERVES CASH BACKED	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2018 (Restated)		253,192,840	26,177,208	278,634,867	558,004,915
Comprehensive income					
Net result for the period (restated)		11,304,679	0	0	11,304,679
Total comprehensive income		11,304,679	0	0	11,304,679
Transfers from reserves	4	1,585,405	(1,585,405)	0	0
Transfers to reserves	4	(13,191,799)	13,191,799	0	0
Balance as at 30 June 2019		252,891,125	37,783,602	278,634,867	569,309,594
Change in accounting standards	31(d)	(183,643)	0	0	(183,643)
Restated total equity at 1 July 2019		252,707,482	37,783,602	278,634,867	569,125,951
Comprehensive income					
Net result for the period		7,448,416	0	0	7,448,416
Total comprehensive income		7,448,416	0	(3,822,460)	3,625,956
Transfers from reserves	4	7,800,971	(7,800,971)	0	0
Transfers to reserves	4	(9,253,871)	9,253,871	0	0
Balance as at 30 June 2020		258,702,998	39,236,502	274,812,407	572,751,907

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

**CITY OF KALGOORLIE-BOULDER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	2020 Actual \$	2020 Budget \$	2019 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		26,496,258	25,876,292	24,103,539
Operating grants, subsidies and contributions		7,955,765	4,077,067	3,963,611
Fees and charges		31,025,226	35,408,485	32,846,597
Investment Property Income		798,593	0	1,867,073
Interest received		1,383,299	1,610,201	1,551,511
Other revenue		1,982,384	10,575,465	4,146,186
		69,641,525	77,547,510	68,478,517
Payments				
Employee costs		(25,500,844)	(26,744,356)	(25,631,980)
Materials and contracts		(18,545,219)	(20,283,809)	(16,192,998)
Contributions, Donations & Subsidies		(1,908,269)	(1,668,688)	(1,885,779)
Utility charges		(3,786,795)	(4,253,817)	(3,922,583)
Interest expenses		(531,789)	(395,046)	(134,130)
Insurance paid		(782,422)	(718,366)	(776,747)
Goods and services tax paid		(337,004)	0	666,337
Other expenditure		(1,453,336)	(7,333,989)	(1,086,177)
		(52,845,678)	(61,398,071)	(48,964,057)
Net cash provided by (used in) operating activities	19	16,795,847	16,149,439	19,514,460
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	8(a)	(4,400,334)	(11,980,406)	(4,847,059)
Payments for construction of infrastructure	9(a)	(9,758,537)	(13,087,395)	(6,559,737)
Payments for investment property	13	(94,143)	(638,000)	(56,417)
Non-operating grants, subsidies and contributions	2(a)	3,663,574	7,597,856	3,213,330
Proceeds from financial assets at amortised cost - self supporting loans		106,456	0	(837,016)
Proceeds from sale of property, plant & equipment	10(a)	220,789	418,000	289,156
Proceeds from disposal of land held for resale		192,506	0	116,110
Net cash provided by (used in) investment activities		(9,405,487)	(17,689,945)	(8,681,633)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(1,174,252)	(1,185,374)	(1,385,673)
Payments for principal portion of lease liabilities	16(b)	(200,543)	0	0
Proceeds from new borrowings	17(b)	0	0	1,000,000
Net cash provided by (used in) financing activities		(1,374,794)	(1,185,374)	(385,673)
Net increase (decrease) in cash held		6,015,565	(2,725,880)	10,447,154
Cash at beginning of year		41,870,746	36,280,288	31,423,592
Transfer from Trust Fund		244,094	0	8,568,232
Cash and cash equivalents at the end of the year	19	48,130,405	33,554,408	50,438,978

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

**CITY OF KALGOORLIE-BOULDER
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020**

	NOTE	2020 Actual	2020 Budget	2019 Actual (Restated)
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	29 (b)	5,052,988	2,353,075	7,161,931
		5,052,988	2,353,075	7,161,931
Revenue from operating activities (excluding rates)				
Governance		1,164	8,001,110	2,646
General purpose funding		4,635,327	4,224,000	4,261,486
Law, order, public safety		233,290	251,845	237,890
Health		413,783	486,572	478,456
Education and welfare		1,064,233	1,394,189	2,226,698
Housing		35,188	37,055	33,484
Community amenities		16,497,111	17,067,879	16,060,588
Recreation and culture		4,325,957	5,811,665	5,379,904
Transport		10,784,439	12,584,684	13,498,745
Economic services		787,962	643,940	752,113
Other property and services		1,002,804	1,284,783	2,672,205
		39,781,258	51,787,722	45,604,215
Expenditure from operating activities:				
Governance		(2,624,314)	(2,918,899)	(2,835,013)
General purpose funding		(2,504,579)	(1,352,675)	(1,079,019)
Law, order, public safety		(1,682,839)	(1,681,728)	(1,819,711)
Health		(986,024)	(1,231,987)	(1,120,617)
Education and welfare		(2,254,354)	(2,716,546)	(2,602,990)
Housing		(61,837)	(80,045)	(57,797)
Community amenities		(10,027,819)	(12,517,012)	(9,967,818)
Recreation and culture		(20,079,642)	(22,066,213)	(20,410,343)
Transport		(17,859,893)	(22,570,789)	(16,323,451)
Economic services		(3,247,977)	(3,880,211)	(2,862,831)
Other property and services		(721,249)	(2,179,943)	(2,836,207)
		(62,050,527)	(73,196,048)	(61,915,797)
Non-cash amounts excluded from operating activities	29(a)	11,716,545	11,571,294	10,657,051
Amount attributable to operating activities		(5,499,737)	(7,483,957)	1,507,400
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	2(a)	3,663,574	7,597,856	3,213,330
Proceeds from disposal of assets	10(a)	413,295	418,000	405,266
Proceeds from financial assets at amortised cost - self supporting loans		106,456	134,194	(837,016)
Purchase of property, plant and equipment	8(a)	(4,400,334)	(11,980,406)	(4,847,059)
Purchase and construction of infrastructure	9(a)	(9,758,537)	(13,087,395)	(6,559,737)
Purchase of investment property	13	(94,143)	(638,000)	(56,417)
Amount attributable to investing activities		(10,069,689)	(17,555,751)	(8,681,633)
FINANCING ACTIVITIES				
Repayment of borrowings	17(b)	(1,174,252)	(1,185,374)	(1,385,673)
Proceeds from borrowings	17(b)	0	0	1,000,000
Payments for principal portion of lease liabilities	16(b)	(200,543)	0	0
Transfers to reserves (restricted assets)	4	(9,253,871)	(7,969,640)	(13,191,799)
Transfers from reserves (restricted assets)	4	7,800,971	10,447,500	1,585,405
Amount attributable to financing activities		(2,827,694)	1,292,486	(11,992,067)
Surplus/(deficit) before imposition of general rates		(18,397,120)	(23,747,222)	(19,166,300)
Total amount raised from general rates	28(a)	26,054,113	25,876,292	24,402,931
Surplus/(deficit) after imposition of general rates	29(b)	7,656,993	2,129,070	5,236,631

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

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

1. BASIS OF PREPARATION

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

The *Local Government (Financial Management) Regulations 1996* take precedence over Australian Accounting Standards. Prior to 1 July 2019, Regulation (Reg) 16 arbitrarily prohibited a local government from recognising as assets Crown land that is a public thoroughfare, i.e. 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, racecourse or recreational facility of State or regional significance. Consequently, some assets pertaining to vested land, including land under roads acquired on or after 1 July 2008, were not recognised in previous financial reports of the City. This was not in accordance with the requirements of *AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7*.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the 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.

From 1 July 2019, the City has applied *AASB 16 Leases* which requires leases to be included by lessees in the balance sheet. Also, the FM regs have been amended to specify that vested land is a right of use (ROU) asset to be measured at cost. All ROU assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included in the balance sheet) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from *AASB 16* which would have required the City to measure any vested improvements at zero cost.

The City has accounted for the removal of the vested land values associated with the Kalgoorlie Golf Course by removing the land value and associated revaluation reserve as at 1 July 2019. The comparative year amounts have been retained as *AASB 16* does not require comparatives to be restated in the year of transition.

Therefore the departure from *AASB 1051 and AASB 16* in respect of the comparatives for the year ended 30 June 2019 remains.

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

On 1 July 2020 the following new accounting standards are to be adopted:

- *AASB 1059 Service Concession Arrangements: Grantors*
- *AASB 2018-7 Amendments to Australian Accounting Standards - Materiality*

AASB 1059 Service Concession Arrangements: Grantors is not expected to impact the financial report.

Specific impacts of *AASB 2018-7 Amendments to Australian Accounting Standards - Materiality*, have not been identified.

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 33 to these financial statements.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

2. REVENUE AND EXPENSES

REVENUE RECOGNITION POLICY

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Sewerage rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annual fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

2. REVENUE AND EXPENSES (continued)

REVENUE RECOGNITION POLICY

Revenue Category	Nature of goods and services	when obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Golf, gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually.	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Merchandise, Food & Beverages	Single point in time	In full in advance	Refund for faulty goods	Adopted by council annually. Set by mutual agreement with the customer	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds	Not applicable	When assets are controlled or completion of works
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

(a) Grant revenue

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

	2020 Actual \$	2020 Budget \$	2019 Actual \$
Operating grants, subsidies and contributions			
General purpose funding	2,925,904	2,351,000	2,458,131
Law, order, public safety	35,422	47,000	35,506
Health	186,004	233,000	231,446
Education and welfare	876,885	1,212,027	1,853,697
Community amenities	8,003	0	0
Recreation and culture	14,874	128,960	200,556
Transport	520,434	88,740	336,134
Economic services	436	340	418
Other property and services	20,769	16,000	8,182
	4,588,731	4,077,067	5,124,070
Non-operating grants, subsidies and contributions			
Recreation and culture	453,121	0	54,776
Transport	2,710,453	2,997,856	2,334,058
Economic services	500,000	4,600,000	13,091
Other property and services	0	0	811,405
	3,663,574	7,597,856	3,213,330
	8,252,305	11,674,923	8,337,400
Fees and charges			
Governance	1,118	360	1,255
General purpose funding	275,072	213,500	191,945
Law, order, public safety	168,550	155,845	155,600
Health	228,015	228,572	216,071
Education and welfare	161,128	151,000	171,447
Housing	35,188	0	0
Community amenities	16,443,805	17,037,679	16,026,648
Recreation and culture	3,323,667	4,259,970	4,113,040
Transport	9,944,813	11,135,100	11,783,944
Economic services	407,636	108,100	177,468
Other property and services	36,234	2,411	9,178
	31,025,226	33,292,537	32,846,597

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

Operating grants, subsidies and contributions are grants, subsidies or contributions that are not non-operating in nature.

Non-operating grants, subsidies and contributions are amounts received for the acquisition or construction of recognisable non-financial assets to be controlled by the local government.

Fees and Charges

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

Revenue from statutory requirements was recognised during the year for the following nature or types of goods or services:

	2020 Actual \$	2020 Budget \$	2019 Actual \$
General rates	26,054,113	25,876,292	24,402,931
Sewerage rates	7,864,345	7,852,284	7,479,467
	<u>33,918,458</u>	<u>33,728,576</u>	<u>31,882,398</u>
Other revenue			
Reimbursements and recoveries	772,904	771,220	960,428
Other	1,209,480	9,804,245	3,185,758
	<u>1,982,384</u>	<u>10,575,465</u>	<u>4,146,186</u>
Interest earnings			
Financial assets at amortised cost - self supporting loans	36,311	30,701	21,520
Interest on reserve funds	577,313	0	630,503
Rates instalment and penalty interest (refer Note 28(d))	503,288	570,000	475,517
Other interest earnings	266,387	1,009,500	423,971
	<u>1,383,299</u>	<u>1,610,201</u>	<u>1,551,511</u>

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

Interest earnings (continued)

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes.

(b) Expenses

Auditors remuneration

- Audit of the Annual Financial Report
- Other services

Interest expenses (finance costs)

	Note	2020 Actual \$	2020 Budget \$	2019 Actual \$
Borrowings	17(b)	327,638	305,061	331,099
Other interest expenses		152,603	18,585	27,393
Lease liabilities	16(b)	51,547	71,400	101,877
		<u>531,788</u>	<u>395,046</u>	<u>460,369</u>
Other expenditure				
Impairment loss on trade and other receivables		(105,039)	0	(116,545)
Impairment loss on trade and other receivables from contracts with customers		(368,845)	0	(237,838)
Sundry expenses		1,927,218	7,333,989	1,440,560
		<u>1,453,334</u>	<u>7,333,989</u>	<u>1,086,177</u>

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

3. CASH AND CASH EQUIVALENTS

NOTE	2020 \$	2019 \$
Cash at bank and on hand	48,130,405	4,087,144
Term deposits	0	37,783,602
Total cash and cash equivalents	48,130,405	41,870,746

Restrictions

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

- Cash and cash equivalents	39,979,000	37,783,602
	39,979,000	37,783,602

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

Reserves - cash backed	4	39,236,502	37,783,602
Contract liabilities from contracts with customers	15	742,498	0
Total restricted assets		39,979,000	37,783,602

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.

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions. Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

4. RESERVES - CASH BACKED

	2020		2020		2020		2020		2020		2019		2019	
	Actual Opening Balance	Actual Transfer to	Budget Opening Balance	Budget Transfer to	Budget Closing Balance	Budget Transfer (from)	Actual Opening Balance	Actual Transfer to	Actual Closing Balance	Actual Transfer (from)	Actual Opening Balance	Actual Transfer to	Actual Closing Balance	Actual Transfer (from)
(a) Leave Reserve	568,468	61,166	561,634	38,000	629,634	0	554,968	13,500	568,468	0	554,968	13,500	568,468	0
(b) Plant Reserve	849,645	1,630,135	1,320,137	1,316,000	1,848,108	(316,000)	849,108	815,823	849,645	0	33,822	815,823	849,645	0
(c) Building Reserve	957,595	378,872	1,036,467	270,000	1,036,467	(300,000)	1,041,742	275,335	957,595	(359,482)	1,041,742	275,335	957,595	(359,482)
(d) Computer Facilities Reserve	862,865	500,000	376,784	500,000	626,784	(250,000)	840,135	23,730	862,865	0	840,135	23,730	862,865	0
(e) Sewerage Construction Reserve	4,242,434	996,966	4,304,338	1,000,000	2,717,985	(2,995,000)	3,163,839	1,078,595	4,242,434	0	3,163,839	1,078,595	4,242,434	0
(f) Recreation Reserve	425,902	50,000	274,503	50,000	324,503	0	421,060	4,842	425,902	0	421,060	4,842	425,902	0
(g) Parking Facilities Reserve	168,423	3,500	47,501	3,500	47,501	0	166,526	1,897	168,423	0	166,526	1,897	168,423	0
(h) Senior Citizens Reserve	781,783	18,908	681,691	18,000	788,592	(490,000)	317,592	9,230	781,783	0	772,553	9,230	781,783	0
(i) Oasis Reserve	37,965	611,191	0	0	649,156	0	112,559	801	37,965	0	37,064	801	37,965	0
(j) Aerodrome Reserve	10,600,160	949,852	11,431,140	1,702,140	9,335,905	(987,500)	8,375,456	2,224,704	10,600,160	0	8,375,456	2,224,704	10,600,160	0
(k) Valuations Equalisation Reserve	334,820	105,000	19,012	105,000	19,012	(420,000)	229,245	105,575	334,820	0	229,245	105,575	334,820	0
(l) Insurance Equalisation Reserve	122,602	102,000	224,424	102,000	224,424	0	21,965	100,637	122,602	0	21,965	100,637	122,602	0
(m) Town Halls Refurbishment Reserve	1,046,936	150,000	1,044,851	150,000	1,194,851	0	544,852	502,084	1,046,936	0	544,852	502,084	1,046,936	0
(n) Waste Initiatives Reserve	70,342	0	70,100	0	70,100	0	68,672	1,670	70,342	0	68,672	1,670	70,342	0
(o) Airport and City Promotions Reserve	988,924	500,000	865,824	500,000	1,115,824	(250,000)	483,259	505,665	988,924	0	483,259	505,665	988,924	0
(p) HACC Asset Management Reserve	196,281	1,036	196,824	0	22,824	(174,000)	21,752	174,529	196,281	0	21,752	174,529	196,281	0
(q) Future Projects Reserve	14,437,341	2,185,927	15,383,631	2,000,000	10,637,101	(3,520,000)	8,043,285	6,394,056	14,437,341	0	8,043,285	6,394,056	14,437,341	0
(r) Unspent Grants, Contributions & Loans Reserve	370,116	5,032	180,488	214,000	369,488	(25,000)	1,357,013	239,026	370,116	(1,225,823)	1,357,013	239,026	370,116	(1,225,823)
(s) Drainage Reserve	720,000	4,286	720,000	0	720,000	(720,000)	0	720,000	720,000	0	0	720,000	720,000	0
(t) COVID 19 Reserve	0	1,000,000	150,000	0	850,000	0	0	0	0	0	0	0	0	0
	37,783,602	9,253,871	33,844,162	7,969,640	31,366,302	(10,447,500)	26,177,208	13,191,799	37,783,602	(1,585,405)	26,177,208	13,191,799	37,783,602	(1,585,405)

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

4 RESERVES - CASH BACKED (CONTINUED)

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

Name of Reserve	Purpose of the reserve
(a) Leave Reserve	To fund payments to staff for accrued leave and / or budgeted leave.
(b) Plant Reserve	To fund the City's ten year (10) Plant Replacement Program.
(c) Building Reserve	To fund building projects and major structural repairs to existing assets.
(d) Computer Facilities Reserve	To fund Information Technology projects.
(e) Sewerage Construction Reserve	To provide for the ongoing construction and future replacement of sewerage lines and any other relevant initiatives.
(f) Recreation Reserve	To be utilised for future reserves, ovals, or any other recreational projects Council deems necessary.
(g) Parking Facilities Reserve	To provide for the future parking needs of the City.
(h) Senior Citizens Reserve	To meet any requirements the Community Centre may have.
(i) Oasis Reserve	To improve the Goldfields Oasis.
(j) Aerodrome Reserve	To facilitate the replacement of assets to subsidise operations, items not included in the Airport Movement Reserve
(k) Valuations Equalisation Reserve	To provide for revaluation expenses, every four (4) years.
(l) Insurance Equalisation Reserve	To provide for any Workers Compensation expenses.
(m) Town Halls Refurbishment Reserve	To provide for future maintenance, refurbishment, heritage development of the Kalgoorlie and Boulder Town Halls.
(n) Waste Initiatives Reserve	To develop and introduce alternatives or modified waste collection treatment and disposal options.
(o) Airport and City Promotions Reserve	To promote the City of Kalgoorlie-Boulder and the Kalgoorlie- Boulder Airport.
(p) HACC Asset Management Reserve	To hold surplus annual grant funds received in accordance with the HACC funding agreement. Used to replace existing assets at the
(q) Future Projects Reserve	To fund future projects that Council supports as a desired outcome for the overall Community.
(r) Unspent Grants, Contributions & Loans Reserve	To manage unspent grants, contributions and loans
(s) Drainage Reserve	To provide for the ongoing construction and future replacement of drainage infrastructure.
(t) COVID 19 Reserve	To provide for the economic improvement of local businesses following COVID-19

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

5. OTHER FINANCIAL ASSETS

	2020 \$	2019 \$
(a) Current assets		
Bonds and deposits held	3,850,000	8,568,232
	<u>3,850,000</u>	<u>8,568,232</u>
Other financial assets at amortised cost		
Bonds and deposits held	3,850,000	8,568,232
	<u>3,850,000</u>	<u>8,568,232</u>
(b) Non-current assets		
Bonds and deposits held	4,054,030	0
	<u>4,054,030</u>	<u>0</u>
Financial assets at amortised cost		
Bonds and deposits held	4,054,030	0
	<u>4,054,030</u>	<u>0</u>

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 17(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 30.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable	
Sundry receivables	
Prepayments	
GST receivable	
Loans receivable - clubs/institutions	
Accrued Income	

Non-current

Pensioner's rates and ESL deferred	
Loans receivable - clubs/institutions	

2020	2019
\$	\$
2,895,439	2,725,859
2,657,390	5,724,750
576,021	239,017
368,845	237,838
105,039	116,545
773,408	1,078,795
7,376,142	10,122,804
456,606	426,259
844,034	938,984
1,300,640	1,365,243

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.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 30.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement

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.

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

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

7. INVENTORIES

Current

Fuel and materials	
Goldfields Oasis	
Kalgoorlie Golf Course	
Goldfields Arts Centre	
Land Held for Resale - Cost	

Non-current

Land held for resale - cost	
Cost of acquisition	

The following movements in inventories occurred during the year:

Carrying amount at beginning of period

Land held for resale sold

Net movement to inventory

Carrying amount at end of period

	2020	2019
	\$	\$
	39,135	61,344
	5,491	5,431
	67,923	72,161
	7,588	2,803
	250,601	668,789
	370,738	810,528
	80,000	80,000
	80,000	80,000
	890,528	895,865
	(418,188)	(57,553)
	(21,602)	52,216
	450,738	890,528

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.

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

Land held for resale (Continued)

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

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

Non-current assets held for sale

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

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

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

8. PROPERTY, PLANT AND EQUIPMENT

(a) 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	Total land specialised	Buildings - non- specialised	Buildings - specialised	Total buildings	Total land and buildings	Furniture and equipment	Plant and equipment	Light Vehicles	WIP	Total property, plant and equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2018	37,255,760	37,255,760	70,688	84,453,055	84,523,743	121,779,503	2,066,551	11,870,155	2,267,243	2,004,120	139,987,572
Additions	0	0	0	1,793,742	1,793,742	1,793,742	145,339	1,377,862	577,626	952,490	4,847,059
(Disposals)	0	0	0	0	0	0	0	(76,413)	(297,695)	0	(374,108)
Depreciation (expense)	0	0	0	(1,216,757)	(1,216,757)	(1,216,757)	(366,221)	(1,113,800)	(396,068)	0	(3,092,846)
Transfers	0	0	0	583,243	583,243	583,243	0	0	0	(583,243)	0
Carrying amount at 30 June 2019	37,255,760	37,255,760	70,688	85,613,283	85,683,971	122,939,731	1,845,669	12,057,804	2,151,106	2,373,367	141,367,677
Comprises:											
Gross carrying amount at 30 June 2019	37,255,760	37,255,760	72,500	88,099,322	88,171,822	125,427,582	2,777,331	14,986,368	2,888,819	2,373,367	148,453,467
Accumulated depreciation at 30 June 2019	0	0	(1,812)	(2,486,039)	(2,487,851)	(2,487,851)	(931,662)	(2,928,564)	(737,713)	0	(7,085,790)
Carrying amount at 30 June 2019	37,255,760	37,255,760	70,688	85,613,283	85,683,971	122,939,731	1,845,669	12,057,804	2,151,106	2,373,367	141,367,677
Additions	0	0	0	1,642,215	1,642,215	1,642,215	574,148	630,685	599,281	954,005	4,400,334
(Disposals)	0	0	0	0	0	0	0	(70,803)	(220,630)	0	(291,433)
Revaluation (loss) / reversals transferred to profit or loss	(3,822,460)	(3,822,460)	0	0	0	(3,822,460)	0	0	0	0	(3,822,460)
Depreciation (expense)	0	0	(3,625)	(1,290,555)	(1,294,180)	(1,294,180)	(395,577)	(1,280,363)	(615,638)	0	(3,585,758)
Transfers	0	0	0	1,667,404	1,667,404	1,667,404	0	0	0	(1,667,404)	0
Carrying amount at 30 June 2020	33,433,300	33,433,300	67,063	87,632,347	87,699,410	121,132,710	2,024,240	11,337,323	1,914,119	1,659,968	138,068,361
Comprises:											
Gross carrying amount at 30 June 2020	33,433,300	33,433,300	67,063	91,408,941	91,476,004	124,909,304	3,351,479	15,459,774	3,134,745	1,659,968	148,515,270
Accumulated depreciation at 30 June 2020	0	0	0	(3,776,594)	(3,776,594)	(3,776,594)	(1,327,239)	(4,122,451)	(1,220,626)	0	(10,446,909)
Carrying amount at 30 June 2020	33,433,300	33,433,300	67,063	87,632,347	87,699,410	121,132,710	2,024,240	11,337,323	1,914,119	1,659,968	138,068,361

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) 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	Level 2	Market approach using recent observable market values as evidence by sales transactions of similar property types	Independent registered Valuer	June 2017	Price per square metre
Land - freehold land	Level 3	Market approach using recent observable market values adjusted for condition and comparability, at their current use as highest and best use	Independent registered Valuer	June 2017	Price per square metre adjusted for zoning restrictions
Land - vested in and under the control of Council	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2017	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life (Level 3) inputs
Buildings - non-specialised	Level 2	Market approach using recent observable market data for properties	Management Valuation	June 2017	Price per square metre
Buildings - specialised	Level 3	Cost approach using depreciated replacement cost	Independent registered Valuer/Management valuation	June 2017	Construction costs and current condition (level 2), residual values and remaining useful life assessments (Level 3) inputs
Buildings - specialised	Level 2	Market approach using recent observable market data for properties	Independent registered Valuer	June 2017	Price per square metre
Plant and equipment					
Furniture and Equipment	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2016	Current condition (level 2), residual values and remaining useful life assessments (Level 3) inputs
Furniture and Equipment	Level 2	Market approach using recent observable market data for items	Management Valuation	June 2016	Market value of items
Plant and Equipment	Level 3	Cost approach using depreciated replacement cost	Independent registered Valuer/Management valuation	June 2016	Current condition (level 2), residual values and remaining useful life assessments (Level 3) inputs

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

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

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

9. INFRASTRUCTURE

(a) 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 & Reserves	Infrastructure - Laneways	Infrastructure - Parking	Infrastructure - Street Lighting	Infrastructure - Sewerage	Infrastructure - Effluent	Infrastructure - Airport	Infrastructure - Bus shelters	Infrastructure - Water Conservation	Total Infrastructure
Balance at 1 July 2018:	246,304,733	16,802,394	7,922,904	23,540,097	491,181	4,168,002	651,625	43,277,720	6,343,113	23,712,199	88,070	9,946,312	385,248,350
Additions	4,962,923	131,240	482,921	479,288	0	56,105	0	142,887	-4,373	300,000	0	0	6,559,737
(Disposals)	0	0	0	(10,667)	0	0	0	0	0	0	0	0	(10,667)
Depreciation (expense)	(4,178,232)	(430,263)	(159,894)	(683,170)	(16,185)	(207,513)	(15,382)	(937,532)	(131,602)	(416,895)	(2,864)	(298,688)	(7,464,223)
Carrying amount at 30 June 2019	249,089,424	16,503,366	8,245,931	23,327,548	474,996	4,016,584	636,243	42,483,075	6,215,884	23,595,304	85,206	9,659,626	384,333,197
Completions:													
Gross carrying amount at 30 June 2019	253,267,656	16,933,634	8,405,825	24,008,585	491,181	4,224,107	651,625	43,420,608	6,347,466	24,012,199	88,070	9,946,312	391,797,288
Accumulated depreciation at 30 June 2019	(4,178,232)	(430,268)	(159,894)	(681,037)	(16,185)	(207,513)	(15,382)	(937,533)	(131,602)	(416,895)	(2,864)	(298,688)	(7,464,091)
Carrying amount at 30 June 2019	249,089,424	16,503,366	8,245,931	23,327,548	474,996	4,016,584	636,243	42,483,075	6,215,884	23,595,304	85,206	9,659,626	384,333,197
Additions	6,947,409	543,903	1,107,692	105,752	0	8,802	0	994,919	0	0	0	0	9,758,837
Depreciation (expense)	(4,383,374)	(435,233)	(185,656)	(676,706)	(27,703)	(209,923)	(15,382)	(995,055)	(131,675)	(419,516)	(2,912)	(266,686)	(7,969,821)
Carrying amount at 30 June 2020	251,703,459	16,612,036	9,167,967	22,556,594	447,293	3,815,533	620,861	42,482,939	6,084,209	23,175,788	62,294	9,372,940	386,121,913
Completions:													
Gross carrying amount at 30 June 2020	260,265,065	17,477,537	9,513,517	24,114,337	491,181	4,232,969	651,625	44,415,527	6,347,466	24,012,199	88,070	9,946,312	401,555,835
Accumulated depreciation at 30 June 2020	(8,561,606)	(865,501)	(345,550)	(1,557,743)	(43,888)	(417,436)	(30,764)	(1,992,588)	(263,277)	(836,411)	(5,776)	(573,372)	(15,433,312)
Carrying amount at 30 June 2020	251,703,459	16,612,036	9,167,967	22,556,594	447,293	3,815,533	620,861	42,482,939	6,084,209	23,175,788	82,294	9,372,940	386,121,913

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

9. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - roads	Level 3	Cost approach using depreciated replacement cost	Independent registered Valuer/Management valuation	June 2017	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Footpaths	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Drainage	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Parks & Reserves	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Laneways	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Parking	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Street Lighting	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Sewerage	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Effluent	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Airport	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Bus Shelters	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.
Infrastructure - Water Conservation	Level 3	Cost approach using depreciated replacement cost	Management Valuation	June 2018	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs.

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

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

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

10. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

Each class of fixed assets within either 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

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

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

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

Individual assets that are that are land, buildings, infrastructure and investment properties 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 land, buildings, infrastructure and investment properties is determined at least once every five years in accordance with the regulatory framework, or when Council is of the opinion that the fair value of an asset is materially different from its carrying amount. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the City. At the end of each period the 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 land, buildings, infrastructure, investment properties and vested improvements 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.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY

Land under control prior to 1 July 2019

In accordance with the then *Local Government (Financial Management) Regulation 16(a)(ii)*, the City was previously required to include as an asset by (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.

Land under roads prior to 1 July 2019

In Western Australia, most 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 then *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)* which arbitrarily prohibits local governments from recognising such land as an asset. This regulation has now been deleted.

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.

Land under roads from 1 July 2019

As a result of amendments to the *Local Government (Financial Management) Regulations 1996*, effective from 1 July 2019, vested land, including land under roads, are treated as ROU assets measured at zero cost. Therefore, the previous inconsistency with AASB 1051 in respect on non-recognition of land under roads acquired on or after 1 July 2008 has been removed, even though measurement at zero cost means that land under roads is still not included in the balance sheet.

The City has accounted for the removal of the vested land values associated with the Kalgoorlie golf course by removing the land value and associated revaluation reserve as at 1 July 2019. The comparatives have not been restated.

Vested improvements from 1 July 2019

The measurement of vested improvements at fair value in accordance with *Local Government (Financial Management) Regulation 17A(2)(iv)* is a departure from AASB 16 which would have required the City to measure the vested improvements as part of the related ROU assets at zero cost.

Refer to Note 11 that details the significant accounting policies applying to leases (including ROU assets).

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

10. FIXED ASSETS

(a) Disposals of Assets

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss	2020 Budget Net Book Value	2020 Budget Sale Proceeds	2020 Budget Profit	2020 Budget Loss	2019 Actual Net Book Value	2019 Actual Sale Proceeds	2019 Actual Profit	2019 Actual Loss
Plant and equipment	70,803	45,995	2,597	(27,405)	0	0	0	0	76,413	45,273	1,422	(32,562)
Light Vehicles	220,630	174,794	427	(46,263)	331,580	418,000	116,504	(30,085)	297,695	243,883	8,800	(62,612)
Infrastructure - Parks & Reserves	0	0	0	0	0	0	0	0	10,667	0	0	(10,667)
Land held for Sale	418,188	192,506	0	(225,682)	0	0	0	0	57,553	116,110	58,557	0
	709,621	413,295	3,024	(299,350)	331,580	418,000	116,504	(30,085)	442,328	405,266	68,779	(105,841)

The following assets were disposed of during the year

	2020 Actual Net Book Value	2020 Actual Sale Proceeds	2020 Actual Profit	2020 Actual Loss
Plant and Equipment				
Community amenities				
2019 Isuzu D-Max 4X2 Crew Cab Hi Ride	23,763	24,190	427	0
Recreation and culture				
Heavy Duty Utility Work Vehicle - Workman Hdx-D Intl	15,941	11,770	0	(4,171)
Petrol Utility Vehicle - Workman Mdx-International	4,852	6,160	1,308	0
Mazda Bt-50 Freestyle Tray top	14,249	12,755	0	(1,494)
2014 Rg Holden Colorado Lx Tray Top Utility	13,232	10,909	0	(2,323)
Kubota Mower Gzd15-Hd	1,920	365	0	(1,555)
Gianni Ferrari Turbo 1	17,059	5,500	0	(11,559)
Gianni Ferrari Turbo	15,585	5,500	0	(10,085)
Kubota F2890 Mower And Mower Deck	7,624	8,200	576	0
Transport				
Replacement Fertiliser Spreader	216	161	0	(55)
Concrete Cutting Saw	0	139	139	0
Kubota F2890 Mower And Mower Deck	7,626	8,200	574	0
Other property and services				
Holden Colorado Lx Tray top Utility	9,753	8,190	0	(1,563)
Holden Captiva 5 Ltz Station Sedan	9,381	7,273	0	(2,108)
2014 Nissan Navara St Dual Cab	17,068	15,455	0	(1,613)
2014 Mazda Bt50 Freestyle Tray top Utility	9,247	7,318	0	(1,929)
2015 Mazda Cx5 Akera Awd Station Wagon	32,007	20,231	0	(11,776)
Toyota Kluger Awd Wagon A/T Grande	42,045	31,200	0	(10,845)
2016 Volkswagen Toureg	49,885	37,273	0	(12,612)
	291,433	220,769	3,024	(73,668)
Land				
Other Property and Services				
Land held for Sale	418,188	192,506	0	(225,682)
	418,188	192,506	0	(225,682)
	709,621	413,295	3,024	(299,350)

(b) Fully Depreciated Assets in Use

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

	2020	2019
	\$	\$
Buildings - non-specialised	31,584	28,040
Furniture and equipment	64,730	29,677
Plant and equipment	94,200	142,804
Light Vehicles	0	498,022
Infrastructure - Parks & Reserves	185,276	10,800
	375,790	709,343

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

10. FIXED ASSETS

(c) Depreciation

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Buildings - specialised	1,290,555	1,208,547	1,216,757
Furniture and equipment	395,577	360,651	366,221
Plant and equipment	1,280,363	1,611,289	1,113,800
Light Vehicles	615,638	1,038,167	396,068
Infrastructure - roads	4,383,374	4,173,042	4,178,232
Infrastructure - Footpaths	435,233	430,195	430,268
Infrastructure - Drainage	185,856	159,333	159,894
Infrastructure - Parks & Reserves	876,706	683,170	681,170
Infrastructure - Laneways	27,703	16,186	16,185
Infrastructure - Parking	209,923	208,763	207,513
Infrastructure - Street Lighting	15,382	15,382	15,382
Infrastructure - Sewerage	995,055	937,679	937,532
Infrastructure - Effluent	131,675	131,677	131,602
Infrastructure - Airport	419,516	418,209	416,895
Infrastructure - Bus Shelters	2,912	2,876	2,864
Infrastructure - Water Conservation	286,686	286,686	286,686
Investment Property	91,662	86,040	86,008
Right of use assets - plant and equipment	147,231	0	0
Right of use assets - Land	73,797	0	0
	11,868,269	11,767,892	10,643,077

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.

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

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

Asset Class	Useful life
Buildings - specialised	50 to 150 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 10 years
Light Vehicles	4 years
Airport	10 - 100 years
Infrastructure - Roads	Nil to 80 years
Infrastructure - Footpaths	20 years
Infrastructure - Drainage	80 years
Infrastructure - Parks & Reserves	Nil to 100 years
Infrastructure - Laneways	10 to 60 years
Infrastructure - Bus Shelters	50 years
Infrastructure - Parking	80 years
Infrastructure - Street Lighting	25 to 50 years
Infrastructure - Sewerage	10 to 80 years
Infrastructure - Effluent	10 to 80 years
Infrastructure - Water Conservation	10 to 80 years
Investment Property	50 to 150 years
Right of use - Land	Based on the remaining lease
Right of use - plant and equipment	Based on the remaining lease
Right of use - furniture and fittings	Based on the remaining lease

Depreciation on revaluation

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.

Amortisation

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

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

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income and in the note above.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

11. LEASES

(a) Right of Use Assets

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

	Right of use assets - plant and equipment \$	Right of use assets - Land \$	Right of use assets Total \$
Carrying amount at 30 June 2019	0	0	0
Recognised on initial application of AASB 16	360,619	1,366,809	1,727,428
Restated total equity at the beginning of the financial year	360,619	1,366,809	1,727,428
Depreciation (expense)	(147,231)	(73,797)	(221,028)
Carrying amount at 30 June 2020	213,388	1,293,012	1,506,400
(b) Cash outflow from leases			
Interest expense on lease liabilities	5,317	46,230	51,547
Lease principal expense	146,592	53,950	200,543
Total cash outflow from leases	151,909	100,180	252,090
(c) Other expenses and income relating to leases			
Short-term lease payments recognised as expense	68,720	0	68,720
Low-value asset lease payments recognised as expense	14,454	0	14,454
	83,174	0	83,174

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Refer to Note 10 that details the significant accounting policies applying to vested improvements.

Leases (continued)

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

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

Leases for right of use assets are secured over the asset being leased.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

12. REVALUATION SURPLUS

	2020		2020		2020		2019		2019		2019	
	Opening Balance	Revaluation Increment	Revaluation (Decrement)	Total Revaluation Movement on	2020 Closing Balance	2019 Opening Balance	Revaluation Increment	Revaluation (Decrement)	Total Revaluation Movement on	2019 Closing Balance		
Revaluation surplus - Land - freehold land	27,682,507	0	(3,822,460)	(3,822,460)	23,860,047	27,682,507	0	0	0	27,682,507		
Revaluation surplus - Buildings - non-specialised	31,329,382	0	0	0	31,329,382	31,329,382	0	0	0	31,329,382		
Revaluation surplus - Plant and equipment	2,337,523	0	0	0	2,337,523	2,337,523	0	0	0	2,337,523		
Revaluation surplus - Light Vehicles	365,259	0	0	0	365,259	365,259	0	0	0	365,259		
Revaluation surplus - Investment Property	6,525,613	0	0	0	6,525,613	6,525,613	0	0	0	6,525,613		
Revaluation surplus - Infrastructure - Bus shelters	54,877	0	0	0	54,877	54,877	0	0	0	54,877		
Revaluation surplus - Infrastructure - roads	143,013,875	0	0	0	143,013,875	143,013,875	0	0	0	143,013,875		
Revaluation surplus - Infrastructure - Footpaths	8,669,236	0	0	0	8,669,236	8,669,236	0	0	0	8,669,236		
Revaluation surplus - Infrastructure - Drainage	4,049,242	0	0	0	4,049,242	4,049,242	0	0	0	4,049,242		
Revaluation surplus - Infrastructure - Laneways	549,605	0	0	0	549,605	549,605	0	0	0	549,605		
Revaluation surplus - Infrastructure - Parking	2,133,080	0	0	0	2,133,080	2,133,080	0	0	0	2,133,080		
Revaluation surplus - Infrastructure - Street Lighting	519,182	0	0	0	519,182	519,182	0	0	0	519,182		
Revaluation surplus - Infrastructure - Sewerage	23,068,861	0	0	0	23,068,861	23,068,861	0	0	0	23,068,861		
Revaluation surplus - Infrastructure - Effluent	1,384,692	0	0	0	1,384,692	1,384,692	0	0	0	1,384,692		
Revaluation surplus - Infrastructure - Airport	17,819,685	0	0	0	17,819,685	17,819,685	0	0	0	17,819,685		
Revaluation surplus - Infrastructure - Water Conservation	9,132,238	0	0	0	9,132,238	9,132,238	0	0	0	9,132,238		
	278,634,867	0	(3,822,460)	(3,822,460)	274,812,407	278,634,867	0	0	0	0	278,634,867	

Movements on revaluation of property, plant and equipment (including infrastructure) are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

13. INVESTMENT PROPERTY

Land at: Independent Valuation 2017

Carrying balance at 1 July	3,496,000	3,496,000	3,496,000
Closing balance at 30 June	3,496,000	3,496,000	3,496,000

Buildings at: Independent Valuation 2017

- Independent Valuation 2017 - Level 2	7,770,000	7,770,000	7,770,000
- Management Valuation 2017 - Level 3	69,015	116,913	69,015
- Additions after Valuation - cost	173,331	580,225	116,914
- Additions after Valuation - current year	94,143	638,000	56,417
Less Accumulated Depreciation	(266,561)	(246,554)	(174,899)
Closing balance at 30 June	7,839,928	8,858,584	7,837,447

Total Investment Property	11,335,928	12,354,584	11,333,447
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Amounts recognised in profit or loss for investment properties

Rental income	798,593	800,000	737,170
Direct operating expenses from property that generated rental income	(773,800)	(547,792)	(439,736)

Leasing arrangements

Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:

Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:

Within one year	333,043		363,801
Later than one year but not later than 5 years	331,576		339,291
	664,619		703,092

SIGNIFICANT ACCOUNTING POLICIES

Investment properties

Investment properties are principally freehold buildings, held for long-term rental yields and not occupied by the City. They are carried at fair value. Changes in the fair values are presented in profit or loss as a part of other revenue.

Fair value of investment properties

A management valuation was performed to determine the fair value of investment properties. The main Level 3 inputs used in the valuation were discount rates, terminal yields, expected vacancy rates and rental growth rates estimated by management based on comparable transactions and industry

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

14. TRADE AND OTHER PAYABLES

Current

Sundry creditors
Creditor Accruals
Accrued salaries and wages
ATO liabilities
Accrued Interest on Debentures
Rates paid in advance

32

	2020	2019
		(Restated)
	\$	\$
	3,137,482	4,871,226
	994,929	352,857
	1,078,348	1,687,230
	13,476	2,536
	46,186	52,827
	2,383,330	2,031,836
	7,653,751	8,998,512

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.

Prepaid rates

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

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

15. CONTRACT LIABILITIES

Current

Contract liabilities from contracts with customers
Bonds and deposits held

Non-current

Bonds and deposits held

	2020	2019
	\$	\$
	742,498	0
	4,081,901	8,568,232
	<u>4,824,399</u>	<u>8,568,232</u>
	4,054,030	0
	<u>4,054,030</u>	<u>0</u>
	<u>8,878,429</u>	<u>8,568,232</u>
	4,824,399	8,568,232
	4,054,030	0
	<u>8,878,429</u>	<u>0</u>

Performance obligations from contracts with customers are expected to be recognised as revenue in accordance with the following time bands:

Less than 1 year

1 to 2 years

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

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

Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

17. INFORMATION ON BORROWINGS

(a) Borrowings

	2020	2019
Current	\$ 1,018,820	\$ 1,174,305
Non-current	7,655,903	8,672,670
	<u>8,672,723</u>	<u>9,846,975</u>

(b) Repayments - Borrowings

Particulars	30 June 2020		30 June 2020		30 June 2020		30 June 2020		30 June 2019		30 June 2019		30 June 2019	
	Actual Principal	Actual Interest	Budget Principal	Budget Interest	Actual Principal	Actual Interest	Budget Principal	Budget Interest	Actual Principal	Actual Interest	New Loans	Actual repayments	Actual Interest	Actual Principal outstanding
Recreation and culture														
Loan 352 (338) - Library Extensions	573,987	16,587	47,071	3,545	85,147	20,468	63,249	4,374	139,232	13,637	0	826,038	32,145	573,987
Loan 352 (339) - Oasis Alternative Energy	465,804	80,087	10,058	3,545	3,145,497	98,831	3,058,664	3,885	3,145,497	3,885	0	479,067	6,869	465,804
Loan 352 (341) - RFSC Construction	754,809	15,018	227,268	7,104,888	613,445	19,274	59,649	1,149	2,839,633	2,839,633	0	2,656,302	16,089	2,355,617
Loan 352 (343) - Museum Relocation	443,116	9,314	44,321	15,018	3,145,497	98,831	3,058,664	3,885	3,145,497	3,885	0	2,656,302	16,089	2,355,617
Loan 352 (344) - Oasis Alternative Energy	599,968	11,244	26,431	9,314	3,145,497	98,831	3,058,664	3,885	3,145,497	3,885	0	2,656,302	16,089	2,355,617
Loan 352 (345) - Shepherson Oval Lighting	2,278,174	137,608	31,907	11,244	441,633	13,875	42,941	0	441,633	0	0	652,042	21,790	599,968
Loan 346 - Golf Course Plant & Equipment	0	0	0	0	0	0	0	0	0	0	0	165,623	4,827	0
Loan 352 (350) - Ray Finlayson Sporting Compl	0	0	390,446	137,608	2,702,754	84,908	262,773	6,052	2,702,754	262,773	0	2,535,639	133,340	2,278,174
Economic services														
Loan 349 - Bur Street Façade Project	315,473	5,102	251,517	5,102	315,473	6,052	251,517	6,052	315,473	251,517	0	560,239	12,875	315,473
Other property and services														
Loan 352 (342) - Embroidment Black Roof	8,784,217	8,885	1,063,704	291,327	8,886,598	1,061,881	13,588	4,390	148,107	13,588	0	549,838	18,794	8,784,217
Self Supporting Loans														
Recreation and culture														
Loan 352 (326) - Goldfields Tennis Club - Ssl	85,192	2,034	5,773	2,034	30,217	1,255	3,885	1,255	30,217	3,885	0	68,998	1,872	85,192
Loan 352 (338) - Kalgoorlie Bowling Club Ssl	41,116	5,567	15,797	5,567	87,553	10,630	10,630	3,435	87,553	10,630	0	155,451	5,394	41,116
Other property and services														
Loan 355 Masonic Homes Ssl	956,449	28,710	88,978	28,710	963,750	88,978	88,978	26,011	1,061,520	103,983	1,000,000	2,24,449	14,154	956,449
	1,062,757	30,311	110,548	30,311	1,061,520	103,983	103,983	30,701	1,061,520	103,983	1,000,000	2,24,449	21,320	1,062,757
	9,846,974	327,638	1,174,252	327,638	9,968,118	1,185,374	305,081	305,081	9,968,118	1,185,374	1,000,000	10,232,647	331,099	9,846,974

* WA Treasury Corporation

Self-supporting loans are financed by payments from third parties. These are shown in Note 5 as other financial assets at amortised cost. All other loan repayments were financed by general purpose revenue.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

17. INFORMATION ON BORROWINGS (Continued)

	2020	2019
	\$	\$
(c) Undrawn Borrowing Facilities		
Credit Standby Arrangements		
Bank overdraft limit	3,000,000	3,000,000
Credit card limit	40,000	40,000
Credit card balance at balance date	(4,242)	(40,468)
Total amount of credit unused	3,035,758	2,999,532
Loan facilities		
Loan facilities - current	1,016,820	1,174,305
Loan facilities - non-current	7,655,903	8,672,670
Lease liabilities - current	181,807	0
Lease liabilities - non-current	1,345,079	0
Total facilities in use at balance date	10,199,609	9,846,975

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.

Risk

Information regarding exposure to risk can be found at Note 30.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

18. EMPLOYEE RELATED PROVISIONS

(a) Employee Related Provisions

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2019			
Current provisions	1,636,365	705,080	2,341,445
Non-current provisions	0	794,461	794,461
	1,636,365	1,499,541	3,135,906
Additional provision	1,133,168	(60,136)	1,073,032
Amounts used	(1,429,291)	(62,849)	(1,492,140)
Balance at 30 June 2020	1,340,242	1,376,556	2,716,798
Comprises			
Current	1,340,242	597,941	1,938,183
Non-current	0	778,615	778,615
	1,340,242	1,376,556	2,716,798
	2020	2019	
	\$	\$	
Amounts expected to be settled on the following basis:			
Less than 12 months after the reporting date	1,938,183	2,341,445	
More than 12 months from reporting date	742,765	750,971	
Expected reimbursements from other WA local governments	35,850	43,490	
	2,716,798	3,135,906	

Timing of the payment of current leave liabilities is difficult to determine as it is dependent on future decisions of employees. Expected settlement timings are based on information obtained from employees and historical leave trends and assumes no events will occur to impact on these historical trends.

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.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

19. 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:

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Cash and cash equivalents	48,130,405	33,554,408	41,870,746
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	7,448,416	12,065,822	11,304,679
Non-cash flows in Net result:			
Depreciation on non-current assets	11,868,269	11,767,892	10,643,078
(Profit)/loss on sale of asset	296,326	(86,419)	37,062
Change of investments in Associate	1,408	0	2,841
Change in accounting standards	183,643	0	0
Changes in assets and liabilities:			
(Increase)/decrease in receivables	2,521,167	0	(793,514)
(Increase)/decrease in inventories	21,602	0	(52,215)
Increase/(decrease) in payables	(1,344,762)	0	10,204,013
Increase/(decrease) in provisions	(419,108)	(7,597,856)	(49,922)
Increase/(decrease) in contract liabilities	126,554	0	0
Non-operating grants, subsidies and contributions	(3,663,574)	0	(3,213,330)
Transfer from Trust Fund	(244,094)	0	(8,568,232)
Net cash from operating activities	16,795,847	16,149,439	19,514,460

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

20. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	<u>2020</u>	<u>2019</u>
	\$	\$
Governance	4,307,469	3,600,425
General purpose funding	8,151,406	4,307,978
Law, order, public safety	962,845	983,387
Health	1,046,418	1,082,701
Education and welfare	4,137,757	4,561,782
Housing	1,143,839	1,167,930
Community amenities	49,597,836	49,721,043
Recreation and culture	127,226,914	130,620,803
Transport	317,944,548	313,773,416
Economic services	5,903,259	4,708,349
Other property and services	68,580,350	68,734,499
Unallocated	13,197,853	16,596,906
	<u>602,200,494</u>	<u>599,859,219</u>

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

21. CONTINGENT LIABILITIES

The City currently operates a landfill site. According to the City's current information this site has a life expectancy in excess of 20 years.

The City is responsible to fully restore this site at the end of the assets life.

Rehabilitation costs will include three components; closure, maintenance and monitoring costs.

- Closure costs include cell capping, site works and gas / leachate infrastructure installation of landfills

Earthworks include spreading topsoil and replanting vegetation.

- Maintenance costs include vegetation management, leachate disposal and maintenance, gas maintenance, site security, fire management

- Monitoring costs include development of monitoring plans, and ongoing groundwater and surface water monitoring.

Currently work is being undertaken to establish the scope and also the cost of the restoration works.

This cost will be provided in the accounts in accordance with AASB116 - Property, Plant and Equipment paragraph 16 once it can be reliably ascertained.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

22. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects
- plant & equipment purchases

2020	2019
\$	\$
343,736	66,173
0	81,177
343,736	147,350

Payable:

- not later than one year

343,736	147,350
---------	---------

The capital expenditure projects outstanding at the end of the current reporting period relate to the ongoing CBD Revitalisation project.

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the accounts (short term and low value leases).

Payable:

- not later than one year
- later than one year but not later than five years

2020	2019
\$	\$
18,619	215,860
0	226,664
18,619	442,524

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.

Leases (Continued)

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

23. RELATED PARTY TRANSACTIONS

Elected Members Remuneration

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

	2020 Actual	2020 Budget	2019 Actual
	\$	\$	\$
Meeting fees	397,823	402,243	406,787
Mayor's allowance	88,944	44,510	91,561
Deputy Mayor's allowance	22,095	22,093	22,216
Travelling expenses	8,916	24,999	43,194
Telecommunications allowance	14,880	58,024	12,917
Training expenses	8,565	30,000	14,911
	<u>541,223</u>	<u>581,869</u>	<u>591,586</u>

Key Management Personnel (KMP) Compensation Disclosure

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

	2020 Actual	2019 Actual
	\$	\$
Short-term employee benefits	881,033	1,065,965
Post-employment benefits	123,654	110,298
Other long-term benefits	64,926	61,087
Termination benefits	136,644	0
	<u>1,206,256</u>	<u>1,237,350</u>

Short-term employee benefits

These amounts include all salary, 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).

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

23. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:	2020 Actual \$	2019 Actual \$
Sale of goods and services	28,053	71,025
Purchase of goods and services	54,126	800,828
Amounts outstanding from related parties:		
Trade and other receivables	6,369	23,283
Amounts payable to related parties:		
Trade and other payables	0	2,000

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. Other Related Parties

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

iii. Entities subject to significant influence by the City

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

24. INVESTMENT IN ASSOCIATE AND JOINT ARRANGEMENTS

(a) Joint venture arrangements

The City together with the Shires of Coolgardie, Dundas, Esperance, Laverton, Leonora, Menzies Ngaanyatjarraku, Ravensthorpe and Wiluna, have a joint venture arrangement for the provision of regional records service. The assets included in the joint venture recorded at Councils one-tenth share are as follows:

	2020	2019
	\$	\$
Current assets	7,445	0
Non current assets	75,118	80,615
Total assets	82,563	80,615
Net assets	82,563	80,615
Net increase/(decrease) in share of associate entity's net assets	1,948	(1,812)
- Share of associates profit/(loss) from ordinary activities	11,680	4,994
- Share of associates total comprehensive income arising during the period	11,680	4,994
Carrying amount at beginning of period	1,783	(3,211)
- Share of associates total comprehensive income arising during the period	11,680	4,994
Carrying amount at end of period	13,462	1,783

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

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

Separate joint arrangements providing joint ventures with an interest to net assets are classified as a joint venture and accounted for using the equity method. The equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

Interests in joint arrangements (Continued)

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The City's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

25. INVESTMENT IN ASSOCIATES

The City of Kalgoorlie-Boulder is a member of the Australian Mining Cities Alliance (AMCA). Established November 2017, the AMCA exists to consider and address issues to enable the progress of economic development of mining cities across Australia. The City's interest in AMCA is 16.67%.

The City's interest in the assets and liabilities of the AMCA is as follows:

	2020	2019
	\$	\$
Current Assets	6,154	6,503
Non-Current Assets	669	1,004
Total Assets	6,823	7,507
Current Liabilities	(886)	(162)
Non-Current Liabilities	0	0
	(886)	(162)
Net Assets	5,937	7,345
Initial Investment	10,000	10,000
Increase / (decrease) in prior years	(2,655)	186
Net Movement	(1,408)	(2,841)

SIGNIFICANT ACCOUNTING POLICIES

Investment in associates

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

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment in associates (Continued)

Profits and losses resulting from transactions between the City and the associate are eliminated to the extent of the City's interest in the associate. When the City's share of losses in an associate equals or exceeds its interest in the associate, the City discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the City will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

26. MAJOR LAND TRANSACTIONS

O'Connor Sub-division

(a) Details

In 1990 the City obtained ownership and management of the airport which was relocated. As a result of this relocation of the airport, freehold land became available, which was developed and subdivided for residential lots. Additional costs were incurred by the City in developing the lots. Costs were for services such as sewerage, power and transport infrastructure.

(b) Current year transactions

Other revenue

- Sale proceeds

Other expenditure

- Development costs

Profit on sale

2020 Actual \$	2020 Budget \$	2019 Actual \$
0	0	116,110
0	0	(57,553)
0	0	58,557

The above capital expenditure is included in land held for resale.

(c) Expected future cash flows

No expected future cash flows noted.

Lot 501 Phoenix Place subdivision

(a) Details

Lot 501, portion of reserve 37979, is in the process of being purchased from the Government of Western Australia Department of Planning, Lands and Heritage, in accordance with Section 20A of the Town Planning and Development Act. The City is proposing to develop Lot 501 Phoenix Place into 11 single residential lots and 1 multi (3) site. The aim is to make the developed lots attractive to first home buyers with appropriate conditions of sale.

(b) Current year transactions

Other revenue

- Sale proceeds

2020 Actual \$	2020 Budget \$	2019 Actual \$
192,506	0	0

(c) Expected future cash flows

No expected future cash flows noted.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

27. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

KALGOORLIE BOULDER AIRPORT
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Operating Income	10,290,081	13,056,649
Operating Expenditure	(8,706,202)	(8,792,338)
Depreciation Expense	(732,499)	(693,553)
Profit on Asset Disposals	0	0
Loss on Asset Disposal	0	(8,515)
Operating Result	851,379	3,562,243
Capital Income	0	0
Capital Expenditure	(112,992)	(2,717,805)
Non Operating Result	(112,992)	(2,717,805)
Total Net Trading Undertaking	738,388	844,438

	2020	2019
	\$	\$
CURRENT ASSETS		
Cash at Bank	11,431,140	10,600,160
Receivables	1,458,996	1,652,103
	12,890,136	12,252,263

NON-CURRENT ASSETS		
Land	300	300
Buildings	7,759,295	7,749,418
Less Accumulated Depreciation	(252,817)	(179,230)
Furniture & Equipment	250,113	250,113
Less Accumulated Depreciation	(149,534)	(113,086)
Plant & Machinery	1,969,127	1,866,012
Less Accumulated Depreciation	(703,044)	(505,456)
Light Vehicles	79,502	79,502
Less Accumulated Depreciation	(19,889)	(15,062)
Airport Area Infrastructure	24,012,199	24,012,199
Less Accumulated Depreciation	(836,411)	(416,895)
Parks & Reserves Construction	25,000	25,000
Less Accumulated Depreciation	(535)	0
	32,133,307	32,752,815

NET ASSETS	45,023,443	45,005,078
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EQUITY		
Reserves - Cash Backed	11,431,140	10,600,160
Retained Surplus	33,592,303	34,404,918
	45,023,443	45,005,078

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

27. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS (continued)

ENDOWMENT BLOCK
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
Operating Income	798,593	737,170
Operating Expenditure	(773,800)	(439,736)
Operating Result	24,793	297,434
	2020	2019
	\$	\$
CURRENT ASSETS		
Cash at Bank	1,036,467	957,595
	1,036,467	957,595
NON-CURRENT ASSETS		
Land	3,496,000	3,496,000
Buildings	8,106,489	8,012,346
Less Accumulated Depreciation	(266,561)	(174,898)
	11,335,928	11,333,448
NET ASSETS	12,372,395	12,291,043
EQUITY		
Retained Surplus	12,372,395	12,291,043
	12,372,395	12,291,043

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

28. RATING INFORMATION

(a) Rates

RATE TYPE	Rate in \$	Number of Properties	2019/20		2019/20		2019/20		2019/20		2018/19	
			Actual Rateable Value	Actual Rateable Revenue	Actual Interim Rates	Actual Back Rates	Budget Interim Rates	Budget Back Rates	Budget Total Revenue	Actual Total Revenue		
Differential general rate / general rate												
Gross rental valuations												
01 GRV Residential	0.06486	7,043	144,986,241	9,415,948	(150,104)	(4,050)		9,398,327	(40,000)	(2,000)	9,356,327	8,307,747
02 GRV Central Business	0.06810	248	25,806,497	1,757,371	751	(52)		1,757,371	5,000	300	1,762,671	1,643,999
03 GRV General Industry	0.073531	335	26,523,507	1,950,300	66,259	496		1,950,300	18,000	2,500	1,970,800	1,742,596
04 GRV Mining	0.046758	7	5,072,500	237,180	0	0		237,180	0	0	237,180	274,703
08 GRV Other Properties	0.072631	561	38,156,922	2,771,375	4,595	(1,039)		2,771,375	7,000	0	2,778,375	2,537,750
Unimproved valuations												
05 UV Pastoral	0.07702	43	2,578,899	198,627	2,657	0		198,627	0	0	198,627	174,279
09/11 UV Mining Operations	0.183672	529	19,569,556	3,594,380	78,076	2,075		3,594,379	40,000	7,100	3,641,479	3,316,834
10 UV Exploration / Prospecting	0.183847	1,163	4,934,410	906,190	245,639	2,617		906,190	40,000	7,100	953,290	916,467
Sub-Total		9,929	267,628,532	20,831,371	247,874	46		20,813,749	70,000	15,000	20,898,749	18,914,375
Minimum payment												
Gross rental valuations												
01 GRV Residential	907	5,033	54,321,646	4,564,931	0	0		4,567,652	0	0	4,567,652	5,040,199
02 GRV Central Business	907	63	566,023	57,141	0	0		57,141	0	0	57,141	65,304
03 GRV General Industry	907	10	76,763	9,070	0	0		9,070	0	0	9,070	10,884
04 GRV Mining	907	6	5,020	5,442	0	0		5,442	0	0	5,442	5,442
08 GRV Other Properties	907	99	534,774	89,793	0	0		89,793	0	0	89,793	109,747
Unimproved valuations												
05 UV Pastoral	282	23	5,000	6,486	0	0		6,486	0	0	6,486	5,640
09/11 UV Mining Operations	393	343	264,128	134,799	0	0		134,799	0	0	134,799	139,122
10 UV Exploration / Prospecting	282	380	330,667	107,160	0	0		107,160	0	0	107,160	115,056
Sub-Total		5,957	56,104,021	4,974,822	0	0		4,977,543	0	0	4,977,543	5,491,394
Discounts (Note 28(c))		15,886	323,732,553	25,806,193	247,874	46		25,791,292	70,000	15,000	25,876,292	24,405,769
Total amount raised from general rate												(2,838)
Totals												24,402,931
												24,402,931

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

SIGNIFICANT ACCOUNTING POLICIES
Rates
Control over assets acquired from rates is obtained at the commencement of the rating period.
Prepaid rates are, until the taxable event has occurred, (start of the next financial year), refundable at the request of the ratepayer.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

28. RATING INFORMATION (Continued)

Sewerage Rate	Basis of Valuation	Rate Int \$	Property Count	2019/20 Rateable Value	2019/20 Rate Revenue		2019/20 Interim Rate Revenue		2019/20 Back Rate Revenue		2019/20 Total Sewerage Rate Revenue		2019/20 Budget Interim Rate Revenue		2019/20 Budget Back Rate Revenue		2019/20 Total Budget Revenue		2018/19 Total Actual Revenue	
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Sewerage Rates	Sewerage Rates in accordance with s41 of the Health (Miscellaneous Provisions) Act 1911	0.028427	8,075	211,205,071	6,002,765	5,702	0	6,008,467	0	6,001,524	0	6,001,524	0	0	0	6,001,524	0	6,001,524	5,629,871	
Sewerage Rates Minimum		388	4,767	51,236,583	1,850,760	5,118	0	1,855,878	0	1,850,760	0	1,850,760	0	0	0	1,850,760	0	1,850,760	1,849,596	
			12,842	282,441,654	7,853,525	10,820	0	7,864,345	0	7,852,284	0	7,852,284	0	0	0	7,852,284	0	7,852,284	7,479,487	

(c) Service Charges

The City did not raise service charges for the year ended 30th June 2020.

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

Rates Discounts

Rate or Fee Discount Granted	Discount %	2020 Actual	2020 Budget	2019 Actual	Circumstances in which Discount is Granted
Rates written off	0.00%	\$ 0	\$ 0	\$ 2,838	The City does not offer discounts on Rates
Waivers or Concessions		\$ 0	\$ 0	\$ 2,838	

Rate or Fee and Charge to which the Waiver or Concession is Granted

Type	Discount %	2020 Actual	2020 Budget	2019 Actual	Reasons for the Waiver or Concession
General Land Rates	100%	\$ 56,323	\$ 45,000	\$ 32,235	
General Land Rates	50%	\$ 4,520	\$ 20,000	\$ 3,032	
Total discounts/concessions (Note 28(a))		\$ 60,843	\$ 65,000	\$ 38,106	

Rate or Fee and Charge to which the Waiver or Concession is Granted

Circumstances in which the Waiver or Concession is Granted and to Whom it was available	Objects of the Waiver or Concession	Reasons for the Waiver or Concession
General Land Rates	56.47 of the Local Government Act 1985	To recognise the value and importance of the services and contributions that the not for profit recreation, sporting and community groups provide to the community.
		Purpose is to provide rating relief to not for profit recreation, sporting and community groups within the City of Kalgoorlie-Boulder.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

28. RATING INFORMATION (Continued)

(d) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Option One				
Single full payment	17/09/2019	0	5%	10%
Option Two				
First instalment	17/09/2019	7.65	5%	10%
Second instalment	19/11/2019	7.65	5%	10%
Option Three				
First instalment	17/09/2019	7.65	5%	10%
Second instalment	19/11/2019	7.65	5%	10%
Third instalment	21/01/2020	7.65	5%	10%
Fourth instalment	24/03/2020	7.65	5%	10%
		2020 Actual	2020 Budget	2019 Actual
		\$	\$	\$
Interest on unpaid rates		357,216	120,000	332,208
Interest on instalment plan		146,073	450,000	143,309
Charges on instalment plan		98,570	0	103,088
		601,859	570,000	578,605

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

29. RATE SETTING STATEMENT INFORMATION

Note	2019/20	2019/20	2019/20	2018/19
	(30 June 2020 Carried Forward)	Budget (30 June 2020 Carried Forward)	(1 July 2019 Brought Forward) (Restated)	(30 June 2019 Carried Forward) (Restated)
	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	10(a)	(3,024)	(116,504)	(68,779)
Less: Reversal of prior year loss on revaluation of fixed assets		1,408	0	2,841
Movement in pensioner deferred rates (non-current)		(30,347)	0	23,992
Movement in employee benefit provisions (non-current)		(419,111)	(110,179)	(49,922)
Add: Loss on disposal of assets	10(a)	299,350	30,085	105,841
Add: Depreciation on non-current assets	10(c)	11,868,269	11,767,892	10,643,078
Non cash amounts excluded from operating activities		11,716,545	11,571,294	10,657,051
(b) Surplus/(deficit) after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserves - cash backed	4	(39,236,502)	(31,366,302)	(37,783,602)
Less: Financial assets at amortised cost - self supporting loans	5(a)	0	134,194	0
Less: Current assets not expected to be received at end of year				
- Land held for resale	7	(250,601)	(713,342)	(668,789)
- Loans receivable - clubs/institutions		(105,039)	0	(116,545)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	17(a)	1,016,820	1,185,374	1,174,306
- Current portion of bonds		0	0	0
- Current portion of lease liabilities		181,807	0	0
- Provision for annual leave		1,340,242	1,766,737	1,636,365
- Provision for long service leave		597,941	1,281,847	705,080
Total adjustments to net current assets		(36,455,332)	(27,711,492)	(35,053,185)
Net current assets used in the Rate Setting Statement				
Total current assets		59,727,285	40,006,319	61,372,310
Less: Total current liabilities	32	(15,614,960)	(10,165,757)	(21,266,137)
Less: Total adjustments to net current assets		(36,455,332)	(27,711,492)	(35,053,185)
Net current assets used in the Rate Setting Statement		7,656,993	2,129,070	5,236,631
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards				
Total current assets at 30 June 2019				
- Contract assets	31(a)			61,372,310
Total current assets at 1 July 2019				0
Total current liabilities at 30 June 2019				
- Contract liabilities from contracts with customers	31(a)			(21,082,494)
Total current liabilities at 1 July 2019				(183,643)
				(21,266,137)

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

30. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
2020					
Cash and cash equivalents	1.95%	48,130,405	0	48,130,405	0
Financial assets at amortised cost - term deposits	0.00%	8,676,782	0	0	8,676,782
Investment in AMCA	0.00%	5,937	0	0	5,937
2019					
Cash and cash equivalents	2.69%	41,870,746	0	41,870,746	0
Financial assets at amortised cost	0.00%	11,488,047	0	0	11,488,047
Investment in AMCA	0.00%	7,345	0	0	7,345

Sensitivity

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

Impact of a 1% movement in interest rates on profit and loss and equity*

* Holding all other variables constant

	2020	2019
	\$	\$
Impact of a 1% movement in interest rates on profit and loss and equity*	481,304	418,707

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 17(b).

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

30. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The City's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The 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 applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020					\$
Rates receivable					
Expected credit loss	0%	0%	0%	15%	
Gross carrying amount	0	0	0	4,858,069	4,858,069
Loss allowance	0	0	0	(724,965)	(724,965)
					<u>4,133,104</u>
30 June 2019					
Rates receivable					
Expected credit loss	0%	0%	0%	12%	
Gross carrying amount	0	0	0	3,283,028	3,283,028
Loss allowance	0	0	0	(557,169)	(557,169)
					<u>2,725,859</u>

The loss allowance as at 30 June 2020 and 30 June 2019 was determined as follows for trade receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2020					\$
Trade and other receivables					
Expected credit loss	1%	2%	3%	3%	
Gross carrying amount	642,624	154,526	536,207	1,111,759	2,445,115
Loss allowance	(5,714)	(2,368)	(14,996)	(36,651)	(59,729)
					<u>2,385,386</u>
30 June 2019					
Trade and other receivables					
Expected credit loss	1%	1%	1%	16%	
Gross carrying amount	2,387,608	680,837	13,296	2,159,240	5,240,981
Loss allowance	(2,399)	(1,365)	(27)	(28,096)	(31,887)
					<u>5,209,094</u>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

30. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 12(d).

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

	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
2020					
Payables	7,653,754	0	0	7,653,754	7,653,754
Borrowings	1,016,820	4,872,882	2,783,021	8,672,723	8,672,723
Contract liabilities	8,878,429	0	0	8,878,429	8,878,429
Lease liabilities	181,807	329,100	1,015,979	1,526,886	1,526,886
	<u>17,730,810</u>	<u>5,201,982</u>	<u>3,799,000</u>	<u>26,731,792</u>	<u>26,731,792</u>
2019					
Payables	15,534,908	0	0	15,534,908	8,998,512
Borrowings	1,475,790	4,937,274	4,930,377	11,343,441	9,846,975
	<u>17,010,698</u>	<u>4,937,274</u>	<u>4,930,377</u>	<u>26,878,349</u>	<u>18,845,487</u>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

31 INITIAL APPLICATION OF AUSTRALIAN 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.

(a) AASB 15: Revenue from Contracts with Customers

The City adopted AASB 15 Revenue from Contracts with Customers (issued December 2014) on 1 July 2019 resulting in changes in accounting policies. In accordance with the transition provisions AASB 15, the City adopted the new rules retrospectively with the cumulative effect of initially applying these rules recognised on 1 July 2019. In summary the following adjustments were made to the amounts recognised in the balance sheet at the date of initial application (1 July 2019):

Note	AASB 118	Reclassification	AASB 15
	carrying amount		carrying amount
	30 June 2019		01 July 2019
	\$	\$	\$
Contract liabilities - current			
Contract liabilities from contracts with customers	15	(183,643)	(183,643)
Adjustment to retained surplus from adoption of AASB 15	31(d)	(183,643)	

(b) AASB 1058: Income For Not-For-Profit Entities

The City adopted AASB 1058 Income for Not-for-Profit Entities (issued December 2016) on 1 July 2019 which will result in changes in accounting policies. In accordance with the transition provisions AASB 1058, the City adopted the new rules retrospectively with the cumulative effect of initially applying AASB 1058 recognised at 1 July 2019. Comparative information for prior reporting periods was not restated in accordance with AASB 1058 transition requirements.

In applying AASB 1058 retrospectively with the cumulative effect of initially applying the Standard on 1 July 2019 changes occurred to the following financial statement line items by application of AASB 1058 as compared to AASB 118: Revenue and AASB 1004: Contributions before the change:

Note	AASB 118 and	Reclassification	AASB 1058
	AASB 1004		carrying amount
	carrying amount		01 July 2019
	30 June 2019		\$
	\$	\$	\$
Trade and other payables			
Rates paid in advance	14	0	(2,031,836)
Adjustment to retained surplus from adoption of AASB 1058	31(d)	0	

Prepaid rates are, until the taxable event for the rates has occurred, refundable at the request of the ratepayer. Therefore the rates received in advance gave rise to a financial liability that is within the scope of AASB 9. On 1 July 2019 the prepaid rates were recognised as a financial asset and a related amount recognised as a financial liability and no income recognised by the City. When the taxable event occurred, the financial liability was extinguished and the City recognised income for the prepaid rates that have not been refunded.

Assets that were acquired for consideration, that were significantly less than fair value principally to enable the City to further its objectives, may have been measured on initial recognition under other Australian Accounting Standards at a cost that was significantly less than fair value. Such assets are not required to be remeasured at fair value.

FOR THE YEAR ENDED 30 JUNE 2020

INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

The table below provides details of the amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 118 and 1004 and related Interpretations that were in effect before the change.

		2020 \$		2020 \$
	Note	As reported under AASB 15 and AASB 1058	Adjustment due to application of AASB 15 and AASB 1058	Compare AASB 118 AASB 10
Statement of Comprehensive Income				
Revenue				
Rates	28(a)	26,054,113	0	26,054,113
Operating grants, subsidies and contributions	2(a)	4,588,731	0	4,588,731
Fees and charges	2(a)	31,025,226	0	31,025,226
Non-operating grants, subsidies and contributions	2(a)	3,663,574	0	3,663,574
Net result		<u>7,448,416</u>	<u>0</u>	<u>7,448,416</u>
Statement of Financial Position				
Trade and other payables	14	7,653,751	8,878,429	16,532,180
Contract liabilities	15	8,878,429	(8,878,429)	0
Net assets		<u>572,751,907</u>	<u>0</u>	<u>572,751,907</u>
Statement of Changes in Equity				
Net result		7,448,416	0	7,448,416
Retained surplus		258,702,998	0	258,702,998

Refer to Note 2(a) for new revenue recognition accounting policies as a result of the application of AASB 15 and AASB 1058.

AASB 16: Leases

The City adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the City has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB 16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the City will not restate comparatives for prior reporting periods.

	Note	2020 \$
Operating lease commitments at 30 June 2019 applying AAS 117		442,524
Operating lease commitment re Right of Use Land		1,366,809
Discount applied using incremental borrowing rate		(81,905)
Lease liability recognised as 1 July 2019 discounted using the City's incremental borrowing rate of 3.5%	16(b)	<u>1,727,428</u>
Lease liability - current		200,543
Lease liability - non-current		<u>1,526,886</u>
Right-of-use assets recognised at 1 July 2019		<u>1,727,428</u>

In applying AASB 16 for the first time, the City will use the following practical expedient permitted by the standard. The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

Impact of New Accounting Standards on Retained Surplus

The impact on the City's retained surplus due to the adoption of AASB 15, AASB 1058 and AASB 16 as at 1 July 2019 was as follows:

	Note	Adjustments	2019 \$
Retained surplus - 30 June 2019			252,891,125
Adjustment to retained surplus from adoption of AASB 15	31(a)	(183,643)	
Adjustment to retained surplus from adoption of AASB 1058	31(b)	0	(183,643)
Retained surplus - 1 July 2019			<u>252,707,482</u>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

CORRECTION OF ERROR

At 30 June 2020 it was noted Excess Rates Received did not match supporting documents by \$1,516,181. This error was traced back to year ending 30 June 2018.

As this error was made in a reporting period prior to the comparative period, the Statement of Financial Position balances were restated as follows;

Statement of Financial Position (Extract)	30 June 2019 \$	Increase/ (Decrease) \$	30 June 2019 (Restated) \$	30 June 2018 \$	Increase/ (Decrease) \$	01 July 2018 (Restated) \$
Rates paid in advance Payable	(515,655)	(1,516,181)	(2,031,836)	(254,127)	(1,516,181)	(1,770,308)
Net assets	570,825,775	(1,516,181)	569,309,594	559,521,096	(1,516,181)	558,004,915
Retained Surplus	254,407,306	(1,516,181)	252,891,125	254,709,021	(1,516,181)	253,192,840
Total equity	570,825,775	(1,516,181)	569,309,594	559,521,096	(1,516,181)	558,004,915

Statement of Comprehensive Income (Extract)	2018 \$	Increase/ (Decrease) \$	2018 (Restated) \$
<i>By Nature or Type</i>			
Rates	23,712,316	(1,516,181)	22,196,135
<i>By program</i>			
Expenses			
Governance	2012	0	2,012
General purpose funding	27,552,137	(1,516,181)	26,035,956
Law, order, public safety	258635	0	258,635
Health	501049	0	501,049
Education and welfare	1696207	0	1,696,207
Housing	28610	0	28,610
Community amenities	15925247	0	15,925,247
Recreation and culture	6094040	0	6,094,040
Transport	11704451	0	11,704,451
Economic services	567935	0	567,935
Other property and services	3600989	0	3,600,989
Net result for the period	13,078,278	(1,516,181)	11,562,097
Total comprehensive income for the period	9,902,147	(1,516,181)	8,385,966

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

33. TRUST FUNDS

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

	1 July 2019	Amounts Received	Amounts Paid	Transfer to Muni	30 June 2020
	\$	\$	\$	\$	\$
Public Open Space Contributions	721,834	0	0	0	721,834
General	0	105,988	(3,050)	0	102,938
Unclaimed monies	215,851	28,243	0	(244,094)	0
Property Tenancy	0	45,974	0	0	45,974
Sale of Land	0	39,133	0	0	39,133
	937,685	219,339	(3,050)	(244,094)	909,880

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

34. 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.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

35. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES	ACTIVITIES
GOVERNANCE	
Ensure the City maintains strong civic leadership	The City actively participates on the District Leadership Group Meeting to ensure: - Macro issues facing Kalgoorlie-Boulder are addressed by Local, State and Federal Government agencies - Increased collaboration amongst government agencies.
Engaging with new residents to the City	The City regularly advocates for important matters including anti social behaviours, community, safety and economic activity. Hold Citizenship Ceremonies for residents of Kalgoorlie-Boulder. Improve connections with, and the inclusion of, all new arrivals including migrant and those from culturally and linguistically diverse (CALD) backgrounds. Key initiatives include: - Development of "welcome packs" for new arrivals in multiple languages - Implement buddy programs that promote coordinated volunteer, mentoring and support networks for people in need - Develop a cultural diversity action plan in conjunction with community leaders and organisations, to raise awareness about diverse cultures with distinct needs and considerations - Consider the appointment of a dedicated multicultural officer to coordinate relevant activities. The City's event calendar including the Multicultural Festival is aimed at integrating all new residents into the City.
GENERAL PURPOSE FUNDING	
Ensure a financially stable local government	Develop a long term financial plan to guide the future. Develop strong parameters to financial discipline, work to ensure strong benchmarks including the governments Financial Health Index. Commitment to the development of people and systems that all work to create efficiencies in meeting the highest standard of financial management. Maximise external grant opportunities to help fund priority projects identified in the Strategic Community Plan, the Corporate Business Plan, or other Informing Strategies. Maintain the financial delegations register to ensure that stringent financial controls are in place.
LAW, ORDER, PUBLIC SAFETY	
Collaborating with law enforcement authorities and other agencies to prevent crime and make Kalgoorlie-Boulder a safe place to live	In partnership with other agencies and on its own, the City undertakes initiatives to ensure safer streets, including police operations, City ranger programs, environmental design and lighting.
HEALTH	
Continuing to provide public and environmental health services to make Kalgoorlie-Boulder a better place to live	Provide Environmental Health support for the City and the surrounding Aboriginal communities Support the recruitment of specialists. Actively promote the cashless debit card program to reduce alcoholism and street living. Facilitate and chair the Local and District Emergency Management Committee meetings. This better prepares the local and regional community for emergency situations Operate Animal Management services to ensure animal and community welfare Develop the Public Health Plan as required by the Public Health Act. This will involve the review of the City's Local Laws that relate to public health issues and the recommendation of control plans Develop a local policy on restricting smoking in public spaces and implement no smoking zones in the CBD and other public open spaces
EDUCATION AND WELFARE	
Invest in the children and youth of the Community	Continue to provide strong support for sport and recreation, arts and culture and specific indigenous programs for youth. Continue a strong community events program. Kalgoorlie-Boulder Youth Council, Police and Community Youth Centres (PCYC), and the Western Australia Police (WAPOL) Youth Crime Intervention Officers for the delivery of youth services including development. Partner with Headspace Youth Advisory Committee to help young people to be resilient, safe and healthy. Undertake a review of leadership opportunities associated with the Youth Council.
Engaging with families and youth through family orientated events	Develop precincts/areas catered towards the interests of youth including the redeveloped Lord Forrest Olympic Pool prednct, The Spot and Kingsbury Park. Continue a strong community events program. Develop childcare initiatives to assist working families. Engage with families through activities held over the school holidays held at the library and the town halls.
Ensure equitable community services for all residents	Home and Community Care (HACC) services are provided to eligible clients to assist them to live independently in their own homes with the community, preventing premature admission to residential care. This includes the meals on wheels service.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

Promote intergenerational activities across the City including regular activities at: - Men's Shed - Community Centre - Library.
Provide Health and Community Care (HACC) services for our senior citizens and those with a disability and review current agreements and introduction of the National Disability Insurance Scheme (NDIS).

HOUSING

To help ensure adequate housing

Provision and maintenance of temporary staff housing.
Work with government on these issues.

COMMUNITY AMENITIES

Ensure a sustainable asset and infrastructure base

Complete a total Asset Management Plan for all city Infrastructure.
Create a Wastewater System Asset Management Plan incorporating the Wastewater Network, Treatment Plant and recycled water network, operations and maintenance, renewals and new infrastructure, Whole of Life costing.
Complete the Wastewater Treatment Plant (WTP) Strategic Review, including detailed assessment of all treatment elements for capacity, treatment quality and infrastructure redundancy needs.

Adopt environmental best practice that is sustainable

Ensure all planning policies reflect the principle of environmental best practice.
Continue to work with Kalgoorlie-Boulder Urban Landcare Group to ensure the existing regeneration zones are maintained and additional areas of native vegetation are restored.

Environmental assessment, rehabilitation and management of previously contaminated sites.
Increase the community education program to residents on correct recycling habits and highlight the importance of recycling

Development of (city/sub regional) waste strategy - including kerbside refuse and recycling collection, increasing recycling participation and future development of landfill facility, rehabilitation of landfill, user pays vs public good pricing mechanisms.

Development of (city/sub regional) waste strategy - including kerbside refuse and recycling collection, increasing recycling participation and future development of landfill facility, rehabilitation of landfill, user pays vs public good pricing mechanisms.

Adopt recycling methodology at City events to reinforce the message of recycling.

Develop a Landfill Management Plan including optimising current landfill life, new cell developments and staging, compaction and daily cover, waste acceptance criteria, landfill class, rehabilitation, progressive reinstatement, aftercare planning, and asset management.
Participate in initiatives that promote responsible waste management and recycling such as the Garage Sale Trail.

Plan for regulated sustainable land use and development

Through the Local Planning Strategy, facilitate large scale sustainable developments.

Research and develop the preparation of a sustainable development policy.

Participate in the Cities Power Partnership.

Educate the community on the benefits of achieving a 4-6 star energy efficiency rating for new residential development including initiatives such as: - Roof Colours - Solar Design.

Review the organisations utilisations of natural resources (energy and water) and implement systems to reduce our environmental footprint.

Review the organisations utilisations of natural resources (energy and water) and implement systems to reduce our environmental footprint.

Manage the City's carbon footprint

Develop a comprehensive Sustainability Strategy for the city of Kalgoorlie-Boulder, incorporating areas of CO2 emissions, water efficiency, waste management, procurement, energy efficiency, community education and land management.

RECREATION AND CULTURE

Foster our culturally diverse community

Ensure information on all City events is easily accessible on the website, Customer Service Centre, the Administration building and on social media platforms.

Support the Community Garden and partner with Kalgoorlie-Boulder Urban Landcare Group.
Finalise and commence implementation of the City's Reconciliation Action Plan (RAP).
Undertake an audit of the City's annual events calendar to ensure events promote multiculturalism

Provide financial support to not for profit groups and organisations via the City's Annual Grants and Community Assistance Scheme for infrastructure and non-employment purposes.
Provide services to the community and community groups through the C.Y. O'Connor Mens Shed to promote community health and educational programs.

Provide venues for cultural groups and agencies to meet and implement programs to assist new migrants in the City.

Actively support sustainability activities such as Earth Hour to increase the awareness of energy sustainability principles.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

	<p>Collaborate with local Agencies and Community Groups to deliver beneficial programs for our residents such as 'Pledge to Parkrun' and 'Watch around the water'.</p> <p>Promote the arts and culture sector by integrating public arts into the City's centres.</p> <p>Showcase the extensive art collection belonging to the City of Kalgoorlie-Boulder.</p> <p>Host book launches for visiting and local authors and artists at the William Grundt Memorial Library.</p>
	<p>Review the Goldfields Arts Centre Business Plan to ensure it: - Develops and implements a programme of visual and performing arts which inspires the community and delivers a sustainable increase in audience participation and engagement - Shapes the Goldfields Arts Centre into a place that embraces and respects diverse cultures, connects with the community and applauds local talent, thereby creating an arts and cultural hub that the community is able to identify with and wants to be a part of.</p>
<p>Deliver inclusive and accessible sport and recreation</p>	<p>Encourage health and wellbeing for all of our residents by providing quality parks, with some featuring free outdoor gym equipment.</p> <p>Collaborate with State Government agencies, and community sports clubs, to promote sport, recreation and leisure programs within the City.</p> <p>Assess the need to extend the bicycle and walking track network around the City of Kalgoorlie-Boulder to encourage citizens to engage in healthy lifestyles.</p> <p>Design and build the Kalgoorlie Golf Clubhouse to fulfil our obligations with the WA State Government while also adding to the list of tourism attractions at the City of Kalgoorlie-Boulder.</p> <p>Provide opportunities for sporting clubs and Not-for-profit organisations to apply for Community Assistance Grants for infrastructure and non-employment purposes.</p> <p>Continue to provide and maintain high quality sporting facilities in Kalgoorlie-Boulder.</p>
<p>Value our strong social fabric including local culture and heritage</p>	<p>Develop, manage and preserve significant collections of the Goldfields, and optimise the City Archives.</p> <p>Provide public tours of the Boulder Town Hall and Kalgoorlie Town Hall to share our history and the spectacular buildings.</p> <p>Redevelop the Goldfields War Museum and collect, document and store cultural objects pertinent to the Goldfields War Museum and the City Archives.</p> <p>Goldfields War Museum Vehicle Conservation Plan.</p>
<p>Promoting and preserving heritage sites and buildings</p>	<p>Present events that promote insight and storytelling about the Goldfields history and heritage.</p> <p>Enhance the community life and vitality of the City by maintaining our heritage buildings within the City's asset portfolio.</p> <p>Complete the CBD Economic Transformation Project in respect of heritage buildings and facades.</p> <p>Provide financial assistance through the Local Heritage Fund to assist local organisations to preserve iconic heritage buildings within the City of Kalgoorlie-Boulder.</p> <p>Ensure the heritage values are maintained throughout the City's places of significance.</p>
<p>Exploring new opportunities to promote Aboriginal Culture</p>	<p>Support the on-going initiative to increase aboriginal employment and aboriginal enterprise.</p> <p>Prioritise activities, events and funding opportunities that promote Aboriginal culture, contribute to an improved understanding of local Aboriginal history, and which promote reconciliation between Aboriginal and non-Aboriginal people.</p> <p>Establish a strong local Aboriginal identity and physical cultural presence in Kalgoorlie-Boulder through: - Promotion of Aboriginal art, culture and language as part of future city revitalisation and marketing - The development of an Aboriginal cultural interpretive centre as a cultural and community hub, referral centre and community resources.</p> <p>Consider the establishment of an Aboriginal business professionals network to provide increased peer support, mentoring and leadership.</p> <p>Incorporate Welcome to Country and Aboriginal elements into City organised events wherever possible.</p> <p>Source Aboriginal literature where available and suitable to this area to provide resources for literacy and learning.</p>
<p>Provide functional and appealing parks, gardens and streetscapes</p>	<p>Design and replace the existing public toilets at St Barbara's Square in line with the CBD Economic Transformation project.</p> <p>Work closely with property developers as to whether additional public open space requirements are met and current open space facilities are maintained.</p> <p>Ensure our parks, playing fields, gardens, streetscape gardens and landscaped roundabouts are maintained in line with the asset management plan.</p> <p>Implement the Playground Renewal Program.</p> <p>Assess, develop and promote our walk/cycle tracks to encourage participation in low impact sporting activity in a safe controlled environment.</p>

TRANSPORT

Deliver a safe and integrated transport network

Continued maintenance of the City's road network (including the gravel rural road network), roundabouts and other road safety infrastructure in accordance with the Asset Management Plan.

CITY OF KALGOORLIE-BOULDER NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

Develop the Bike Plan to encourage active transport throughout the City.
Continued maintenance of the footpath infrastructure via the Footpath Construction and Replacement Program.
Ensure that our network of footpaths and cycle paths are well maintained and safe for the whole community.
Implement the projects under the State Roadworks Project - Improvements for regionally significant roads partly funded by the State Government.
Implement the Roads 2 Recovery program.
Investigate methods to increase the availability of accessibility carparks across the City

Develop a pipeline of priority transport projects to enhance freight movement and exports, improve servicing of dispersed settlements and to promote tourism access. Priority projects to be determined based on current economic drivers and relative benefit cost analysis.
Undertake a holistic "transpriority" review of local transport modes in the city to improve transport efficiencies, safety and to explore smart transport opportunities.
Continue to collaborate with the Department of Transport to realign the existing rail and road corridors.
Continue to advocate with State agencies on quality and appropriateness of the Transport network.

ECONOMIC SERVICES

Be a City that is a dynamic, 'diverse, and attractive place to live and work. Pursue the initiatives outlined in the "Future of Tourism and Tourism Governance" paper. Association and the KBCCI to enhance informal local tourism industry networking opportunities in order to facilitate collaboration and coordination between industry stakeholders and to optimise opportunities to access broader state, national and international markets.

Establish a consistent and marketable brand and marketing strategy for Kalgoorlie-Boulder. This should: - Build on the proposed marketing initiative developed in the Strategic Tourism Plan - Identify with regional tourism branding opportunities and promote co-branding and consistency through entry statements and merchandise - Include initiatives to enhance the digital presence of Kalgoorlie-Boulder and the region to expand its reach to international markets.
Collaborate with National, State and regional Stakeholders to establish an integrated state-wide strategy to increase visitation by international tourists to Kalgoorlie-Boulder.
Provide information to visitors at the CBD Centre on City owned tourism sites such as the Goldfields War Museum, the Town Halls, Goldfields Arts Centre, Golf Course and other relevant sites.
Showcase Kalgoorlie-Boulder gold mining heritage with improved visibility and promotion through initiatives.
Improve tourism related infrastructure to address current unmet needs including signage and welcome points; multi-lingual interpretation; and attracting private sector investment to develop and manage a resort-style accommodation facility.
Take advantage of Kalgoorlie-Boulder's broader tourism potential by supporting the development of quality Aboriginal and cultural tourism, nature based tourism, sporting tourism, astro-tourism, geo-tourism and adventure tourism products as outlined in the Strategic Tourism Plan. This may also include promoting regional tourism trails such as the: Goldfields-Esperance Arts and Culture trail Progressing "On the edge, off the edge" or "Coast to Desert" experiences to showcase the variety of regional assets.

Foster a growing population

Provide a diverse range of events at the City to highlight the benefits of living in Kalgoorlie-Boulder.

Actively promote our facilities and assets that residents and tourists can utilise and enjoy.
Improve the perception of liveability and position Kalgoorlie-Boulder as a permanent work destination.
Support Goldfields Individual & Family Support Association Inc. (GIFSA) to acquire State land to construct independent living units for special needs people.
Build a business-friendly policy and regulatory environment.

Support emerging and expanding enterprises to access finance. Key Priorities include:
Maintaining a central database of potential funding sources, grants, traditional and non-traditional financing options, as well as sources of government support and advice such as Austrade, and the Department of State Development Providing financial literacy support and assistance with business cases, financial applications and the development of rigorous benefit cost assessments Establish partnerships with investment brokers with specialist skills.
Delivery of the Town Planning Scheme No. 2.

Create business and entrepreneurial processes to support Property Developers and Builders.

Support diverse and growing industries

Deliver the key initiatives of the Growing Kalgoorlie Plan.
Promote Innovative Business proposition including: Home businesses Shared use facilities Regionally based online enterprises

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

	<p>Drive increased Aboriginal employment and business opportunities through the development of meaningful and ambitious Reconciliation Action Plan (RAP) targets and by strengthening local procurement and regulatory approval conditions relating to Aboriginal participation. Provide a consistent flow of information to local businesses and industry about the many programs, grants and incentives available at a state and national level, through opportunities such as the National Science and Innovation Agenda and the Industry Innovation and Competitiveness Agenda.</p>
<p>Cultivate a strong and vibrant local business environment</p>	<p>Establish a clear gateway and agreed protocols for dealing with potential proponents to ensure a consistent and welcoming message from members of the Growing Kalgoorlie-Boulder Partnership including the Kalgoorlie-Boulder Chamber of Commerce and the Goldfields-Esperance Development Commission.</p> <p>Continue to develop an Intermodal Transport Terminal in Kalgoorlie. Identify areas within the Local Planning Strategy to further develop heavy industry often required by the mining sector. Create an investment prospectus to assist establishment and growth of new businesses in Kalgoorlie-Boulder. Develop a "Kalgoorlie-Boulder Online Marketplace" to provide a platform to publish project supply opportunities and promote and facilitate communication between protect buyers and suppliers.</p>
<p>Incorporate innovative technology into the City's operations</p>	<p>Provide free Wi-Fi access in central Kalgoorlie and Boulder and consider the provision of additional public access points to facilitate internet access for disadvantaged families.</p>
<p>OTHER PROPERTY AND SERVICES</p>	
	<p>To continue to maintain and upgrade City Facilities.</p>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020

36. FINANCIAL RATIOS

	2020 Actual	2019 Actual	2018 Actual
Current ratio	1.46	1.28	1.68
Asset consumption ratio	0.95	0.97	0.74
Asset renewal funding ratio	1.02	1.15	1.20
Asset sustainability ratio	0.95	0.54	0.86
Debt service cover ratio	9.49	10.40	9.14
Operating surplus ratio	0.06	0.12	0.12
Own source revenue coverage ratio	0.99	1.05	1.03

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	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation}}$
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	$\frac{\text{own source operating revenue}}{\text{operating expense}}$

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2020**

37 EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There have been no subsequent events requiring disclosure since the end of the Reporting Period.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Councillors of the City of Kalgoorlie-Boulder

Report on the Audit of the Financial Report

Opinion

I have audited the annual financial report of the City of Kalgoorlie-Boulder which comprises the Statement of Financial Position as at 30 June 2020, and the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity, Statement of Cash Flows and Rate Setting Statement for the year then ended, as well as notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by the Chief Executive Officer.

In my opinion the annual financial report of the City of Kalgoorlie-Boulder:

- (i) is based on proper accounts and records; and
- (ii) fairly represents, in all material respects, the results of the operations of the City for the year ended 30 June 2020 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the City in accordance with the *Auditor General Act 2006* and the relevant 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 my audit of the annual financial report. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Basis of Accounting

I draw attention to Notes 1 and 10 to the annual financial report, which describe the basis of accounting. The annual financial report has been prepared for the purpose of fulfilling the City's financial reporting responsibilities under the Act, including the Local Government (Financial Management) Regulations 1996 (Regulations). My opinion is not modified in respect of these matters:

- (i) Regulation 17A requires a local government to measure vested improvements at fair value and the associated vested land at zero cost. This is a departure from AASB 16 *Leases* which would have required the entity to measure the vested improvements also at zero cost.
- (ii) In respect of the comparatives for the previous year ended 30 June 2019, Regulation 16 did not allow a local government to recognise some categories of land, including land under roads, as assets in the annual financial report.

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 the annual financial report that is free from material misstatement, whether due to fraud or error.

In preparing the annual 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.

Auditor's Responsibility for the Audit of the Financial Report

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

A further description of my responsibilities for the audit of the annual financial report is located on the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This includes the identification and assessment of the risk of material misstatement due to fraud arising from management override of controls. This description forms part of my auditor's report.

Report on Other Legal and Regulatory Requirements

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) All required information and explanations were obtained by me.
- (ii) All audit procedures were satisfactorily completed.
- (iii) In my opinion, the Asset Consumption Ratio and the Asset Renewal Funding 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 Kalgoorlie-Boulder for the year ended 30 June 2020 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 annual financial report described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this annual financial report. If users of the annual 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 annual financial report to confirm the information contained in this website version of the annual financial report.



SANDRA LABUSCHAGNE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
17 December 2020



City of
Kalgoorlie
Boulder

ANNUAL REPORT 2019-2020

