

ANNUAL REPORT 2005-06

City of Joondalup



City of
Joondalup



The symbol of the City of Joondalup combines imagery of both the man-made (the grid structure) and natural environments (the leaf pattern) and represents the balance between the two. The floral shapes are derived from local flora on Lake Joondalup and the two combined are symbolic of the planned City.

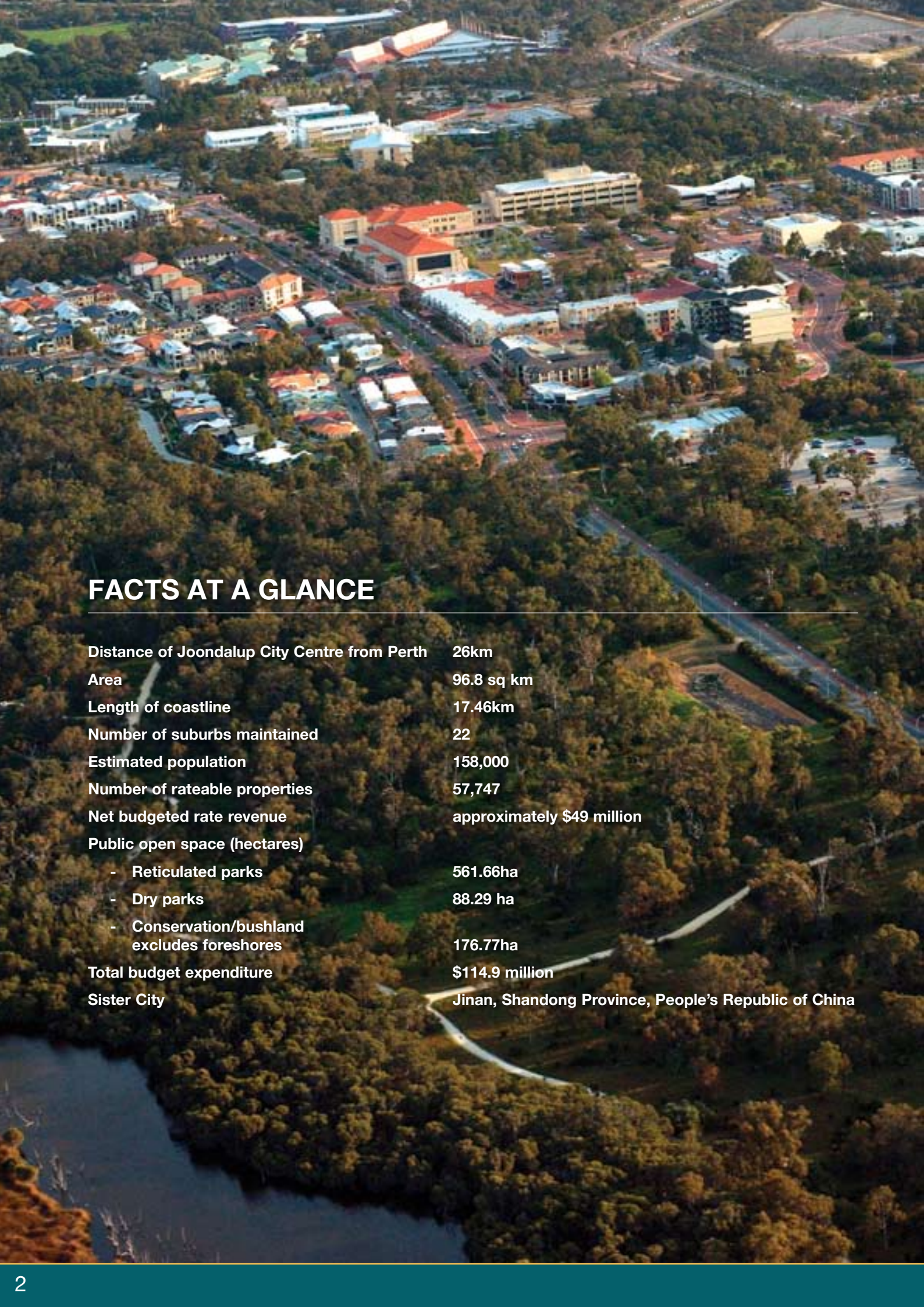




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An aerial photograph of Joondalup City Centre, showing a mix of residential and commercial buildings, parking lots, and extensive green spaces. The city is surrounded by dense forests and a river is visible in the bottom left corner.

FACTS AT A GLANCE

Distance of Joondalup City Centre from Perth	26km
Area	96.8 sq km
Length of coastline	17.46km
Number of suburbs maintained	22
Estimated population	158,000
Number of rateable properties	57,747
Net budgeted rate revenue	approximately \$49 million
Public open space (hectares)	
- Reticulated parks	561.66ha
- Dry parks	88.29 ha
- Conservation/bushland excludes foreshores	176.77ha
Total budget expenditure	\$114.9 million
Sister City	Jinan, Shandong Province, People's Republic of China



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CHIEF EXECUTIVE OFFICER'S MESSAGE



Over the past 18 months I have had the privilege and the responsibility of leading this dynamic organisation through challenge and change.

It has been an immensely rewarding year. I find myself at the helm of an organisation that is growing stronger and more focused daily.

Our clear, simple governance structure, complemented by the City's integrated planning framework, is minimising duplication, speeding up decision making and increasing accountability. I can confidently say that this City, backed as it now is by a democratically elected Council, is well-placed to build and develop services and facilities for the future.

Throughout the 2005-06 financial year, this City has been driven by the key focus areas of its Strategic Plan. This has made sure activities were based on clearly identified strategic priorities. Put simply, we have responded to community needs sustainably and responsibly. Milestones have been met and projects completed on time and within budget.

Operationally, the emphasis has been on clear communication, performance reporting, sound financial management and customer satisfaction.

Public participation is crucial to good governance and this City has strengthened its efforts at involving the community in its decision-making process.

Following one of the most comprehensive research studies ever undertaken by local government in Western Australia, in 2005 the City adopted a Public Participation Strategy that is facilitating informed decision-making and improved understanding between Council and the community.

Future decisions will be supported by a comprehensive Strategic Financial Plan which was adopted by Council in June 2006. This Plan has set the direction for responsible financial management. It introduces measures for long-term financial sustainability and effective management of infrastructure assets.

The City's performance is continually monitored under a Corporate Reporting Framework. The Strategic Plan Key Performance Indicator Report and Quarterly Progress Reports against the Annual Plan allowed for open and accountable appraisal of targets and tasks.

The Annual Customer Satisfaction Monitor had an overall satisfaction rating of 77%, a slight increase from the previous year's 75%. Particularly pleasing was the fact that there were high levels of customer satisfaction with our core services, rubbish collection, roads, parks and gardens and libraries.

This City's performance is benchmarked against other Local Governments in Western Australia. Our Learning City set the benchmark for encouragement and support for education and training opportunities.

It is gratifying to see the teamwork and desire of City of Joondalup staff to lead through innovation in every facet of our operations. From the way we encourage growth, to our commitment to the community we operate in and the mutual respect we have for each other, this City's success over 2005-06 is a tribute to the dedication and commitment of its employees and I thank the Executive and the staff for their endeavours.

Much of the year was taken up in preparation for a return of this City in May 2006 to the care of an elected Council. We head into the 2006-07 financial year with a Mayor and 12 Councillors who, through the democratic process, have embraced an enormous responsibility to ensure this City operates in a sustainable way, from social, environmental, and economic perspectives.

I take this opportunity to say how much I look forward to working in partnership with them to build on the strong foundations laid this year.

A handwritten signature in black ink, appearing to read 'Garry Hunt'.

Garry Hunt
Chief Executive Officer.

THE ELECTED COUNCIL OF THE CITY OF JOONDALUP



*From left to right: **Back Row:** Cr John Park, Cr Brian Corr, Cr Russ Fishwick & Cr Tom McLean
Middle Row: Cr Albert Jacob, Cr Steve Magyar, Mayor Troy Pickard, Cr Geoff Amphlett & Cr Richard Currie
Front Row: Cr Sue Hart (Deputy Mayor), Cr Kerry Hollywood, Cr Michele John & Cr Marie Evans*

ORGANISATIONAL STRUCTURE

Chief Executive Officer
Garry Hunt



- Audit and Executive Services

Director Corporate Services
Mike Tidy



- Financial Services
- Human Resource Services
- Information Management

Director Governance & Strategy
Ian Cowie



- Marketing, Communications and Council Support
- Strategic and Sustainable Development
- Organisational Development

Director Infrastructure Services
Dave Djulbic



- Infrastructure Management
- Operations Services
- Asset Management

Director Planning & Community Development
Clayton Higham



- Approvals, Planning and Environmental Services
- Community Development
- Library and Information Services

Outgoing Director Corporate Services - Peter Schneider

Outgoing Commissioners - Anne Fox, Steve Smith, Michael Anderson, John Paterson (Chairman) and Peter Clough (Deputy Chairman)

THE CITY'S STRATEGIC PLAN 2003 to 2008

The Strategic Plan 2003-08 has been developed following considerable input from stakeholders, elected members and staff at the City of Joondalup.

OUR VISION

To be 'a sustainable City and community that are recognised as innovative, unique and diverse'.

OUR MISSION

To plan, develop and enhance a range of community lifestyles to meet community expectations.

OUR CORPORATE VALUES

Vibrancy

- We will work with stakeholders to create a vibrant City Centre and community
- We will be dynamic and flexible

Innovation

- We will provide innovative programs and services
- We will have a strong team spirit to generate positive ideas
- We will develop a culture of innovation and excellence

Responsiveness

- We will respond to changing community needs
- We will promote a sense of community spirit and ownership

Respect

- We will acknowledge community and individual opinions
- We will respect community and individual contributions

Trust

- We will have an environment of openness and transparency
- We will make information accessible

Safety

- We will work towards the development of a safe and secure environment
- We will develop partnerships

OUR KEY FOCUS AREAS

The City's Strategic Plan 2003-08 addresses four Key Focus Areas.

Community Wellbeing

The City is contributing to a positive future for the community by providing a safe environment that meets the changing expectations of the community. The City will continue to develop as a cultural centre for the region and will provide access to lifelong learning opportunities to all members of the community.

Caring for the Environment

The City of Joondalup is recognised as a leader in environmental sustainability, and continues to promote and enjoy a lifestyle which encourages social and economic sustainability.

City Development

To ensure a sustainable community, the City provides and maintains our built environment. The City will work in conjunction with associations to plan efficient transport means. Tourism is also seen as an important economic development for the community.

Organisational Development

The City will maintain good leadership by ensuring that staff are informed, there are clear lines of communication and the participation of staff at all levels in decision-making processes is encouraged.

The City recognises the importance of leadership and the development of organisational capabilities in achieving its objectives.

COMMUNITY WELLBEING



COMMUNITY WELLBEING

OBJECTIVES

- To develop, provide and promote a diverse range of lifelong learning opportunities
- To meet the cultural needs and values of the community
- To continue to provide services that meet the changing needs of a diverse and growing community
- To work with the community to enhance safety and security in a healthy environment

PERFORMANCE

Activity	2003-04	2004-05	2005-06
Immunisations (number of people)*	11,395	7 939	7 350
Food shop inspections	1 700	1 923	1 073
Food complaints	200	97	141
Reported incidence of noise	406	359	305
City Watch Services			
- Km travelled	824,859	792,895	835,391
- Average km per day	2 160	2 439	2 289
- Total hours	54,108	46,422	44,468
- Average response time for security referral	6.7 minutes	6.0 minutes	6.3 minutes
Ranger Services			
- Total requests for assistance	6 910	6 330	7 257
Library Services			
- Memberships	87,670	85,938	85,434
- Loans (including renewals)	N/a	1,252,270	1,339,611
- General enquiries	72,852	56,883	71,989
- Total transactions**	2,743,740	2,774,777	3,022,038

* Number of residents using the immunisation service after 2003-04 dropped due to the cessation of the Meningococcal Vaccination Program

** Library Services total transactions 2003-04 and 2004-05 calculated by: Total transactions equals loans + reservations + holding items + other services

Library Services total transactions 2005-06 calculated by: Total transactions equals issues + renewals + returns

AWARDS RECEIVED

In 2005-06, the City of Joondalup was recognised for important work undertaken to promote health and fitness and multiculturalism within the community:

Award Name	Heart Foundation Local Government Awards (National)
Category	Physical Activity Project
Submission	GOLD Adventure and Fitness Program
Placing	Highly commended



Heart Foundation

Award Name	2005 National Awards for Local Government
Category	Strengthening Indigenous Communities
Submission Name	Celebrating Indigenous Culture and Heritage in Joondalup
Placing	Commendation

COMMUNITY WELLBEING

KEY FOCUS AREA

The City of Joondalup is contributing to a positive future for all community members and stakeholders by providing a safe environment that meets the changing expectations of the community. The City will continue to develop as a cultural centre for the region and will provide access to lifelong learning opportunities for all members of the community.

LIBRARY AND INFORMATION SERVICES

The City operates four libraries – at Joondalup, Whitford, Duncraig and Woodvale. The City's libraries provide a mix of services including traditional lending coupled with a diverse range of added value services such as Community Education Programs, School Liaison Projects and a range of Children and Adult Programs.

Highlights for 2005-06

- 491,162 people visited the libraries during 2005-06, an increase of 10.5% on last year
- Achieved 94.1% customer satisfaction in a Mystery Shopper Survey
- Loans increased by 6.97% with 1,339,611 issues and renewals performed across the four branches and online
- General library enquiries, including Community Information enquiries, increased by 26.5%, to 71,989
- Over 210,000 hits were recorded on the Community Information website, an increase of 67.6% on the previous year
- 1800-plus events (almost double the 927 events of the previous year) were scheduled during 2005-06 with over 21,000 people attending
- Stock Numbers increased to 280,000 catalogued items, with the turnover (average times borrowed per item) increasing by 5.5%, from 4.5 to 4.8 times per item
- The City commenced the rollout of a new libraries sub-brand. This branding has been applied to all communication materials, signage and promotional material. The Books on Wheels vans were also upgraded to reflect the new branding and to enhance the libraries' profile in the community



Revitalisation of Libraries

The upgrade program for City of Joondalup libraries continued from 2004-05 with the creation of new themed areas for children and youth at the Whitford and Woodvale Libraries. The program also included the final implementation of a subject heading based collection layout similar to contemporary bookshops, to improve the ease of locating information and reading material. Additional modifications include:

- The purchase of music CDs and DVDs, and the continuation of the Bestseller Books Program in order to meet customer demands for new and popular formats
- The completion of a collection management review with the implementation of the recommendations enabling more efficient service provision
- A three-day reminder email service which commenced in November 2005



Lifelong Learning

The City of Joondalup continued to play an important role in developing lifelong learning within the community throughout 2005-06. Some of the highlights included:

- The 7th Edition of the School Connections Brochure was produced and distributed in 2006 and was well received by local schools and continues to enhance the City's commitment to education support
- The introduction of an 'Adopt A Coastline' Dune Restoration Program with a new framework that involved the planting of 2507 coastal plants by dedicated schools within the City of Joondalup
- An 'All Roads to Success' workshop, highlighting the educational and vocational opportunities aimed at Year 9-12 students
- The allocation of \$65,000 towards the introduction of various collections including reference books, resources for a parenting collection, reading skills development in children and resources to assist people in learning English

Programs and Events

The City's library programs are aimed at all community members both young and old. Weekly story time sessions, book clubs for both children and adults, school holiday activities, seniors games and events, Children's Book Week, introductory Internet classes, Discovery sessions, English Conversation Classes and various youth events continued to be well utilised. The introduction of two criminal profiling clubs and local author book launches and talks have also been well received.

Examples of these programs include:

- A Christmas school holiday promotion of 'Narnia: The Lion, the Witch and the Wardrobe' which had over 900 children participate
- An inaugural 'Intergenerational Quilting Project' with Year 4/5 students from Connolly Primary School and members of the WA Quilters' Association. The quilt now hangs in the Joondalup Library

2005-06 also saw the successful implementation of the 'Better Beginnings' Early Intervention Program targeting parents of newborns. This program ensures that all new parents receive information about the services and resources available to them in the City of Joondalup. Over 600 families received the comprehensive kit, 'Reading to Babies', through Child Health Clinics.

Community Information

The City's Community Information hotline service provides residents with easy access to current information about local agencies, services, groups, facilities and events across the City. The online database currently holds the details of over 1300 active clubs and community organisations within the City of Joondalup. This information is actively distributed through the City's library branches, website and hotline service.

Reference and Local Studies

The City's reference and local studies facilities in the Joondalup Library continue to be well utilised by students within the City of Joondalup Learning Precinct and have seen a 12% increase of usage over the past year. Other highlights included the launch of a family history research group, which meets on a weekly basis, as well as a series of oral history workshops, 'Stories from the Suburbs' presentations and family history beginner courses.

COMMUNITY ASSISTANCE

With Community Vision Inc firmly established as a direct provider of services to the community, the City has played a significant role in assisting the community by providing strong support services.

Community Development

The City of Joondalup networks widely with individuals, community groups, non-government and government agencies to develop community programs and facilitate links when appropriate. The City supported a variety of community groups and community development networks in their provision of services to the community.

Financial Counselling

The City continues to provide a free and confidential financial counselling service to assist community members who may be experiencing financial hardship. The City's Financial Counsellor has been able to assist with advocacy, negotiation, budgeting, debt recovery and community education. During 2005-06, 433 people were assisted by the City's Financial Counselling Program.

Community Funding Program

Since 1999, the City has allocated more than \$613,900 to 302 not-for-profit community groups through its Community Funding Program.

In 2005-06, 27 applications were received and \$28,175 was distributed to 17 organisations (as illustrated in the table below). The program was reviewed in 2006 and as a result only one funding round was conducted.

2005-06 Funding		
Fund	No of Groups	Total Grants
Community Services Fund	9	\$13 269
Culture and Arts Development	5	\$9 565
Sport and Recreation Development	3	\$5 341
Sustainable Development (No applications)	0	\$0

Junior and Disabled Sporting Donations

The City distributed \$20,900 to junior City of Joondalup residents (under 18 years), or residents of any age with a disability, who had been selected to represent the state or nation in interstate or overseas championships, in sport or recreation activities.

Sport Development Program

The City distributed \$31,990 to five district level sporting clubs for a range of projects and programs, including development programs, coaching and first aid courses, and the provision of safety equipment aimed at enhancing the delivery of sport and recreation to Joondalup residents.

Community Sporting and Recreation Facilities Fund (CSRFF)

Once again the CSRFF was offered to a number of sporting and community groups. The City worked with these groups to enhance their facilities. An example of one such group is the Joondalup/Kinross Junior Football Club. An application was received for additional floodlighting at Windermere Park. Once approved, the City contributed \$23,283.33 towards the project.





YOUTH SERVICES

The City of Joondalup provides a range of services to young people in the community, including Anchors Youthlink and Warwick Youth Drop-in Centres, recreational activities and school holiday programs that integrate young people with special needs into the community through a series of music programs and annual events.

SCORCHA Youth Festival

SCORCHA was held on 9 December 2005 and provided free entertainment for young people in Joondalup. The event featured performances by End of Fashion, The Silents, Antistatic, and runners-up from the Battle of the Bands Competition, Comatose, Retrospect and Tomorrow's Yesterday.

Music Program

The City's music program is continually being developed to meet the current needs of young people. It aims to develop young people's skills, improve their self-esteem and increase their recreational opportunities.

The program provides free weekly Hip Hop workshops where young people can learn to break dance, funk dance, DJ and produce their own music. Another component of the City's music program is the annual City of Joondalup Battle of the Bands, a competition that provides local bands with an opportunity to play to a live audience and gain exposure within the community.

Youth Outreach Program

The Youth Outreach Program offers information, advocacy, support and referral to young people in areas of 'public space' within the City. During 2005-06, youth outreach workers made 472 youth contacts and addressed 1068 issues. The most common issues addressed during this period related to recreation, substance use, antisocial behaviour, employment, education, finance and health.

Youth Advisory Council

Falling attendance at Youth Advisory Council meetings has lead to a reassessment of the role of the Youth Advisory Council during 2006. It was identified that a need to realign the manner in which young people were able to contact the Council was a priority.

At its meeting in June 2006, Council resolved to disband the Youth Advisory Council and form a working party which will be responsible for the planning, facilitation and evaluation of two youth forums. The forums will focus on seeking the opinions of young people as to how Council can best engage them into the future.

Anchors Youthlink and Warwick Youth Drop-in Centres

Anchors Youthlink and Warwick Youth Drop-in Centres provide a Just Girls Program and an integrated school holiday program for young people within the City of Joondalup. The Anchors Youthlink Drop-in Centre also provides support to young people and/or their families though the provision of information, advocacy and referral services. A total of 1302 young people participated regularly in programs run at the Anchors Youthlink Drop-in Centre, and 871 at the Warwick Youth Drop-in Centre during 2005-06. Participants also included 46 young people with special needs.

SENIORS INTERESTS

The City provides a number of services that assist or advocate for the needs of seniors within the community.

Seniors Interests Advisory Committee

The Seniors Interests Advisory Committee provides advice to Council on issues relating to seniors across the community. The committee met on a bi-monthly basis during 2005-06 and was involved in the following activities:

- Planning for a seniors' event to be conducted in September 2006 which will promote active and positive ageing
- The delivery of actions outlined in the Seniors' Plan 2004-08



Community Transport Program

In 2005-06, 251 people were assisted with transport to and from shopping centres and senior citizens clubs on a weekly, fortnightly or monthly basis. During the year the Community Transport Program also offered transport to enable seniors to attend the Sunday Serenades concerts and participate in the GOLD Adventure Program, which is run at each of the City of Joondalup Leisure Centres.

The Community Transport Program is dependent on, and could not operate without, the valuable support of the volunteer drivers and carers.



ARTS AND CULTURE

The City's Cultural Development Program continues to engage people from all backgrounds. The diverse Program embraces all art forms and offers residents and visitors the opportunity to enjoy a full cultural program within the local community.

In 2005-06, the City delivered a number of projects to improve and raise awareness of cultural identity and to build a sense of a shared community in the City.

2005 Joondalup Invitation Art Award

Held in September at Lakeside Joondalup Shopping City, the 2005 Invitation Art Award featured 43 of Western Australia's leading artists. The winning artwork, 'Portrait of a Boy I & II' by Concetta Petrillo, has taken its place in the City's art collection.

2006 Joondalup Community Art Exhibition

In June the 2006 Joondalup Community Art Exhibition displayed the works of 98 local artists at Lakeside Joondalup Shopping City. The exhibition attracted over 5500 visitors with many artworks sold during the two-week exhibition.





Summer in the City Program

The Summer in the City Program ran from December 2005 to March 2006 and consisted of five free Summer Concerts, the weekly Sunset Markets, the Little Feet Festival and the Joondalup Festival. These events took place in the Joondalup City Centre and at various parks throughout the City. The 2005-06 program was enjoyed by an estimated 100,000 people and featured an array of local and national performing artists.

Summer Concerts

The Summer Concerts continued to prove extremely popular with the community in 2005-06. The concerts catered for a diverse range of tastes. One highlight was the City's collaboration with the Perth International Arts Festival to present a concert at Mawson Park in Hillarys featuring West African musicians Bi Cissoca and British theatre group the Dream Engines presentation of Heliosphere.

The Sunset Valentine Concert, held in conjunction with Edith Cowan University and the Joondalup Resort, attracted an estimated crowd of over 7000 and featured Grace Knight and the Western Australian Youth Orchestra.

Little Feet Festival

The Little Feet Festival 2006 was held in Mawson Park, Hillarys, in January. The event is a free annual festival for children under 12 years of age. The program consisted of performances, workshops, activities, crafts, bands and rides. Over the course of the day, approximately 10,000 people enjoyed a range of activities designed to challenge, stimulate and excite children.

Joondalup Festival 'The Gathering'

The 2005-06 Joondalup Festival presented a program of contemporary music, street theatre, displays, rides, food and market stalls.

Highlights of the festival included performances by MC Ernie Dingo, Renae Gayer and the Leaping Loonies. The Joondalup parade also proved popular with local schools and community groups designing their entries around the festival theme. Other highlights included the community dance tent and the upgraded 'Youth Alley', which featured a host of activities and bands specifically for the City's young residents.

Joondalup Sunset Markets

The City's Sunset Markets are a well-recognised cultural event in Perth's northern suburbs and were held every Friday night during the summer season. The markets attracted 1000 to 4000 people each market night, totalling nearly 30,000 people for 2005-06. Stall numbers also grew, with an average of 62 stalls per night.

Arts Development Scheme

The Arts Development Scheme establishes partnerships with professional performing arts companies to assist with audience development within the City of Joondalup. In 2005-06 the scheme initiated projects such as STEPS Youth Dance Company and the City of Joondalup Samba Band. A total of \$10,000 was provided to a variety of groups through this scheme. The Arts Development Scheme also saw the continuation of the popular Sunday Serenades music concerts held in the Civic Chambers, attracting an audience of over 800 people across the eight concerts.

blend(er) gallery - Joondalup Community Art Gallery

The City of Joondalup continues to develop its partnership with the Joondalup Community Arts Association to jointly run the community art venue, the blend(er) gallery. In 2005-06 the blend(er) gallery, located in the City Centre, presented a broad range of workshops, exhibitions and events including works by local and Western Australian artists.

The City of Joondalup ran three exhibitions, including an exhibition of works by the youth project 'Deck Art' and a NAIDOC week exhibition. The venue was increasingly recognised as a workshop space with school holiday activities for children and weekly art classes in a diverse range of arts and crafts for adults.

Art Collection

The Joondalup Art Collection continued to support Western Australian art and provide the local community with access to high-quality visual art.

The City recognises the important role played by art, culture and heritage collections in shaping and developing a sense of community.

The winning artwork from the 2005 Invitation Art Award, by Concetta Petrillo, was also introduced into the City's art collection.

2005 Joondalup Eisteddfod

In August 2005, the City hosted the annual music, speech and drama eisteddfod. This competition is recognised for providing valuable performing experience to up-and-coming young talent in the region. The event attracted approximately 600 entries and involved nearly 2000 participants. Following the sessions, several winners were invited to perform for the public and invited guests at a special Sunday Serenades Winners' Concert in September.

Sister City Relationship of the City of Joondalup and Jinan in China

In August 2005, a high-level delegation from China led by the Mayor of Jinan, visited the City and was officially welcomed during a public ceremony held in the Civic Chambers.

A Joondalup-Jinan Sister City Relationship Plan was developed with stakeholders and will guide the long-term future of the Sister Cities.

From January to July 2006, the City also hosted 18 senior public servants from Jinan, who resided in Joondalup while receiving management training at Edith Cowan University and from local businesses and the City of Joondalup.

The City also supported the WA Police Academy in initiating a police exchange training program, resulting in 20 Senior Police Officers from Jinan undertaking a three-month program at the Joondalup Academy.

Learning City

During 2005-06 the Learning City Project, developed in alliance with the Joondalup Learning Precinct, implemented a range of new initiatives including the development of the Joondalup Learning Precinct Centre for Leadership Training.

Another initiative introduced involves providing tours of the City's Reference Library and Learning City to school students in Years 10-11. These tours provide students with an opportunity to gain an understanding of the learning opportunities and pathways within the learning precinct.

Indigenous Cultural Recognition

During July 2005, the City held its second year of NAIDOC celebrations. The highlights of this week included the display of artwork by local indigenous artist Shane Pickett at the blend(er) gallery, a community concert with three local Indigenous bands, and the official flag-raising ceremony.

Health and Wellbeing Research Project

The Health and Wellbeing Asset Map Research Project conducted in partnership with Edith Cowan University was finalised in March 2006. The findings of this report will be used to implement a Community Health and Wellbeing Strategy for the City of Joondalup.



RECREATION AND COMMUNITY SUPPORT

By providing facilities and reserves, the City caters for a wide range of sporting, recreation and social activities throughout the course of the year. The support offered by the City can be identified in the following ways:

Community Facilities

The City provides 28 hired community facilities, 58 active sport and recreation parks, 162 passive reserves and 18 bushland areas for use by the community. These provide a range of opportunities for organised and casual sport, recreation and community activities.

During 2005-06, the City undertook a number of procedural reviews to ensure equitable access to all community facilities was available. Local community groups also held their meetings and coordinated programs and events from City facilities, delivering a variety of quality services including children's playgroups, health, fitness and dance programs, craft activities, sport and recreation activities, leisure classes and community events.

Club Development Program

A joint application was developed with the City of Wanneroo for a grant to employ a specialised Club Development Officer. It is proposed that the Officer works with local sport and recreation organisations to ensure that they keep ahead of current issues and trends, and provide assistance with matters relating to the administration of a sport or recreation organisation.

Be Active Together Walking Program

A total of 11 free weekly walks were run throughout the City of Joondalup in 2005-06. In addition, quarterly group walking events were conducted, such as the Christmas Lights Walk, to increase the community's participation in physical activity. A grant of \$5000 was received by the City from the Premier's Physical Activity Taskforce for the development of walking routes in each suburb and a walking map.

Ranger Services

The City's rangers play an important role in achieving an acceptable quality of life and safety for residents within the Joondalup community. While the rangers' role consists mainly of enforcement of a wide range of State Government Acts, Regulations and City local laws, there is also a requirement for seeking acceptable compromise in disputes between neighbours.

The City currently has 23,000 dogs registered and is considered to provide a dog-friendly environment. As a result, animal control was one of the main service requirements during 2005-06, utilising approximately 60% of rangers' time. 526 dogs were impounded, of which 311 were claimed by their owners and returned, and a further 206 were re-homed under the RSPCA re-homing program. 240 dog attacks were also investigated.

The City also impounded 575 abandoned vehicles, inspected over 1400 vacant blocks for fire break installation and followed up on 262 off-road vehicle reports. Parking control and management increased particularly within the Joondalup City Centre.

Safer Communities Program

The City's Safer Communities Program comprises four main focus areas:

- City Watch Community Security Patrol Service
- Graffiti control
- Urban design
- Partnerships

The City continued to progress with each of the components of the Safer Communities Program and strengthened the existing partnership with the police, enabling closer monitoring of community safety and antisocial behaviour throughout the district and at foreshore reserves. Other partnerships established during the year were with the Department of Health regarding AIDS education, and the National Motor Vehicle Theft Reduction Council to manage the giving away of 118 free motor vehicle engine immobilisers to City residents.

Graffiti continued to be a major concern for the community and challenge for the City. In excess of 5105 items of graffiti were removed during the year at a cost of \$203,505.



Lifeguard Services

The City engaged Surf Life Saving Western Australia (SLSWA) to provide a midweek beach lifeguard service at Sorrento Beach, Hillarys Marina and Mullaloo Beach from December 2005 to March 2006. SLSWA delivered a total of 2211 patrol hours on Joondalup beaches during the summer season. Lifeguards performed 251 first aid treatments, five rescues, and 506 preventative actions during the season.





LEISURE CENTRES

The City of Joondalup Leisure Centres located in Heathridge, Duncraig and Craigie offer a range of health and fitness programs and services to the community.

Highlights for 2005-06

- The completion of the redevelopment of City of Joondalup Leisure Centres - Craigie, including the following features:
 - Eight-lane, 25m pool heated to 27.5C
 - Leisure pool, heated to 32C
 - Spa lounge heated to 36C
 - Large crèche with outdoor playground
 - Café with wet and dry dining areas
 - State-of-the-art, climate-controlled health and fitness facilities
 - Central reception and retail outlet
- During 2005-06 the Leisure Centres attracted 394,158 visitors despite the disruption of the redevelopment of Craigie Leisure Centre
- The Centre's GOLD Fitness Program won the Western Australian Heart Foundation Physical Activity Project and State and Local Government awards
- GOLD Adventure Program enrolments increased from 1571 in 2004-05 to 3904 in 2005-06
- A women's daytime soccer competition was introduced and team sports now attract over 1500 participants per week to the centres
- An indoor cycling studio was opened at City of Joondalup Leisure Centres – Craigie attracting over 4000 participants
- The City commenced the roll-out of a new Leisure Centres sub-brand. This branding has been applied to all communication material, signage and promotional material.

HEALTH AND ENVIRONMENTAL SERVICES

The City of Joondalup is committed to the promotion, protection and maintenance of the health of residents and visitors to the City of Joondalup.

Environmental health practice at the City covers the assessment, correction and prevention of environmental health factors that can adversely affect health, and includes:

- Management of the physical environment including food safety, air quality, noise control, water safety, waste management, safe accommodation and public events
- Management of biological hazards including vector-borne disease control, microbiological control (including immunisation, blood-borne disease control and Legionella)
- Management of chemical hazards including health risk assessments and management of contaminated sites, pesticide safety and pollution control
- Environmental health regulation including enforcement of legislation, surveillance and monitoring, and investigation of complaints

Health Risk Assessments

The City undertook health assessments of local businesses and public venues to ensure that standards of public health were maintained. Assessments included those undertaken with respect to food premises, food stalls at public events, public buildings, skin penetration premises, hairdressers, public swimming pools, beaches, garden soil suppliers and caravan parks. Close to 2000 Risk Assessments were completed throughout 2005-06.

Food Safety Program

During 2005-06, 1073 risk assessments were carried out, representing a 94% achievement of target risk assessments. Of these risk assessments, 404 advisory and/or corrective action requests were issued to food business proprietors.

Further to this, 141 food complaints were received by the City and 28 food poisoning investigations were undertaken. The City also participated in state government coordinated food surveillance programs including a screening survey for bacteriological quality of wheatgrass juice, as well as a local and imported fruit and vegetable survey to assess heavy metal content and microbiological quality.

Noise Control

305 requests for action were received from the community in relation to noise issues. Noise from radios/stereos, musical instruments and household parties represented 50% of these requests. Other issues of concern to the community included traffic noise, noise from pool pumps, auto pool cleaners or spas, and construction site noise. However, only nine of these cases required further enforcement options to ensure resolution of the issue.

Immunisation Program

The Immunisation Program provided over 7000 vaccinations to the community at the City's regular Immunisation Clinics, as well as through the City's School Immunisation Program.



Environmental Sanitation survey – Hillarys Boat Harbour

The City undertook a survey with the Department of Health and Department of Planning and Infrastructure to establish the degree of microbiological contamination and to identify possible contamination sources affecting the quality of the water used for recreational purposes within the Hillarys Marina. The aim of the project was to ensure appropriate safeguards for community recreation at the Hillarys Boat Harbour beach.

This survey incorporated a sanitary survey of the marina and catchment area, initial water-quality sampling survey, and fortnightly monitoring of the swimming beach during the summer months (October 2005 to April 2006). The survey concluded that the microbial water quality during the summer months was satisfactory, and should not give rise to any public health concerns.



Midge Strategy

Throughout 2005-06 a midge strategy was developed to control and manage nuisance midge around Lake Joondalup through funding midge larval and water monitoring, nuisance reduction through pesticide use when required, other intervention strategies, and research projects in an effort to better understand the factors contributing to the seasonal midge plagues. In 2005-06, midge monitoring was conducted on a weekly basis and two pesticide applications were carried out to control adult midge numbers. The strategy was extremely successful in effectively managing nuisance midge numbers, with a reduced amount of chemical treatments being required.

The City of Joondalup, in partnership with the City of Wanneroo initiated a Midge Management Partnership Agreement between the Department of Environment and Conservation. The aim of the agreement is to encourage a sustainable partnership in addressing midge management in Lake Joondalup.

Mosquito Management Strategy

The Cities of Joondalup and Wanneroo have created a Mosquito Management Program involving fortnightly monitoring of adult mosquitoes at numerous locations around Lake Joondalup, Lake Goollelal and nearby swamps. The 2005 mosquito season commenced in late September and ceased in late March 2006. The numbers were significantly low throughout the season, with minimal complaints being received from nearby residents and no requirement for a chemical treatment.



CARING FOR THE ENVIRONMENT



CARING FOR THE ENVIRONMENT

OBJECTIVES

- To plan and manage our natural resources to ensure environmental sustainability
- To manage waste effectively and efficiently in alignment with environmentally sustainable principles

PERFORMANCE

Activity	2003-04	2004-05	2005-06
Level of waste minimisation and diversion of waste from landfill	16%	18%	16%
Park user satisfaction (out of 10)*	8.0 (7.8)	8.1 (7.5)	8.1 (7.5)

* Achieved consistently above Perth regional average (regional average represented in brackets)

KEY FOCUS AREA

The City of Joondalup is recognised as a leader in environmental sustainability and continues to promote enjoyment of a lifestyle which engenders social and economic sustainability.

COMMUNITY ENVIRONMENTAL AWARENESS

The basic concept of community environmental awareness is to encourage people to live without degrading the environment or disregarding the needs of future generations. In a consumer society with a constantly changing world, we need to build better solutions to environmental problems and to understand why it is that natural resources need to be conserved.

Without an understanding of why or how natural resources should be conserved, few communities would be motivated to participate actively in programs of environmental conservation.

Travel Smart

The City was successful in negotiating a grant with the Department of Planning and Infrastructure that will deliver the Travel Smart Program, to be implemented in 2006-07. An amount of \$900,000 was received through the grant.

Cities for Climate Protection Program

The City continued to participate in the Cities for Climate Protection Program. A key outcome during the year was the achievement of the Milestone 5 Award. From this monitoring and review stage of the program, the City identified an 8% reduction in corporate greenhouse gas emissions since the fuel consumption inventory year of 2000. The City is now embarking on the next stage of the program, CCP Plus.

Eco Business

In April 2006 the City launched a new energy pilot program for local businesses called Eco-Business. The City partnered with energy specialists Eco-Smart™ to offer 30 free energy assessments for local businesses, providing an analysis of energy usage including electricity, gas, water and travel, along with the provision of a fully costed action plan. The cost savings for businesses were dependant on the nature of the business. However, they averaged between \$1000 and \$1500 per assessment. This represented a 200% to 300% return on investment for the cost of the initiative.

Cool Schools Program

The Cool Schools Program was developed by the City to educate students in energy, water, travel and waste efficiency. Year 6/7 students and staff from participating schools had the opportunity to make the connection between their school's energy use and greenhouse gas emissions.

Free Sustainable Living Seminar

The City presented a free seminar, in partnership with Eco-Smart, with topics covering energy and water efficiency, grey water re-use, home heating, passive solar design principles, native gardens and minimising lawn areas.

Environment Centre Feasibility Study

During November, the Cities of Joondalup and Wanneroo brought together representatives from indigenous and friends groups, as well as community members, politicians and representatives from both Councils at a 'Visioning Workshop for an Environment Centre'. The objective of the workshop was to gather community aspirations with respect to the centre, the type of centre, what the centre would do, and the most suitable location for the proposed centre.

Participants were provided with an opportunity to listen to representatives from Yanchep National Park, Piney Lakes Environmental Education Centre and Herdsman Lake Wildlife Centre. The speakers gave participants an insight into matters such as how their centres were developed, the financial and environmental implications and community benefits. The workshop participants put forward a number of ideas and all of these were recorded and analysed.

Once the feasibility study has been completed, the two Cities will have a clear understanding of the level of commitment required for the establishment of an environment centre or other alternatives within the Yellagonga Regional Park.

SUSTAINABLE CONSUMPTION AND PRODUCTION

Sustainable consumption and production requires us to achieve more with less. The largest and fastest-growing pressures on our environment come from areas such as household energy and water consumption, food consumption and transport. The City is responding to these pressures by taking a wider focus across the whole life cycle of goods, services and materials.

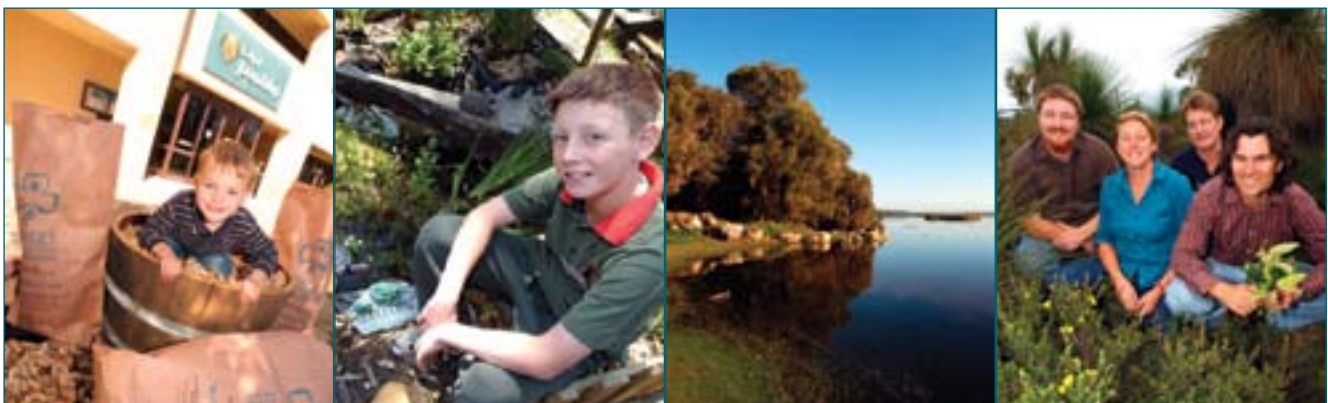
Sustainability Advisory Committee

The Sustainability Advisory Committee (SAC) continued its work in providing a strategic advisory service to the Council. Key outcomes for the SAC included:

- Endorsement of a sustainable vehicle fleet at the City of Joondalup
- Review of the draft Council Policy on Sustainability
- Submission of the Federal Government's draft Sustainability Charter to be lodged with the Federal Department of Heritage and Environment

Sustainable Gardening

The City hosted another 'Great Gardens Workshop' in October, which focused on educating participants about creating a water-efficient garden, minimising fertiliser use, composting, safe and effective weed control, and encouraging wildlife in the urban landscape. The Department of Agriculture, Wildflower Society and Men of the Trees provided support for the workshop, which attracted 115 participants.



Cork Recycling Initiative

The City's Cork Recycling Station, in partnership with the Girl Guides Association, was continued into 2005-06. Cork is a limited resource that is being depleted at a significant rate.

Waste Management

The City disposed of 68,180 tonnes of waste to landfill comprising 57,141 tonnes of domestic waste and 11,039 tonnes of bulk rubbish collection. Recycling and greenwaste diverted 11,143 tonnes from landfill, providing a diversion rate of 16.3%.

Preliminary studies were completed on the waste service to provide the necessary information for the review of the City's Waste Management Strategy.

Kerbside Recycling Service

The City's Kerbside Recycling Service recovered 3422 tonnes. The recycling sorting facility had a number of breakdowns during the year and the age of the plant is compounding the current level of inefficiencies, producing a less than acceptable recovery rate. The sorting plant, however, will be upgraded to achieve far better results with the introduction of two new lines, mixed plastic and paper, and will generally provide greater recovery rates due to better technology.

The introduction of the universal recycling mobile rubbish bin service should see a significant improvement in diversion rates from landfill in 2007-08.

Resource Recovery Project

The City's focus on reducing waste disposed to landfill has continued with significant progress of the Mindarie Regional Council's Resource Recovery Project.

Major milestones were met during the year, culminating in the Mindarie Regional Council accepting the major elements of the final draft, Resource Recovery Facility Agreement (RRFA). Signing of the RRFA is scheduled to take place in August 2006.



CITY DEVELOPMENT



CITY DEVELOPMENT

OBJECTIVES

- To develop and maintain the City of Joondalup's assets and built environment
- To develop and promote the City of Joondalup as a tourist attraction
- To continue to meet changing demographic needs
- To provide integrated transport to meet regional and local needs
- To provide and maintain sustainable economic development

PERFORMANCE

Activity	2003-04	2004-05	2005-06
Total graffiti reports	1 127	4 070	4 291
Number of graffiti tags	2 899	1 105	814

KEY FOCUS AREA

To ensure a sustainable community, the City will provide and maintain a managed built environment. The City will work with associations to plan efficient transport means. Tourism will also be seen as an important part of economic development for the community.

PROJECT DEVELOPMENT – COUNCIL PROJECTS

A review of Council projects was completed to reflect funding allocations adopted in the 2005-06 budget. In 2005-06 the City of Joondalup Council projects were as follows:

- Cultural facility
- Works depot
- City of Joondalup Leisure Centres - Craigie
- Ocean Reef Marina redevelopment
- Sorrento Beach development

Cultural Facility

During the financial year the City paid for a share of the cost to construct the road adjacent to the cultural facility site located on the corner of Grand Boulevard and Teakle Court, next to Central Park in Joondalup. Documentation required to complete the transfer of land to the City was executed by the relevant parties, with the transaction to be completed during 2006-07.

Works Depot

The City undertook a review of alternative sites for a new works depot and selected a 2.5ha site, known as Beenyup, on Ocean Reef Road, Craigie, as the preferred site for the depot. A business plan for the lease of the site from the Water Corporation was developed and advertised for public comment. In April 2006, the Council formally adopted the business plan and approved the development of the new depot. Negotiations with the Water Corporation were undertaken to finalise the lease conditions and a concept plan for the site was developed. An environmental assessment of the site and a traffic impact study have also been completed. Construction is programmed for completion in November 2007.

City of Joondalup Leisure Centres - Craigie

The redevelopment to the City of Joondalup Leisure Centres - Craigie facilities involved an upgrade to the indoor aquatic component, providing 624m² of additional area.

The project was due for completion on 30 August 2005. However, due to major problems with the construction of the geothermal bores, the project was delayed. The facility was handed over to the City for use on 27 June 2006. Despite the lengthy delays, the project was completed on budget.

Ocean Reef Marina Redevelopment

The purpose of the Ocean Reef Marina project is to develop a structure plan that will identify future uses of the site. The site is located on the coast at Ocean Reef, comprises approximately 46 hectares in total area and currently consists of a boat launching facility, parking for vehicles and boat trailers, reserves, freehold land and the sea sports and rescue club.

A number of consultants required for this project were appointed following a tender process. They have completed a review of available information and previously completed reports to identify site constraints and information gaps. A risk management report for the project was developed and a community participation plan has been drafted for consideration by the City prior to seeking stakeholders' participation in developing a structure plan for the Marina site.

Sorrento Beach Development

The \$3.7 million Sorrento Beach development project was opened to the public during May 2006.

The popular family swimming beach, to the South of Hillarys Marina, has been transformed, providing extensive grassed areas, wooden boardwalks, shelters, barbecues, lighting to pathways and additional car parking.

The redevelopment has created an environmentally sensitive enhancement of Sorrento Beach.



FIVE-YEAR CAPITAL WORKS PROGRAM

As part of this program, the City has undertaken various road and traffic management projects to improve the safety and functionality of the road network.

Traffic Management

The City has undertaken a series of projects to improve safety in areas of high risk, including the installation of treatments at notable black-spot junctions including Joondalup Drive/Cord Street, Warwick Road/Chessell Drive, and Hodges Drive/Country Club Boulevard.

Local road traffic management projects have been undertaken including Ballantine Road and Sherrington Road, and general streetscape and traffic improvements have also been undertaken around the City.

Drainage Works

General drainage improvements were undertaken throughout the City as part of the City's ongoing commitment to improve the quality of stormwater entering Yellagonga Regional Park. One particular improvement included the installation of pollutant traps at strategic locations in Kingsley.

Parks Improvement Works

The City has installed reticulation at Oleaster, Faversham, Geddes and Talbot Parks, and continued with improvements to Geneff and Tom Simpson Parks.

Road Preservation and Resurfacing Works

The City carried out an extensive resurfacing program of local and distributor roads throughout the City.

Asset Management

The City undertakes all asset maintenance associated with parks and landscaping, engineering construction, maintenance, and building maintenance and cleaning.

The City continues to work on the provision of irrigation to four areas of public open space identified as priority parks for development within the Dry Park Development Program.

As part of the City's ongoing commitment to asset management, the following occurred in 2005-06:

Fleet Management

- Replaced four petrol utilities with diesel vehicles which are better for the environment
- Placed orders for two energy-efficient Honda Civic hybrid vehicles
- Carried out whole-of-life costing, including fuel consumption comparisons when purchasing new vehicles
- Replaced light and heavy fleet vehicles with a total approximate value of \$1,586,000
- Replaced mobile plant items with a total approximate value of \$410,000
- Introduced a larger refuse truck to improve productivity in removing waste from parks and various facilities.

Property Management

- Generated rental revenue of approximately \$320,000
- Managed approximately 100 properties across all 22 suburbs. These properties include vacant freehold land, reception centres, sporting clubrooms, pre-schools and childcare centres
- Disposal of land on Trappers Drive, Woodvale, yielding approximately \$470,000, together with a commitment from the purchaser to provide additional parking for the shopping and community centres at no cost to the City

PLANNING AND BUILDING DEVELOPMENT

Planning, Health and Building Development primarily aims to:

- Shape the form of the built environment of our neighbourhoods to maximise enjoyment and provide community satisfaction (measured in terms of sustainable outcomes, value, housing quality, lifestyle choice, community pride and social values)
- Assist people to enjoy the highest possible standards of health, wellbeing and amenity that can be provided

The wide range of the business unit's operations presents challenges in the manner in which the business can be resourced, funded and measured on its performance. However, more importantly, the breadth of operation also presents opportunities to influence the community in fundamentally positive ways.

Development Application Assessments

The district continues to grow with the City making a determination on 1271 development applications during 2005-06, compared with 985 during 2004-05. The estimated cost of the developments determined for 2005-06 was \$284 million, compared to \$209 million in 2004-05. Some of the major development applications approved during this period include:

- Extensions to the Lakeside Joondalup Shopping Centre of 30,000m² (approximately \$115 million)
- Development of a Health and Wellness Centre at ECU (approximately \$30 million)
- Kinross Shopping Centre (approximately \$3 million)

Urban Design and Policy

Urban Design guides the future of the City of Joondalup by influencing the development of subdivisions and new suburbs. The City offers advice to residents on subdivision, changes to zonings and structure plan proposals, as well as advocacy and advice to the Western Australian Planning Commission for the assessment of subdivision applications. This included the following:

- Provided information and advice to the Council on policy initiatives from the Western Australian Planning Commission, including the review of the Residential Design Codes
- Provided clearances to approved subdivisions, allowing the creation of over 400 new lots within the City
- Developed a new policy limiting the height of buildings to 10m in non-residential areas located close to the coast
- Reviewed and updated a number of existing policies
- Assessed several new structure plans, including Currambine District Centre Structure Plan and Marmion Structure Plan
- Provided assistance and advice to developers in providing new public open space areas, in particular spaces within subdivisions occurring at Hillarys (Cook Avenue and Harbour Rise), Burns Beach, and Iluka
- Initiated a Landscape Masterplan Design Project to improve the appearance of the verge along Joondalup Drive between Hodges Drive and Shenton Avenue, Joondalup

Building Applications

During 2005-06, a total of 3828 building applications were determined, with an estimated total value of \$286 million. The City's building approval turnaround times are among the best in the local government industry with 83% of applications determined within 14 days.

The City currently has more than 18,200 private swimming pools that require inspection once every four years. More than 10,000 of these pools will require an upgrade in security in accordance with the State Government mandate to improve private swimming pool security by the end of 2006.

In addition, 54 demolition licences were issued, 33 strata-title applications were processed and 279 unauthorised structures were investigated and processed.



ECONOMIC DEVELOPMENT

Local government has a responsibility to ensure that its business districts and suburbs are not left behind in the highly competitive push for investment and jobs. As a progressive local government, the City of Joondalup is committed to sustainable economic development planning, leading to the creation of quality employment opportunities and good lifestyle choices for residents.

Economic Development Strategy

The City commenced planning for a comprehensive Economic Development Strategy in 2005-06 with the release of the Economic Profile in May 2005. In addition, a series of fact sheets were developed for the purpose of supporting business development activities and general promotion of the region.

Broadband

In April 2006 the City embarked on a new strategy to address broadband access across the City, in response to ongoing concerns from local residents and businesses. The City aggregated local demand through an online demand register and encouraged those registering to also register with the Metropolitan Broadband Connect Initiative. This data has been used to directly lobby carriers and collectively lobby with other Councils within the metropolitan area. As a result of this, the City of Joondalup has been prioritised by the Federal Government as a broadband blackspot within the Perth metropolitan area.

Thinklearn – AusIndustry

In May 2006 the City was awarded \$193,000 for the development of its Thinklearn Program. The City of Joondalup has now been identified as Thinklearn's lead agency, with key project partners including the Promoting Optimism WA (POWA) Institute, West Coast TAFE, Small Business Centre and City of Wanneroo. The project will be rolled out over the next 18 months and seeks to grow the creativity and innovation capacity of 48 small business owners and managers under the age of 35 years.

Home-based Business Mentoring Project

During August and September 2005, a series of home-based business workshops were run in partnership with the City of Wanneroo and facilitated by Edith Cowan University. The project provided mentoring and network building opportunities for participants to support the isolation issues facing home-based businesses.

Small Business Centre (SBC)

The SBC offers free assistance to new and existing businesses, encouraging growth and exploration of new business opportunities. In December 2005, the Council endorsed the establishment of a new regional model that will see an expansion to services across the Cities of Joondalup and Wanneroo. This new model forms a partnership between the two City Councils, business associations and the State Government's Small Business Development Corporation.

ORGANISATIONAL DEVELOPMENT



ORGANISATIONAL DEVELOPMENT

OBJECTIVES

- To manage the business in a responsible and accountable manner
- To provide quality services with the best use of resources
- To ensure the City responds to and communicates with the community
- To develop community pride and identity
- To manage our workforce as a strategic business resource

AWARDS RECEIVED

Award Name	2006 Local Government Managers Association Challenge
Placing	2nd in Western Australia

KEY FOCUS AREA

The City of Joondalup will maintain good leadership by ensuring staff are well informed that there are clear lines of communication, and that the participation of staff at all levels in decision-making processes is encouraged. The City recognises the importance of leadership and the development of organisational capabilities in achieving its objectives.

ELECTED COUNCIL

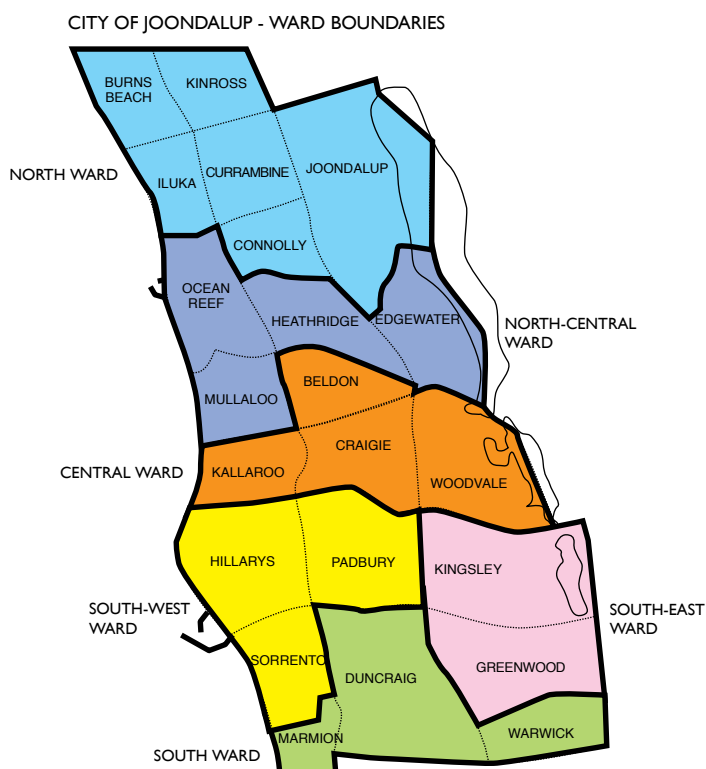
A review of the City's ward boundaries was conducted in late 2005, resulting in six newly created wards. During the May 2006 election, 11 candidates contested for the position of Mayor, and 26 candidates contested for the positions of Councillor.

Following the election, which saw a 27% voter turnout, the City was again governed by democratically elected Council, consisting of a Mayor and 12 Councillors (two Councillors per ward).

Each individual elected member undertook an intensive induction program, which spanned over six weeks and covered topics including:

- Corporate governance
- Ethics
- Team building
- Land use planning
- Strategic directions
- Proposed achievements

The Council continued to meet on a Tuesday as part of a rolling three-week cycle.



Public Participation

Following formal adoption of the Public Participation Strategy in June 2005, formal training was provided to staff on the implementation of the strategy. In 2005-06, a research study was carried out to gather community views on public participation, and to identify those most likely to take up opportunities to participate in local governance in the future. The research included a survey of 5000 randomly selected households within the City, followed by a series of focus groups, comprising people considered most likely to participate in local governance. The results of the research were presented to Council in April 2006 and subsequently informed the redraft of the Public Participation Strategy, particularly the section relating to community education.

Strategic Financial Plan

During 2005-06, the City produced a comprehensive Strategic Financial Plan. The plan was released for public comment and all submissions were considered by the Council. The plan listed the major projects to be undertaken by the City from 2004-05 to 2008-09 and sets the direction for responsible financial management.

Performance Reporting

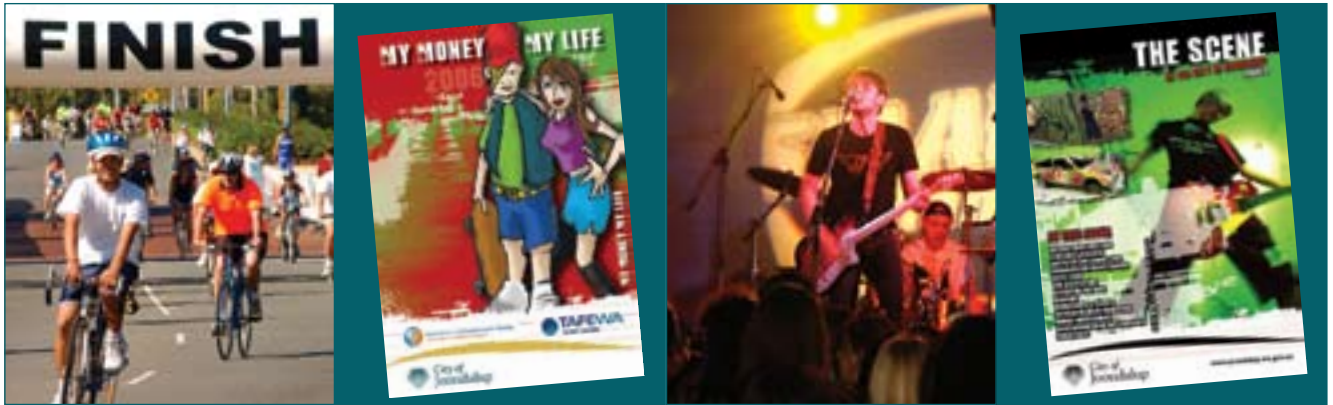
The Council is responsible for monitoring performance of its strategic directions and goals. In 2005-06 the Council received the following performance reports in accordance with the Corporate Reporting Framework:

- Strategic Plan Key Performance Indicator Report
- Quarterly Progress Reports against the Annual Plan

Grants Administration

The City operates a centralised grant management service. The City is committed to an ongoing Revenue Maximisation Program and the Grants Management Service supports this goal. In 2005-06 a total of \$7,964,605 in grant funding was received.





Marketing

The City of Joondalup continues to market, promote and sponsor regional events. During 2005-06 the City entered into a three sponsorship agreement with the Asthma Foundation, in support of its Freeway Bike Hike, which finishes in the City of Joondalup.

The City also continued its support for the West Perth Football Club, aiming to enhance the development of football within the region.

In 2005-06 the City produced a variety of informative, high-quality publications for distribution to the community, such as:

- Council News
- Budget News
- What's On
- Youth Notebook
- Annual Report
- The Scene Magazine
- Information Fact Sheets
- Information Brochures

The City also provided new residents with information packs and responded to requests for information on a daily basis.

The City of Joondalup continues to provide the community with an interactive source of information via its website located at www.joondalup.wa.gov.au. The website provides information on the Council, services, business, lifestyle and tourism.

The City works closely with many of its stakeholders, ensuring the success of regional events that add value to the Joondalup community, both economically and socially. The City also strives to ensure it marks its place on the map as a premier cultural event destination.

The 2005-06 Civic Function calendar continued to include a number of annual community appreciation events, welcome functions for visiting delegations, annual cultural events and Council meetings. The City also hosted 18 Australian Citizenship ceremonies in 2005-06 and swore in 1506 new citizens in the Civic Chambers. The City's in-house catering department continues to provide a high level of service to all civic functions and Council related meetings and events.

Information Management

During the year a number of projects were completed to improve the City's Information Technology (IT) infrastructure and the delivery of Information Technology services to the organisation. Key highlights include:

- The implementation of a new HR/Payroll system
- An upgrade of IT facilities for the Ashby Depot
- A hardware upgrade for the records system
- A software upgrade for the financial system
- Development of business cases for implementing new records and mapping systems
- Progression of planning projects for IT disaster recovery and IT risk management

Human Resources

The City continues to focus on the wellbeing of its staff with skin checks and flu vaccinations once again offered to staff. More than 300 staff took advantage of these services during 2005-06.

In 2005-06, 13 lost-time injuries were recorded for approved claims. The Occupational Safety and Health committee continued to offer direction and support to staff at the City. The City was awarded a Safety Certificate for its Occupational Safety and Health Management systems in September.

In the past 12 months, the City has successfully negotiated two Enterprise Bargaining Agreements (EBAs) with staff across the organisation for the period 2006-08.

The turnover rate for staff in the City was approximately 16.2%, which was a reduction on previous years.

Workplace Giving

The City continued to contribute to a range of charities including the RSPCA, Community Vision and PMH through its 'Workplace Giving, Casual Dress Fridays' initiative. This program enables staff to dress casually one day a week and donate to a registered charity via their fortnightly pay. The total donated over the year was \$14,810.50.

Financial Services

The need to address long-term financial sustainability provided a impetus for the City during 2005-06 to develop its Strategic Financial Plan (SFP) 2006-07 to 2009-10. Following an invitation for public comment and consideration of the public submissions, the SFP was adopted by Council at its meeting on 26 June 2006.

The SFP provides an overview of the projects planned to be undertaken during the period of the plan, and highlights the need to build the City's financial capacity for the effective management of its infrastructure assets into the future. Key outcomes included:

- Review and redesign of processes and procedures for managing and accounting for investments, including the appointment of a new investment advisor
- The restructure of the handling of trust funds



PERFORMANCE MEASURES

The City of Joondalup measures performance and customer satisfaction throughout the year to monitor the level of service to its customers.

Performance and customer satisfaction are measured by surveys, such as the Annual Customer Satisfaction Monitor and monthly Mystery Shopper Surveys.

Customer Satisfaction Monitor

The Annual Customer Satisfaction Monitor is conducted to determine:

- Overall satisfaction with the City of Joondalup
- Perceived importance and satisfaction with services and facilities
- Performance gaps
- A comparison of the City's performance against other local governments in Western Australia

The 2005-06 survey, conducted by an independent market research company, involved telephone interviews with 602 residents of the City. The random sample was crosschecked to ensure a representative profile of the population in terms of age, gender and location, and the sample size. Precision was also set to ensure 95% accuracy, in accordance with the level specified by the Auditor General for surveys of performance.

The results of the Annual Customer Service Monitor identified areas of high customer satisfaction as well as areas for improvement. The results were benchmarked, and assisted in tracking the City's progress, ensured the relevance of services and optimum use of Council resources.

In 2005-06 the City of Joondalup had an overall satisfaction rating of 77%. This is a slight increase from the 2004-05 satisfaction level of 75%.

The areas of high importance and high satisfaction in 2005-06 included:

- Weekly rubbish collection
- Libraries and Information Services
- Parks, gardens and open spaces
- Bulk rubbish collections
- Road maintenance

The City set the benchmark in the following areas:

- Council's encouragement and support for education and training opportunities
- Providing an informative website

Mystery Shopper Surveys

The Mystery Shopper Surveys monitor levels of customer service provided to residents. The Mystery Shops are conducted by an independent company, on a monthly basis, with each business unit surveyed by telephone, in person and through correspondence. The surveys measure adherence with the City's Customer Service Charter and industry standards.

The City's Mystery Shopper Survey results have remained consistently high with an organisational average of 95%.

CUSTOMER SATISFACTION MONITOR RESULTS

Service	2004	2005	2006
Overall satisfaction with Council	73%	75%	77%
Abandoned and off-road vehicles	89%	81%	78%
Accessibility of information about Council services and facilities	77%	73%	75%
Animal control*	83%	80%	78%
Australian citizenship	93%	89%	76%
City Watch Security Patrols	79%	65%	72%
Community buildings, halls and toilets	93%	91%	81%
Community education activities**	90%	86%	80%
Community participation	78%	73%	69%
Conservation and environmental management*	88%	82%	81%
Cultural and community events	86%	83%	84%
External customer service	93%	94%	95%
Fire prevention	94%	90%	85%
Food and pollution control	91%	91%	79%
Footpaths and cycle ways*	83%	82%	85%
Graffiti, vandalism and antisocial behaviour*	82%	73%	71%
Immunisation clinics	92%	94%	78%
Internal customer service	72%	59%	68%
Leisure services	87%	85%	85%
Libraries and information services*	97%	95%	93%
Maintaining roads*	89%	86%	88%
Management and control of traffic on roads***	N/A	N/A	75%
Mobile security patrols	79%	65%	72%
Outdoor recreation facilities*	86%	88%	85%
Parking control	78%	68%	69%
Parks, gardens and open spaces*	83%	85%	89%
Pest Control*	86%	78%	78%
Planning and building approvals*	75%	70%	72%
Provision of social opportunities	NA	86%	74%
Recycling	77%	67%	72%
Services and care for seniors***	N/A	N/A	81%
Street lighting***	N/A	N/A	82%
Verge-side bulk rubbish collection*	87%	81%	83%
Website** ***	N/A	N/A	78%
Weekly rubbish collection	96%	96%	95%
Youth services and activities*	79%	77%	68%

* The City is performing above the industry average in these areas

** The City set the benchmark in these areas. Benchmarks are calculated from surveys completed by participating local governments in the Perth Metropolitan area over the last 18 months

*** New survey questions were introduced in 2005-06 on areas not previously monitored

PLAN FOR THE FUTURE 2006-07

Local government is required by statute, to prepare a Plan for the Future of the District at least every second year. The plan is to set out the broad objectives of the local government for the period specified in the plan, and is to be developed in consultation with the community.

The Strategic Financial Plan is the City's Plan for the Future and provides a summary of the activities the City of Joondalup is planning to undertake over the next four years. (Council formally adopted the Strategic Financial Plan 2005-06 on 17 May 2005).

Project	Progress during 2005-06	Performance
Cultural Facility	The City has signed the land transfer documents and forwarded them to the Department of Training for signing. When the Department of Training has signed the transfer documents, settlement can proceed.	Works completed within scheduled timeframes and within overall budget. Settlement to conclude in 2006-07.
Feasibility study for Yellagonga Environment Centre	A project team has been established to progress a feasibility study for the establishment of an environment centre for the Yellagonga Regional Park. A consultant has been recruited to undertake the feasibility study and report on the various options available for the establishment of an environment centre within the Yellagonga Regional Park.	Works completed within scheduled timeframes and within overall budget. Feasibility study to be finalised in 2006-07.
Waste Management Strategy	The City adopted the waste strategy in December 2005, following consultation with the community. Tenders for purchase and the rollout of recycling carts and the collection contract have been developed. The Materials Recycling Facility upgrade is progressing and the tripartite agreement between the Cities of Swan, Wanneroo and Joondalup is also in progress. Work on the Regional Waste Education Strategy is currently being completed with the Mindarie Regional Council and the City of Joondalup.	Works completed within scheduled timeframes and within overall budget. A new recycling system and upgrade to the Materials Recycling Facility to be implemented and completed respectively in 2006-07.
City of Joondalup Leisure Centres – Craigie Upgrade	The \$10.3 million upgrade and opening of the City of Joondalup Leisure Centres - Craigie was delayed as a result of problems with the geothermal bore. By the end of June 2006, the bore and associated plant for water heating at the leisure centre were fully operational. The facility is now open for public use.	Despite initial delays, works have now been completed within overall budget.

Project	Progress during 2005-06	Performance
Joondalup Works Depot	<p>The Council formally adopted the business plan in April 2006 and approved development of the new depot on Ocean Reef Road, Craigie, adjacent to the Water Corporation's Beenyup Waste Treatment Plant. Negotiations with the Water Corporation on lease conditions concluded with the final version being drafted for consideration by the City. A concept plan for the site was developed and work on the submission for an application for development approval commenced.</p> <p>The project is currently progressing according to the revised program. Relocation to the new depot is expected in December 2007.</p>	<p>The program is progressing on time, in accordance with the revised program endorsed by Council in April 2006.</p> <p>Works will continue during 2006-07.</p>
Ocean Reef Marina Redevelopment	<p>The Ocean Reef Marina redevelopment site is approximately 46ha and currently consists of a boat launching facility and parking for vehicles and boat trailers. A number of studies have been undertaken in relation to the Ocean Reef redevelopment, including a detailed vegetation and flora survey and community surveys. Relevant consultants have been appointed and a project-initiating meeting has been held. Consultants have reviewed past reports and have provided feedback on information gaps.</p>	<p>Works completed within scheduled timeframes and within overall budget.</p> <p>A structure plan for the redevelopment site will be progressed in 2006-07.</p>
Sorrento Beach Development – Stage 2	<p>Stage 1 construction of a new coastal recreation reserve between the Sorrento Surf Lifesaving Club and the southern breakwater of Hillarys Boat Harbour was opened to the public on Australia Day 2005. Stage 2 works included completion of grass and reticulation areas, car park extension, refurbishment of the existing toilet block and installation of shelters, lighting and barbecues. Stage 2 was open to the public in May 2006.</p>	<p>Works completed within scheduled timeframes and within overall budget</p>

STATUTORY REPORTS

The City's Disability Access and Inclusion Plan was adopted to ensure that all people are able to access Council facilities, functions, activities, programs and services. It is intended that the plan reflect a whole-of-community approach, ensuring that all people have the same opportunities and choices to participate in the community.

During the past 12 months the City has:

- Met the statutory requirements of the Disability Services Act 1993 (amended 2004), by lodging the Disability Access and Inclusion Plan at the Disability Services Commission (DSC) by 31 July 2006
- Participated in DSC training, which contributed to the development of a Resource Manual for Local Government for Disability Access and Inclusion Plans
- Continued to regularly promote the access and inclusion plan internally, so as to raise awareness of the plan and disability access and inclusion issues
- Continued to make the plan available to the community upon request and through the City's website
- Regularly published disability access and inclusion articles in Council News
- Commenced operating a state-of-the-art pool ramp and hoist installed during the redevelopment of the aquatic facility at City of Joondalup Leisure Centres – Craigie, enabling dignified access to the pool for people with disabilities
- Purchased a Beach Wheelchair for use during the summer months at Mullaloo Beach, made possible by a grant from the Independent Living Centre
- Networked, developed and built additional partnerships with a wide range of government, non-government and community groups that represent and advocate on behalf of people with special needs
- Promoted a Translating and Interpreting Service (TIS) through Customer Service to enable people from diverse cultural backgrounds to better access services
- Worked in partnership with WA Disabled Sports Association and Recreation and Sport Network to provide programs such as Be Active Engagement and Sportslink at the City of Joondalup Leisure Centres - Craigie
- Provided traineeships for people with disabilities as well as supported people with disabilities on work experience in various business units
- Commenced internal consultation to develop improved reporting processes for business units on the status of the plan's actions and tasks
- Partnered with the City of Wanneroo in an application to the WA Local Government Association for a grant to support the implementation of initiatives by local government which meet one or more of the desired outcomes for Disability Access and Inclusion Plans

Implementation of the plan's strategies are ongoing, presenting challenges and opportunities that are reported upon within the organisation and the community on a regular basis.

The access and inclusion plan 2004-08 is available on the City's website at www.joondalup.wa.gov.au or by phoning 9400 4315.

Record Keeping

The City's approach to electronic record keeping has provided a single repository for all corporate documents. From its inception, the City has focused on retaining corporate documents in an electronic format, providing immediate access by all employees. All elected members, employees and contractors are responsible for maintaining complete, accurate and reliable evidence of all business transactions.

During June 2006 the one-millionth corporate document was captured to the system, with an average of 10,160 documents being captured each month and 121,920 in total for 2005-06. 355 current users have access to the system.

A draft business case for the replacement of the current record-keeping system commenced and will be developed. Its outcome is to provide a more comprehensive, modern-day records and document-management solution. This will allow the City to improve efficiencies for document processing and better position itself to meet future customer service and volume demands in this area.

The City's Record Keeping Training Program continues to be delivered in two forums, being part of the Corporate Induction Program that provides an overview of record-keeping responsibilities and the requirements of the State Records Act 2000, and as a hands-on training session on the usage of the electronic record-keeping system. Attendees at both forums are required to evaluate the sessions, as a result of which suggestions for improvements have, and will continue to be, incorporated.

National Competition Policy

In 1995 the Council of Australian Governments entered into a number of agreements collectively known as the National Competition Policy. Local government is affected mainly where it operates significant business activities which compete with or could compete with private sector businesses. Local government will also be affected where local laws unnecessarily affect competition.

The City is required to comply with certain policies contained within the National Competition Policy statement and report on progress in connection with Competitive Neutrality Principles and review of Local Laws.

Competitive Neutrality

In respect of business activities where 'user pays' income is greater than \$200,000 in any year, the City is required to perform a 'Public Benefit Test'.

The City has identified the following:

- City of Joondalup Leisure Centres - Craigie, Duncraig and Heathridge

The public benefit tests for these activities revealed that competitive advantages and disadvantages existed in each of these Leisure Centres and it was beneficial to the local community to continue the operational subsidies to enable the services to be maintained in the future.

Due to major renovations, the City of Joondalup Leisure Centres - Craigie has only been operating at an anticipated capacity since July 2006. A fully operational centre will represent a significant business activity in accordance with Clause 7 of the Competition Policy Statement.

A cost-benefit analysis will be undertaken to determine whether the refurbished facility is operating in a competitively neutral way. This will be reported in the 2006-07 Annual Report in accordance with CN.10 of Clause 7 of the Competition Policy Statement.

Payments to Employees

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

- The number of employees of the City of Joondalup entitled to an annual salary of \$100,000 or more
- The number of those employees with an annual salary entitlement that falls within cash bands of \$10,000 over \$100,000

To eliminate issues associated with employees receiving numerous fringe benefits, the City has adapted a total employee cost approach to remuneration. This packages all benefits into one total number and no specific cash component is identified.

This is considered a far more transparent and open approach to payment, which goes much further than the requirement of the regulations.

The table below is based on what an employee is entitled to receive over the 12-month period of the annual report and includes:

- Annual cash component
- Statutory 9% superannuation
- Salary sacrificing
- Allowance for motor vehicle

\$	\$	Number of Employees
100,000	109,999	1
110,000	119,999	3
120,000	129,999	7
130,000	139,999	1
140,000	149,999	1
150,000	159,999	0
160,000	169,999	0
170,000	179,999	3
180,000	189,999	1
190,000	199,999	0
200,000	209,999	0
210,000	219,999	0
220,000	229,999	0
230,000	239,999	0
240,000	249,000	1
Total		18

ABRIDGED FINANCIAL STATEMENTS



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Independent audit report to the Ratepayers of City of Joondalup

Scope

The concise financial report and directors' responsibility

The concise financial report of City of Joondalup comprises the balance sheet, income statement, cash flow statement, statement of changes in equity, and accompanying notes for the year ended 30 June 2006 as set out on pages 1 to 5.

The council is responsible for the preparation and presentation of the concise financial report in accordance with Accounting Standard AASB 1039 "Concise Financial Reports". This includes responsibility for the maintenance of adequate financial records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the concise financial report.

Audit approach

We have conducted an independent audit of the concise financial report in order to express an opinion on it to the ratepayers of the council. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the concise financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We have also performed an independent audit of the full financial report of the company for the year ended 30 June 2006. Our audit report on the full financial report was signed on 12 October 2006, and was not subject to any qualification.

Our procedures in respect of the audit of the concise financial report included testing that the information in the concise financial report is consistent with the full financial report, and examination, on a test basis, of evidence supporting the amounts, discussion and analysis, and other disclosures in the concise financial report that were not directly derived from the full financial report. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report is presented fairly in accordance with Accounting Standard AASB 1039 "Concise Financial Reports".

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the concise financial report of City of Joondalup for the year ended 30 June 2006 complies with Accounting Standard AASB 1039 "Concise Financial Reports".

DELOITTE TOUCHE TOHMATSU

AT Richards
Partner
Chartered Accountants
Perth, 12 October 2006

STATEMENT BY THE CEO

**CONCISE
FINANCIAL
REPORT**

FOR THE YEAR ENDED 30 JUNE 2006

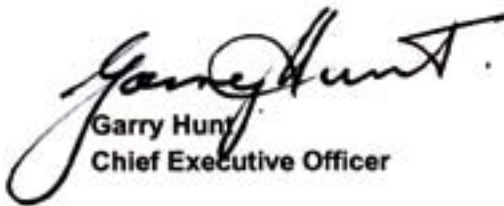
These Financial Statements and specific disclosures have been derived from the City of Joondalup's Financial Report

The Concise Financial Report cannot be expected to provide as full an understanding of the income statement, balance sheet and financial and investing activities of the City of Joondalup as the Financial Report

Further financial information can be obtained from the Financial Report which is available, free of charge, on request to the City of Joondalup

Statement by Chief Executive Officer

In my opinion the attached financial statements and notes thereto have been derived from the full financial report of the City.



Garry Hunt
Chief Executive Officer

Signed on the 12th day of October 2006

CITY OF JOONDALUP
INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006
(BY PROGRAMME)

	Actual 2006	Adopted Budget 2006	Actual 2005
	\$	\$	\$
REVENUE FROM OPERATIONS			
General Purpose Funding	60,626,680	58,463,514	53,561,611
Governance	1,840	-	9,527
Law, Order, Public Safety	564,910	621,443	481,298
Health	238,791	234,853	353,203
Education and Welfare	270,565	406,247	294,744
Community Amenities	9,753,342	9,810,877	8,287,505
Recreation and Culture	3,091,707	5,127,080	2,861,015
Transport	10,998,031	8,397,103	4,759,357
Economic Services	1,174,041	1,188,962	1,095,303
Other Property and Services	394,000	390,093	397,049
Total Revenues	87,113,907	84,640,172	72,100,612
EXPENSES FROM OPERATIONS			
General Purpose Funding	262,343	1,158,584	741,083
Governance	1,645,021	8,019,032	6,988,364
Law, Order, Public Safety	3,824,848	3,150,790	2,979,397
Health	1,315,080	1,402,946	1,417,823
Education and Welfare	1,862,133	1,545,247	1,415,509
Community Amenities	11,975,467	11,022,121	9,553,237
Recreation and Culture	23,534,773	23,854,733	22,830,732
Transport	20,451,379	17,567,983	16,597,175
Economic Services	1,051,902	1,346,152	1,277,314
Other Property and Services	7,309,163	7,499,293	5,546,913
Total Expenses	73,232,109	76,566,881	69,347,547
CHANGES IN NET ASSETS RESULTING FROM OPERATIONS	13,881,798	8,073,291	2,753,065

CITY OF JOONDALUP

BALANCE SHEET

AS AT 30 JUNE 2006

	Actual 2006 \$	Actual 2005 \$
CURRENT ASSETS		
Cash and Cash Equivalents	48,560,656	40,572,513
Trade and other Receivables	1,862,647	2,225,017
TOTAL CURRENT ASSETS	50,423,303	42,797,530
NON CURRENT ASSETS		
Trade and other Receivables	1,423,133	1,389,092
Property, Plant & Equipment	506,519,172	497,896,471
TOTAL NON CURRENT ASSETS	507,942,305	499,285,563
TOTAL ASSETS	558,365,608	542,083,093
CURRENT LIABILITIES		
Trade and other Payables	7,930,986	6,727,829
Provisions	5,922,443	5,525,855
Borrowings	310,025	228,493
TOTAL CURRENT LIABILITIES	14,163,454	12,482,177
NON CURRENT LIABILITIES		
Borrowings	3,361,482	2,771,507
Provisions	918,307	788,843
TOTAL NON CURRENT LIABILITIES	4,279,789	3,560,350
TOTAL LIABILITIES	18,443,243	16,042,527
NET ASSETS	539,922,365	526,040,566
EQUITY		
Retained Earnings	515,638,588	503,979,812
Reserves	24,283,777	22,060,754
TOTAL EQUITY	539,922,365	526,040,566

CITY OF JOONDALUP
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006

	Actual 2006 \$	Actual 2005 \$
RETAINED EARNINGS		
Balance at Beginning of Financial Year	503,979,813	500,255,712
Change in Net Assets Resulting from Operations	13,881,798	2,753,065
Net transfers from/(to) Reserves	(2,223,023)	971,036
Balance at End of Financial Year	515,638,588	503,979,813
 RESERVES - CASH BACKED		
Balance at Beginning of Financial Year	22,060,754	23,031,789
Net amount transferred (from)/ to Retained Earnings	2,223,023	(971,036)
Balance at End of Financial Year	24,283,777	22,060,753
 TOTAL EQUITY	539,922,365	526,040,566

CITY OF JOONDALUP

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2006

	Actual 2006 Inflows (Outflows) \$	Adopted Budget 2006 Inflows (Outflows) \$	Actual 2005 Inflows (Outflows) \$
Cash Flows from Operating Activities			
Receipts:			
Rates – General	49,592,555	49,023,290	46,415,018
Rates – Specified Area Rate Iluka	121,350	122,672	98,511
Government Grants & Subsidies	4,730,458	4,650,782	5,773,406
Contributions, Reimbursements, Donations	5,426,825	975,736	1,408,240
Fees & Charges	14,443,653	15,305,852	12,657,223
Interest Earned	3,451,631	2,248,000	2,917,089
Revenue from Other Councils	181,242	126,000	159,438
	<u>77,947,714</u>	<u>72,452,332</u>	<u>69,428,925</u>
Payments:			
Employee Costs	(27,083,379)	(30,474,382)	(26,179,635)
Materials, Contracts, Suppliers	(24,933,230)	(25,669,345)	(22,917,154)
Utilities (gas, electricity, water)	(3,040,006)	(3,164,388)	(2,815,963)
Interest Expense	(188,101)	(218,444)	-
Insurance Expenses	(932,952)	(939,272)	(909,534)
Other Expenses	(53,978)	(44,000)	(34,517)
	<u>(56,231,646)</u>	<u>(60,509,831)</u>	<u>(52,856,803)</u>
Net Cash Provided by Operating Activities	21,716,068	11,942,501	16,572,122
Cash Flows from Investing Activities			
Payments for Property, Plant & Equipment:			
Purchase of Land	-	(3,318,612)	-
Purchase of Artworks	(10,000)	(20,000)	(47,432)
Purchase of Furniture and Equipment	(491,076)	(1,643,778)	(484,946)
Purchase of Vehicles and Plant	(1,846,190)	(3,688,100)	(1,600,584)
	<u>(2,347,266)</u>	<u>(8,670,490)</u>	<u>(2,132,962)</u>
Payments for New Community Infrastructure			
Construction of Infrastructure Assets	(15,937,206)	(25,974,145)	(15,844,472)
	<u>(15,937,206)</u>	<u>(25,974,145)</u>	<u>(15,844,472)</u>
Receipts:			
Proceeds from Sale of Property, Plant & Equipment	635,329	1,560,000	626,534
	<u>635,329</u>	<u>1,560,000</u>	<u>626,534</u>
Net Cash used in Investing Activities	(17,649,143)	(33,084,635)	(17,350,900)

	Actual 2006 Inflows (Outflows) \$	Adopted Budget 2006 Inflows (Outflows) \$	Actual 2005 Inflows (Outflows) \$
Cash Flows From Government			
Government Grants & Subsidies	3,249,710	4,435,283	1,679,546
Net Cash from Government	3,249,710	4,435,283	1,679,546
Cashflows from Financing Activities			
Repayment of Borrowings	(228,493)	(228,493)	-
Proceeds from Borrowings	900,000	900,000	3,000,000
Net Cash provided from Financing Activities	671,507	671,507	3,000,000
Net Increase (Decrease) in cash and cash equivalents	7,988,143	(16,035,344)	3,900,768
Cash and cash equivalents at Beginning of the Financial Year	40,572,513	40,251,742	36,671,745
Cash and cash equivalents at the End of the Financial Year	48,560,656	24,216,398	40,572,513

[illegible]

[illegible]

YOUR MAYOR AND COUNCILLORS

MAYOR

Troy Pickard (Term expires: May 2009)

Audit Committee
Performance Review Committee - CEO
Policy Committee
Strategic Financial Management Committee
Community Vision Inc. (Board) - External
WA Local Govt Assn. Development Policy Team - External
WA Local Govt Assn. State Council - External
Local Govt Assn. WA (N. Metro) - External
NW Metro Regional Road Sub-group - External
Tamala Park Regional Council - External



SOUTH-EAST WARD

Cr Sue Hart (Deputy Mayor) (Term expires: May 2009)

Audit Committee
Policy Committee
Conservation Advisory Committee
Sustainability Advisory Committee
Performance Review Committee - CEO (Deputy)
Strategic Financial Management Committee (Deputy)
Mindarie Regional Council - External



Cr Brian Corr (Term expires: May 2007)

Strategic Financial Management Committee
Seniors Interests Advisory Committee
Audit Committee (Deputy)
Performance Review Committee - CEO
Policy Committee (Deputy)
Yellagonga Regional Park Advisory Committee - External



NORTH WARD

Cr Kerry Hollywood (Term expires: May 2009)

Policy Committee
Audit Committee (Deputy)
Performance Review Committee - CEO (Deputy)
Strategic Financial Management Committee (Deputy)
Mindarie Regional Council - External



Cr Tom McLean (Term expires: May 2007)

Audit Committee
Performance Review Committee - CEO
Strategic Financial Management Committee
Policy Committee (Deputy)
Local Govt Assn. WA (N. Metro) - External
Joondalup Business Centre - External



NORTH-CENTRAL WARD

Cr Albert Jacob (Term expires: May 2009)

Audit Committee (Deputy)
Performance Review Committee - CEO (Deputy)
Policy Committee (Deputy)
Strategic Financial Management Committee (Deputy)
NW District Planning Committee - External
Community Board of Advice (Joondalup Health Campus) - External



Cr Steve Magyar (Term expires: May 2007)

Conservation Advisory Committee
Audit Committee
Performance Review Committee - CEO
Policy Committee
Strategic Financial Management Committee
Sustainability Advisory Committee
Local Government Assoc. of WA (North Metro) - External



CENTRAL WARD

Cr John Park (Term expires: May 2009)

Strategic Financial Management Committee
Conservation Advisory Committee
Policy Committee
Audit Committee (Deputy)
Performance Review Committee - CEO (Deputy)
Small Business Centre Inc - External



Cr Geoff Amphlett (Term expires: May 2007)

Audit Committee
Performance Review Committee - CEO
Conservation Advisory Committee
Policy Committee (Deputy)
Strategic Financial Management Committee (Deputy)
Joondalup Business Centre - External
North Metro Regional Recreation Committee - External



SOUTH-WEST WARD

Cr Michele John (Term expires: May 2009)

Sustainability Advisory Committee
Conservation Advisory Committee
Audit Committee
Performance Review Committee - CEO
Strategic Financial Management Committee
Policy Committee (Deputy)
Tamala Park Regional Council - External



Cr Marie Evans (Term expires: May 2007)

Policy Committee
Audit Committee (Deputy)
Performance Review Committee - CEO (Deputy)
Strategic Financial Management Committee (Deputy)



SOUTH WARD

Cr Russ Fishwick (Term expires: May 2009)

Performance Review Committee - CEO
Strategic Financial Management Committee
Sustainability Advisory Committee
Audit Committee (Deputy)
Policy Committee (Deputy)



Cr Richard Currie (Term expires: May 2007)

Policy Committee
Seniors Interests Advisory Committee
District Emergency Management Committee
Audit Committee
Performance Review Committee - CEO (Deputy)
Strategic Financial Management Committee (Deputy)
Local Government Assoc. of WA (North Metro) - External





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CITY OF JOONDALUP
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2006

CITY OF JOONDALUP

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FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006

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Independent audit report to the Ratepayers of City of Joondalup

Scope

The financial report and the Chief Executive Officers responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of changes in equity, Statement of General Purpose Funding, Statement of Rating Information, a summary of significant accounting policies and other explanatory notes and the Chief Executive Officers declaration for the Council of the City of Joondalup ("the City") for the financial year ended 30 June 2006 as set out on pages 1 to 46.

The Council of the City of Joondalup is responsible for the preparation and fair presentation of the financial report in accordance with the Local Government Act 1995 Part 6 and Accounting Standards in Australia. This includes responsibility for the maintenance of adequate financial records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the ratepayers of the City of Joondalup. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the Local Government Act 1995 Part 6 and Accounting Standards in Australia so as to present a view which is consistent with our understanding of the City's financial position, the results of its operations, its changes in equity and its cash flows.

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates made by the Council.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Member of
Deloitte Touche Tohmatsu

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report presents fairly in accordance with the Local Government Act 1995 Part 6 and applicable Accounting Standards in Australia, the financial position of the City as at 30 June 2006 and the results of its operations, its changes in equity and its cash flows for the year ended on that date.

We did not during the course of our audit, become aware of any instances where the City of Joondalup did not comply with the requirements of the Local Government Act 1995 Part 6 and the Local Government (Financial Management) Regulations 1996.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU

AT Richards
AT Richards
Partner
Chartered Accountants
Perth, 12 October 2006

CITY OF JOONDALUP

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Joondalup being the annual financial report and supporting notes and other information for the financial year ended 30 June 2006 are in my opinion properly drawn up to present fairly the financial position of the City of Joondalup at 30 June 2006 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under the Act.

Signed on the 12th day of October 2006



Chief Executive Officer
Garry Hunt

**CITY OF JOONDALUP
INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006
(BY PROGRAMME)**

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	Note	Actual 2006 \$	Adopted Budget 2006 \$	Actual 2005 \$
REVENUE FROM OPERATIONS				
General Purpose Funding		60,626,680	58,463,514	53,561,611
Governance		1,840	-	9,527
Law, Order, Public Safety		564,910	621,443	481,298
Health		238,791	234,853	353,203
Education and Welfare		270,565	406,247	294,744
Community Amenities		9,753,342	9,810,877	8,287,505
Recreation and Culture		3,091,707	5,127,080	2,861,015
Transport		10,998,031	8,397,103	4,759,357
Economic Services		1,174,041	1,188,962	1,095,303
Other Property and Services		394,000	390,093	397,049
Total Revenues	2b	87,113,907	84,640,172	72,100,612
EXPENSES FROM OPERATIONS				
General Purpose Funding		262,343	1,158,584	741,083
Governance		1,645,021	8,019,032	6,988,364
Law, Order, Public Safety		3,824,848	3,150,790	2,979,397
Health		1,315,080	1,402,946	1,417,823
Education and Welfare		1,862,133	1,545,247	1,415,509
Community Amenities		11,975,467	11,022,121	9,553,237
Recreation and Culture		23,534,773	23,854,733	22,830,732
Transport		20,451,379	17,567,983	16,597,175
Economic Services		1,051,902	1,346,152	1,277,314
Other Property and Services		7,309,163	7,499,293	5,546,913
Total Expenses	2b	73,232,109	76,566,881	69,347,547
CHANGES IN NET ASSETS RESULTING FROM OPERATIONS	2b	13,881,798	8,073,291	2,753,065

Notes to the Financial Statements are included on pages 8 to 46.

**CITY OF JOONDALUP
BALANCE SHEET
AS AT 30 JUNE 2006**

	Note	Actual 2006 \$	Actual 2005 \$
CURRENT ASSETS			
Cash and Cash Equivalents	13	48,560,656	40,572,513
Trade and other Receivables	6	1,862,647	2,225,017
TOTAL CURRENT ASSETS		<u>50,423,303</u>	<u>42,797,530</u>
NON CURRENT ASSETS			
Trade and other Receivables	6	1,423,133	1,389,092
Property, Plant & Equipment	7	506,519,172	497,896,471
TOTAL NON CURRENT ASSETS		<u>507,942,305</u>	<u>499,285,563</u>
TOTAL ASSETS		<u>558,365,608</u>	<u>542,083,093</u>
CURRENT LIABILITIES			
Trade and other Payables	8	7,930,986	6,727,829
Provisions	8	5,922,443	5,525,855
Borrowings	26	310,025	228,493
TOTAL CURRENT LIABILITIES		<u>14,163,454</u>	<u>12,482,177</u>
NON CURRENT LIABILITIES			
Borrowings	26	3,361,482	2,771,507
Provisions	8	918,307	788,843
TOTAL NON CURRENT LIABILITIES		<u>4,279,789</u>	<u>3,560,350</u>
TOTAL LIABILITIES		<u>18,443,243</u>	<u>16,042,527</u>
NET ASSETS		<u>539,922,365</u>	<u>526,040,566</u>
EQUITY			
Retained Earnings		515,638,588	503,979,812
Reserves	9	24,283,777	22,060,754
TOTAL EQUITY		<u>539,922,365</u>	<u>526,040,566</u>

Notes to the Financial Statements are included on pages 8 to 46.

CITY OF JOONDALUP
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2006

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	Note	Actual 2006 \$	Actual 2005 \$
RETAINED EARNINGS			
Balance at Beginning of Financial Year		503,979,813	500,255,712
Change in Net Assets Resulting from Operations	2b	13,881,798	2,753,065
Net transfers from/(to) Reserves		(2,223,023)	971,036
Balance at End of Financial Year		515,638,588	503,979,813
 RESERVES - CASH BACKED			
Balance at Beginning of Financial Year		22,060,754	23,031,789
Net amount transferred (from)/ to Retained Earnings		2,223,023	(971,036)
Balance at End of Financial Year	9	24,283,777	22,060,753
 TOTAL EQUITY			
		539,922,365	526,040,566

Notes to the Financial Statements are included on pages 8 to 46.

**CITY OF JOONDALUP
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2006**

3 x 3

	Note	Actual 2006 Inflows (Outflows) \$	Adopted Budget 2006 Inflows (Outflows) \$	Actual 2005 Inflows (Outflows) \$
Cash Flows from Operating Activities				
Receipts:				
Rates – General		49,592,555	49,023,290	46,415,018
Rates – Specified Area Rate Iluka		121,350	122,672	98,511
Government Grants & Subsidies		4,730,458	4,650,782	5,773,406
Contributions, Reimbursements, Donations		5,426,825	975,736	1,408,240
Fees & Charges		14,443,653	15,305,852	12,657,223
Interest Earned		3,451,631	2,248,000	2,917,089
Revenue from Other Councils		181,242	126,000	159,438
		<u>77,947,714</u>	<u>72,452,332</u>	<u>69,428,925</u>
Payments:				
Employee Costs		(27,083,379)	(30,474,382)	(26,179,635)
Materials, Contracts, Suppliers		(24,933,230)	(25,669,345)	(22,917,154)
Utilities (gas, electricity, water)		(3,040,006)	(3,164,388)	(2,815,963)
Interest Expense		(188,101)	(218,444)	-
Insurance Expenses		(932,952)	(939,272)	(909,534)
Other Expenses		(53,978)	(44,000)	(34,517)
		<u>(56,231,646)</u>	<u>(60,509,831)</u>	<u>(52,856,803)</u>
Net Cash Provided by Operating Activities	15	21,716,068	11,942,501	16,572,122
Cash Flows from Investing Activities				
Payments for Property, Plant & Equipment:				
Purchase of Land		-	(3,318,612)	-
Purchase of Artworks		(10,000)	(20,000)	(47,432)
Purchase of Furniture and Equipment		(491,076)	(1,643,778)	(484,946)
Purchase of Vehicles and Plant		(1,846,190)	(3,688,100)	(1,600,584)
		<u>(2,347,266)</u>	<u>(8,670,490)</u>	<u>(2,132,962)</u>
Payments for New Community Infrastructure				
Construction of Infrastructure Assets		(15,937,206)	(25,974,145)	(15,844,472)
		<u>(15,937,206)</u>	<u>(25,974,145)</u>	<u>(15,844,472)</u>
Receipts:				
Proceeds from Sale of Property, Plant & Equipment		635,329	1,560,000	626,534
		<u>635,329</u>	<u>1,560,000</u>	<u>626,534</u>
Net Cash used in Investing Activities		(17,649,143)	(33,084,635)	(17,350,900)

	Note	Actual 2006 Inflows (Outflows) \$	Adopted Budget 2006 Inflows (Outflows) \$	Actual 2005 Inflows (Outflows) \$
Cash Flows From Government				
Government Grants & Subsidies		3,249,710	4,435,283	1,679,546
Net Cash from Government		3,249,710	4,435,283	1,679,546
Cashflows from Financing Activities				
Repayment of Borrowings	27	(228,493)	(228,493)	-
Proceeds from Borrowings	27	900,000	900,000	3,000,000
Net Cash provided from Financing Activities		671,507	671,507	3,000,000
Net Increase (Decrease) in cash and cash equivalents		7,988,143	(16,035,344)	3,900,768
Cash and cash equivalents at Beginning of the Financial Year		40,572,513	40,251,742	36,671,745
Cash and cash equivalents at the End of the Financial Year	13	48,560,656	24,216,398	40,572,513

Notes to the Financial Statements are included on pages 8 to 46.

CITY OF JOONDALUP
STATEMENT OF GENERAL PURPOSE FUNDING
FOR THE YEAR ENDED 30 JUNE 2006

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	ACTUAL 2005/2006 \$	BUDGET 2005/2006 \$	BUDGET VALUATIONS \$
<u>General Rates</u>			
GRV Rate in \$ - 6.9420	45,342,018	45,342,018	594,286,175
UV Rate in \$ - 0.5426	302,695	302,695	30,941,194
<u>Minimum Payment</u>			
GRV Assessments (Comm/Ind)	80,295	80,295	521,138
GRV Assessments (Residential)	3,369,360	3,369,360	56,968,331
<u>Interim Rates</u>			
GRV	184,433	200,000	
General Rates Levied	49,278,801	49,294,368	682,716,838
Less Discount Allowed (Note 3a)	(579,541)	(800,000)	
Total General Rates Levied	48,699,260	48,494,368	
Plus- Late Payment Interest (Note 3c)	329,564	305,758	
Plus- Administration Fees (Note 3b)	438,555	350,621	
Total Rates Revenue	49,467,379	49,150,747	
General Purpose Grant			
General (Untied) Grant	4,206,984	4,214,768	
Other General Purpose Income			
Pensioners' Deferred Rates	52,586	50,000	
Contributions	3,448,100	2,800,000	
Interest on Investments	3,451,631	2,248,000	
Total General Purpose Income Shown on Income Statement	60,626,680	58,463,515	

Notes to the Financial Statements are included on pages 8 to 46.

CITY OF JOONDALUP
STATEMENT OF RATING INFORMATION
FOR THE YEAR ENDED 30 JUNE 2006

	GENERAL RATES			
	Rateable Value	No of Properties	Rate in \$	Rate Yield
	\$			\$
General Rate - Gross Rental Value (GRV)				
Residential	526,556,125	49,706	6.9420	36,553,535
Commercial Improved	115,151,577	807	6.9420	7,993,822
Commercial Not Improved	512,200	27	6.9420	35,557
Industrial	10,934,941	364	6.9420	759,104
Sub-Total GRV	653,154,843	50,904		45,342,018
General Rate - Unimproved Value (UV)				
Residential	55,320,011	8	0.05426	300,166
Rural	466,000	2	0.05426	2,529
Total UV	55,786,011	10		302,695
Interim Rates				184,938
				45,829,651
Discount Allowed (Note 3a)				
TOTAL RATES LEVIED				
Interest on Outstanding Rates (Note 3c)				
Instalment Administration Charge (Note 3b)				
TOTAL RATES REVENUE				

MINIMUM PAYMENTS				
Rateable Value	No of Properties	Minimum Payment	Rate Yield	TOTAL
\$		\$	\$	\$
44,175,196	6,672	505	3,369,360	39,922,895
977,872	152	505	76,760	8,070,582
7,250	1	505	505	36,062
37,529	6	505	3,030	762,134
45,197,847	6,831		3,449,655	48,791,673
				300,166
				2,529
				302,695
			(505)	184,433
				49,278,801
				(579,541)
				48,699,260
				329,564
				438,555
				49,467,379

1 SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of these financial statements are:

(a) Basis of Accounting

This financial report is a general purpose financial report and has been prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 and accompanying regulations. The report has also been prepared on the accrual basis under the convention of historical cost accounting.

First Time adoption of AIFRS - Annual Financial Report

This is the City's first set of financial statements prepared using Australian Equivalents to International Financial Reporting Standards ("AIFRS"). The Financial Statements for the year ended 30 June 2006 is the first report covered by AIFRS and AASB1 "First time adoption of Australian equivalent to International Reporting Standards". The preparation of the annual financial report in accordance with AIFRS resulted in changes to the accounting policies as compared to the most recent annual financial statements prepared under previous Generally Accepted Accounting Principles ("previous GAAP"). This resulted in no numeric changes to the financial statements.

The accounting policies set out below have been consistently applied to all periods presented in this financial report. They have also been applied in preparing an opening AIFRS balance sheet as at 1 July 2004 for the purpose of the transition to Australian Accounting Standards – AIFRS as required by AASB 1. The impact of the transition from previous GAAP to AIFRS is explained in Note 28.

Compliance with IFRS

International Financial Reporting Standards ("IFRS") form the basis of Australian Accounting Standards adopted by the AASB, being AIFRS. This financial report of the City complies with AIFRS and interpretations adopted by the International Accounting Standards Board with the following exceptions:

- AIFRS includes specific provisions relating to not-for-profit entities not included in IFRS.
- AAS 27 Financial Reporting by Local Governments applies and there is no equivalent standard in IFRS.

Non-compliance with IFRS includes:

- The recognition of non-reciprocal revenue.
- The definition of value in use for the purpose of estimating the recoverable amount for impaired assets under AASB 136.

At the date of authorisation of this financial report, there were a number of Standards and Interpretations that were issued but not yet effective, however the council anticipate that the adoption of these Standards and Interpretations in future reporting periods will have no material impact on the council.

(b) The Local Government Reporting Entity

The financial statements forming part of this report have been prepared on the basis of a single consolidated fund (Municipal Fund). Monies held in Council's Trust Fund have been excluded from the consolidated financial statements, but a separate statement of those monies appears at Note 11 to these financial statements.

(c) Property, Plant and Equipment

Property, plant and equipment, excluding infrastructure assets are carried at cost less accumulated depreciation. Items of property, plant and equipment, including buildings but excluding freehold land and artworks, are depreciated over their estimated useful lives on a straight-line basis. Depreciation has been charged to the Income Statement. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

Depreciation Rates:

Freehold Land	Nil	Artworks	Nil
Light Vehicles	7.5%	Buildings	2.5%
Heavy Vehicles	10.5%	Mobile Plant	12.5%
Computer Equipment	33.4%	Furniture & Office Equipm	10.0%
Other Equipment	10.0%	Computer Software (over \$10,000)	20.0%

Property, Plant and Equipment are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and ready for use.

Infrastructure Assets

Reserves and Engineering infrastructure assets acquired prior to 30 June 1997 were brought to account as a non-current asset at their estimated depreciated replacement cost at that time, (deemed cost). Additions subsequent to 30 June 1997 are recorded at cost. Infrastructure Assets acquired by the City from contributions by developers are recorded as additions to assets and the income recorded in the Income Statement.

Infrastructure Assets acquired and constructed during the year are depreciated over their estimated useful lives on a straight-line basis from the commencement of the following financial year. Depreciation has been charged to the Income Statement.

Engineering Infrastructure Assets (reserves, roads, footpaths, drainage and other engineering assets) are depreciated over their estimated useful lives on a straight-line basis and are only depreciated from the commencement of the following financial year.

In accordance with Regulation 16 of the Local Government (Financial Management) Regulations 1996, land under roads has not been recognised as an asset in the Balance Sheet.

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation Rates:

Parks and Reserves -

Playground Equipment	10.00%
Sports Facilities	10.0% - 20.0%
Picnic Facilities	10.00%
Park Benches	8.00%
Fencing	5.0% - 10.0%
Reticulation	13.0% - 20.0%
Park Structures	5.0% - 10.0%
Pathways	5.0% - 10.0%
Lighting	13.00%
Oval Development	Nil

Engineering -

Roads/Traffic Management	2.0% - 5.0%
Drainage	1.25%
Car Parking	2.50%
Public Access Ways	2.5% - 4.0%
Footpaths/Bicycle Facilities	2.0% - 4.0%
Robertson Road Cycleway	2.5% - 16.0%
Beach Access Ways	2.5% - 10.0%
Hardcourt Surfaces	2.5% - 20.0%
Bus Shelters	2.0%
Underpasses/Bridges	1.0% - 10.0%
Joondalup City Lighting	2.0% - 16.0%
Ocean Reef Boat Harbour	2.0% - 4.0%

Certain infrastructure assets listed above include various components with each component depreciated separately.

(d) Rates

The rating and reporting periods coincide. All rates levied for the year are recognised as revenues. All outstanding rates are fully collectable and therefore no allowance has been made for doubtful debts. In accordance with the Rates and Charges (Rebates and Deferments) Act 1992, the City offers eligible pensioners and seniors the option to defer the payment of rates or to obtain a rebate from the Western Australian State Government. All eligible pensioners registered under the Rates & Charges (Rebates and Deferments) Act 1992 may obtain a rebate or defer their rates for full payment upon sale of their property. Pensioners who hold a Commonwealth Concession Card and a Pensioner Health Benefit Card, a State Concession Card, Seniors Card or a Commonwealth Seniors Health Card can apply to be eligible for this State scheme. There is no cost to the City under this scheme as interest is received from the State Government for pensioner deferred rates.

(e) Grants, Donations and Other Contributions

All grants, donations and other contributions have been recognised as revenues when the City obtains control over the assets comprising the contribution. Expenditure of those monies has been made or in the case of unexpended monies at balance date will be made in the manner specified under the conditions upon which the City received those monies.

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash on hand, deposits held at call with financial institutions, and other managed trust units that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

(g) Investments

Investments in managed funds are marked to market and reported at their fair values as at the reporting date. Investment in short term deposits are valued at cost. Interest revenues are recorded as they accrue.

(h) Employee Entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required, and are capable of being measured reliably.

When some or all of the economic benefit required to settle a provision is expected to be recovered from another Local Government it is recorded in receivables at time of settlement.

Provisions made in respect of wages and salaries, annual leave and long service leave expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of long service leave which is not expected to be settled within 12 months is measured at the present value of the estimated future cash outflows to be made by the City in respect of services provided by employees up to the reporting date.

(i) Superannuation Fund

The City makes a statutory contribution to the Local Government Superannuation Plan on behalf of its employees. The expense relating to those contributions has been included in the Income Statement.

(j) Works in Progress

Major buildings, reserves and infrastructure assets which have not been completed at 30 June 2006 have been recorded as works in progress.

(k) Crown Land

In accordance with the provisions of AAS27 and Local Government (Financial Management) Regulations 16 Crown land set aside as a public road reserve or other public thoroughfare or under the control of a local government under Section 3.53 of the Local Government Act 1995 or vested Crown land under the control of a local government by virtue of the operation of the Land Act or the Town Planning and Development Act has not been brought to account as an asset of the City. Improvements or structures placed upon such land have been accounted for as assets of the City.

(l) Payables

Trade Payables and other accounts payable are recognised when the City becomes obliged to make future payments resulting from the purchase of goods and services.

(m) Receivables

Trade Receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

(n) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the Australian Taxation Office. It is recognised as part of the cost of acquisition of an asset or as part of an item of expense;
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of current assets and current liabilities.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating flows.

(o) Acquisition of Assets

Assets acquired during the year are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

1 SIGNIFICANT ACCOUNTING POLICIES (continued)**(p) Revaluation of Non Current Assets**

The Australian Accounting Standard 38 Revaluation of Non-Current Assets was introduced for reporting periods commencing on or after 1 July 2000. This Accounting Standard requires the City to elect the method of valuing classes of non current assets for the year ending 30 June 2001 and onwards. The City has elected to continue to value its non current assets on a cost basis, (deemed cost).

(q) Rounding off of Figures

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

(r) Comparatives

Changes have been reflected to the 2005 Government Grants figures in the Cashflow Statement and note 15 to enable accurate comparisons.

2 OPERATING REVENUES AND EXPENSES

	Note	Actual 2006	Adopted Budget 2006	Actual 2005
		\$	\$	\$
(a) The change in net assets resulting from operations was arrived at after charging/(crediting) the following items:				
Depreciation:	1c			
Buildings		1,720,221	1,694,700	1,699,211
Furniture/Office Computer Equipment		485,065	512,950	503,247
Plant and Vehicles		796,846	674,040	754,801
Other Equipment		56,287	69,120	64,345
Infrastructure Assets-Reserves		2,056,707	2,250,000	2,010,252
Infrastructure Assets-Engineering		9,979,989	9,830,000	9,857,460
		<u>15,095,115</u>	<u>15,030,810</u>	<u>14,889,316</u>
(b) Operating Expenses and Revenues Classified According to Nature and Type:				
Operating Revenues				
Rates – General		49,467,380	48,494,368	45,858,520
Rates - Specified Area		119,156	116,592	85,409
Government Grants and Subsidies	4b	7,964,605	9,024,744	7,317,930
Contributions, Reimbursements & Donations		11,547,947	8,475,736	2,418,508
Profit on Asset Disposals		51,757	74,596	382,003
Fees and Charges	4a	14,330,190	16,080,136	12,961,715
Interest Earnings		3,451,631	2,248,000	2,917,089
Other Revenue		181,241	126,000	159,438
		<u>87,113,907</u>	<u>84,640,172</u>	<u>72,100,612</u>
Operating Expenses				
Employee Costs		27,609,431	30,632,012	27,212,259
Materials, Contracts and Suppliers		25,864,812	26,494,914	23,328,407
Utilities (gas, electricity, water etc)		3,383,513	3,164,388	2,815,963
Depreciation on Non-Current Assets		15,095,114	15,030,810	14,889,316
Loss on Asset Disposals		104,208	260,485	136,311
Interest Expense		188,101	0	21,240
Insurance Expense		932,952	939,272	909,534
Other (FESA Contribution)		53,978	45,000	34,517
		<u>73,232,109</u>	<u>76,566,881</u>	<u>69,347,547</u>
Changes in Net Assets Resulting from Operations		<u>13,881,798</u>	<u>8,073,291</u>	<u>2,753,065</u>

2 OPERATING REVENUES AND EXPENSES (continued)

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(c) Individually Significant Items

Contributions to Infrastructure Assets from developers was more than anticipated and has been included in note 8 Property, Plant and Equipment, with the revenue included in the Income Statement under Contributions, Reimbursements and Donations as follows: -

Note	Actual 2006	Adopted Budget 2006	Actual 2005
	\$	\$	\$
Buildings	-	175,000	0
Parks and Reserves	-	105,000	0
Roads, Drainage, Footpaths etc	6,121,122	3,470,000	1,679,895
	<u>6,121,122</u>	<u>3,750,000</u>	<u>1,679,895</u>

(d) Conditions over Grants and Contributions

	Actual 2006 \$	Actual 2005 \$
Grants and contributions which were recognised as revenues during the year and which were obtained on the condition that they be expended on the acquisition of current and non current assets but have yet to be applied in that manner at the reporting date were:		
Community Road Safety	2,500	-
Conservation and Land Management	-	35,000
Independent Living	-	8,960
Healthways – Extreme Youth Festival	-	5,000
Department of Planning & Infrastructure - Wood Burners	-	6,600
	<u>2,500</u>	<u>55,560</u>

(a) Rates Discount and Incentive Scheme

Council, in accordance with the provisions of Section 6.46 of the Local Government Act 1995, offered the following discount and early payment incentives for the payment of rates and charges:-

- Full payment of all current and arrears of rates (including specified area rates), Emergency Services Levy, domestic refuse charge and private swimming pool inspection fees (inclusive of GST) within 28 days of the issue date on the annual rate notice:
 - a 2.5% discount on 2005/2006 general rates only; and
 - eligibility to enter the early payment incentive draw which included a range of prizes sponsored by a number of organisations and thus at no cost to the City.
 - a pool of prize winners was chosen by a computerised random selection process, the authentication of which has been authenticated by the Council's auditor. The prize winners pool was invited to attend a prize draw function during which the prizes were allocated in a secondary draw process.

These statements reflect that \$579,541 was allowed for discounts for the early payment of rates.

(b) Rates Payment Options

The City, in accordance with the provisions of Section 6.45 of the Local Government Act 1995, offered the following payment options for the payment of rates (including specified area rates), Emergency Services Levy, domestic refuse charges, private swimming pool inspection fees and property surveillance & security charge inclusive of GST:

- **One Instalment**

Payment in full within 28 days of the issue date of the annual rate notice and eligibility for a 2.5% discount on current general rates only and eligibility to enter the rates incentive scheme for prizes.

Payment in full within 35 days of the issue date of the annual rate notice.

- **Two Instalments**

The first instalment of 50% of the total current rates (including specified area rates), domestic refuse charge, private swimming pool inspection fee inclusive of GST, instalment charge, plus the total outstanding arrears payable within 35 days of date of issue of the annual rate notice.

The second instalment of 50% of the total current rates (including specified area rates), Emergency Services Levy, domestic refuse charge, private swimming pool inspection fee inclusive of GST, instalment charge, payable 63 days after due date of first rate instalment.

- **Four Instalments**

The first instalment of 25% of the total current rates (including specified area rates), Emergency Services Levy, domestic refuse charge, private swimming pool inspection fee inclusive of GST, instalment charge plus the outstanding arrears payable within 35 days of the issue of the annual rate notice.

3 RATES AND SERVICE CHARGES - PAYMENT OPTIONS (continued)

(b) Rates Payment Options (continued)

The second, third and fourth instalment, each of 25% of the total current rates (including specified area rates), Emergency Services Levy, domestic refuse charge, private swimming pool inspection fee inclusive of GST, instalment charge payable as follows:

- 2nd instalment – 63 days after due date of 1st instalment
- 3rd instalment – 63 days after due date of 2nd instalment
- 4th instalment – 63 days after due date of 3rd instalment

Instalment Charges and Calculation of Interest

The instalment options were subject to an administration fee of \$8.00 for each instalment two, three and four, together with an interest charge at 5.5% per annum, calculated on a simple interest basis on: -

- **Two Instalments:**

50% of the total current general rate (including specified area rates), Emergency Services Levy, domestic refuse charge and private swimming pool inspection fees inclusive of GST calculated 35 days from the issue date of the annual rate notice to 63 days after the due date of the first instalment;

- **Four Instalments:**

An administration fee of \$8.00 for each instalment two, three and four, together with an interest charge at 5.5% per annum, calculated on a simple interest basis on:

- 75% of the total current general rate (including specified area rates), Emergency Services Levy, domestic refuse charge, and private swimming pool inspection fees inclusive of GST calculated 35 days from issue date of the annual rate notice to 63 days after the due date of the first instalment
- 50% of the total current general rate (including specified area rate), Emergency Services Levy, domestic refuse charge and private swimming pool inspection fees inclusive of GST calculated from the due date of second instalment to the due date of the third instalment; and
- 25% of the total current general rate (including specified area rate), Emergency Services Levy, domestic refuse charge and private swimming pool inspection fees inclusive of GST calculated from the due date of third instalment to the due date of the fourth instalment.

- **Special Payment Arrangements**

Special monthly or fortnightly payment arrangements were made with the City for those ratepayers who were unable to pay in full or according to the instalment plans offered. An administration fee of \$25.00 per assessment was charged on all payment arrangements and penalty interest of 11.00% pa was applied to the outstanding balance until the account was paid in full.

These statements reflect that \$438,555 was generated from instalment costs charged on outstanding rates.

3 RATES AND SERVICE CHARGES - PAYMENT OPTIONS (continued)

(c) Late Payment Interest

The Council, in accordance with the provisions of Section 6.13 and Section 6.51 of the Local Government Act 1995, imposed interest on all current and arrears general rates (including specified area rate), current and arrears domestic refuse charges, current and arrears private swimming pool inspection fees (inclusive of GST) and arrears property surveillance & security charge at a rate of 11.00% per annum, calculated on a simple interest basis on arrears amounts that remain unpaid and current amounts that remain unpaid 35 days from the issue date of the original rate notice, or the due date of the instalment and continues until the instalment is paid. Excluded are deferred rates, instalment amounts not due under the four-payment option, registered pensioner portions and current government pensioner rebate amounts. Such interest was charged once per month on the outstanding balance on the day of calculation for the number of days as previously detailed. These statements reflect an amount of \$329,564 generated from interest charged on outstanding rates.

(d) Emergency Services Levy Interest Charged

In accordance with the provisions of section 36S of the Fire and Emergency Services Legislation (Emergency Services Levy) Amendment Act 2002, IMPOSES interest on all current and arrears amounts of emergency services levy at a rate of 11.00% per annum, calculated on a simple interest basis on amounts of which remain unpaid after 35 days from the issue date of the original rate notice, or the due date of the instalment and continues until the instalment is paid. Excluded are instalment current amounts not yet due under the two or four-payment option, registered pensioner and current government pensioner rebate amounts. Such interest to be charged once per month on the outstanding balance on the day of calculation for the number of days.

(e) Emergency Services Remittance Option B

The City elected to remit the 2005/06 Emergency Services Levy to Fire and Emergency Services Legislation under Option B. Under Option B the City acquired the 2005/06 ESL when the 2005/06 rates were levied. The City remitted the 2005/06 ESL to FESA in quarterly payments – September 2005 (30%), December 2005 (30%), March 2006 (30%) and June 2006 (10%). The City invests the Emergency Services Levy receipts as part of its municipal funds investments. The 2005/06 ESL levies received and the 2005/06 ESL liability to FESA are reflected in the City's Balance Sheet and the cashflow impacts are included in the Cash Flow Statement.

(f) Domestic Refuse Charges

The Council, BY AN ABSOLUTE MAJORITY in accordance with Division 5 of Part IV of the Health Act 1911 (as amended) imposed the following domestic refuse charges for the 2005/2006 financial year:

- \$155.00 per existing unit serviced; and
- Additional bin collection service \$170.50 (inclusive of GST)
- Collection from within the property boundary:
Additional cost \$46.20 (inclusive of GST).
- New service \$155.00 plus cost of bin and bin delivery \$40.60 (inclusive of GST).
- Optional recycling cart \$84.70 (inclusive of GST).
- Optional recycling cart – sort and collect recycling cart \$35.20 (inclusive of GST).

3 RATES AND SERVICE CHARGES - PAYMENT OPTIONS (continued)

(g) Private Swimming Pool Inspection Fees

The Council, in accordance with the provisions of Section 245A (8) of the Local Government (Miscellaneous Provisions) Act 1960 imposed for the 2005/2006 financial year, a Private Swimming Pool Inspection Fee of \$13.75 (inclusive of GST) on those properties owning a private swimming pool.

(h) Prescribed Services – Specified Area Rating Iluka

The Council, BY AN ABSOLUTE MAJORITY in accordance with the provisions of Section 6.32 and 6.37 of the Local Government Act 1995 imposed for the 2005/2006 financial year, a specified area rate for the area of Iluka for maintaining enhanced landscaping services.

A rate in the dollar of 0.262984¢ was charged on the Gross Rental Value on each property with a total rateable value which levied income of \$50,162.

(i) Prescribed Services – Specified Area Rating Woodvale Waters

The Council, BY AN ABSOLUTE MAJORITY in accordance with the provisions of Section 6.32 and 6.37 of the Local Government Act 1995 imposed for the 2005/2006 financial year, a specified area rate for the area of Woodvale Waters for maintaining enhanced landscaping services.

A rate in the dollar of 1.2081¢ was charged on the Gross Rental Value on each property with a total rateable value which levied income of \$21,496.

(j) Prescribed Services – Specified Area Rating Harbour Rise

The Council, BY AN ABSOLUTE MAJORITY in accordance with the provisions of Section 6.32 and 6.37 of the Local Government Act 1995 imposed for the 2005/2006 financial year, a specified area rate for the area of Harbour Rise for maintaining enhanced landscaping services.

A rate in the dollar of 0.54932¢ was charged on the Gross Rental Value on each property with a total rateable value which levied income of \$47,498.

(k) Write Off Rates and Charges

The total value of rates and charges from previous years written off during the year was \$8,918.04

(l) Schedule of Valuations and Rate Revenue

The schedule of valuations and rate revenue is shown on the "2005/2006 Statement of Rating Information".

4(a) FEES & CHARGES INFORMATION

The City did not impose a service charge as defined under the Local Government Act 1995.

The total revenue from fees and charges by programme as required under regulation 41 of the Local Government (Financial Management) Regulations 1996 are shown below.

By Programme

	Note	Actual 2006	Budget 2006 \$
General Purpose Funding		-	656,378
Governance		-	-
Law Order and Public Safety		458,964	498,561
Health		228,009	224,044
Education and Welfare		54,525	76,585
Community Amenities		9,591,933	9,522,214
Recreation and Culture		2,505,342	3,459,849
Transport		174,388	326,649
Economic Services		1,173,113	1,185,688
Other Property and Services		143,916	130,168
		<hr/>	<hr/>
	2b	14,330,190	16,080,136

4(b) GOVERNMENT GRANTS INFORMATION**By Programme**

	Actual 2006 \$	Budget 2006 \$
General Purpose Funding	4,259,569	4,256,985
Law Order and Public Safety	68,662	57,915
Health	25	983
Education and Welfare	182,554	292,718
Community Amenities	56,097	163,076
Recreation and Culture	121,953	859,181
Transport	3,255,180	3,356,820
Economic Services	51	1,966
Other Property and Services	20,514	35,100
	<hr/>	<hr/>
2b	7,964,605	9,024,744

5 INVESTMENTS

	Note	Actual 2006 \$	Actual 2005 \$
Restricted		24,286,277	22,116,314
Unrestricted		24,274,379	18,456,199
		<hr/>	<hr/>
	13	48,560,656	40,572,513
		<hr/>	<hr/>

Investments comprise short term deposits and managed unit trusts held with financial institutions.

The following restrictions have been imposed by regulations or other externally imposed requirements: - (Note 9 provides detailed information on Reserves).

Asset Replacement Reserve		11,305,949	7,388,412
Cash in Lieu of Parking Reserve		357,380	357,381
Cash in Lieu of Public Open Space Reserve		1,174,790	1,158,044
Community Facilities Reserve		344,000	344,000
Domestic Cart - Refuse Collection Reserve		2,347,136	1,495,701
Heavy Vehicles Replacement Reserve		717,804	738,916
Hodges Drive Drainage Reserve		309	158,759
Joondalup City Centre Public Parking Reserve		358,722	237,222
Leisure Centres Capital Improvements Reserve		1,451,694	3,960,208
Library Literacy Program Reserve		4,400	17,601
Light Vehicles Replacement Reserve		316,004	548,229
Ocean Reef Boat Launching Facility Reserve		148,738	155,991
Performing Arts Facility Reserve		1,330,507	1,748,709
Plant Replacement Reserve		1,036,689	999,794
Rates Revaluation Reserve		100,000	130,000
Section 20A Land Reserve		31,792	31,792
Specified Area Rating Harbour Rise Reserve		0	13,051
Special Area Rating Iluka Reserve		72,579	113,479
Sorrento Beach Foreshore Enhancement		139,232	828,295
Strategic Asset Management Reserve		2,531,158	1,192,594
Town Planning Scheme 10 Reserve		253,415	430,076
Wanneroo Bicentennial Trust Reserve		12,500	12,500
Community Facilities Kingsley Reserve		248,979	0
Sub-Total Reserves	9	<hr/> 24,283,777	<hr/> 22,060,754
Unspent Government Grants and Contributions		2,500	55,560
		<hr/>	<hr/>
		24,286,277	22,116,314
		<hr/>	<hr/>

Expenditure of funds held in Reserves is under the direction of Council. Expenditure of unspent Government Grants and Contributions can only be spent for the purpose intended.

6 RECEIVABLES

331

	Actual 2006 \$	Actual 2005 \$
Current		
Rates Receivables Outstanding	444,137	561,821
ESL Receivable Outstanding	21,722	31,419
Trade Receivables (i)	481,459	663,475
Allowance for Doubtful Debts	(7,097)	(31,424)
Prepaid Expenses	239,787	225,392
Accrued Income	85,913	76,900
Goods & Services Tax (GST) Receivable	596,726	697,434
	<hr/>	<hr/>
	1,862,647	2,225,017
	<hr/>	<hr/>

(i) The average credit period on services is 35 days. No interest is charged on the trade receivables for the first 35 days from the date of the invoice. Thereafter, interest is charged at 11% per annum on the outstanding balance.

Non-Current

Rates Receivable Outstanding - Pensioners	1,000,480	976,172
ESL Receivable Outstanding - Pensioners	50,056	33,766
Deferred Receivable - Local Government House	29,616	29,616
Capital Investment - Mindarie Regional Council	274,288	274,288
Capital Advance - City of Wanneroo	21,500	75,250
LSL - Other Councils	47,193	0
	<hr/>	<hr/>
	1,423,133	1,389,092
	<hr/>	<hr/>

Deferred Receivable - Local Government House - the City holds five units valued at \$5,923.24 each. These units are revalued every three years with the next revaluation due in 2007/2008.

Capital Investment - Mindarie Regional Council - represents the City's contributions made as follows:

1988	\$ 5,000
1989	\$ 25,000
1990	\$116,500
1991	\$ 54,583
1992	\$ 73,205

to assist with the initial operations of the waste treatment facilities. Repayment deferred until agreed to by all constituent Councils.

Capital Advance to the City of Wanneroo - represents an advance for the upgrade of the Materials Recovery Facility at Wangara in joint participation between the Cities of Wanneroo, Swan and Joondalup. The amount is to be repaid to the City of Joondalup over five years.

7 PROPERTY, PLANT AND EQUIPMENT

Fixed Assets at Cost	Freehold Land at Cost	Buildings at Cost	Artworks, Furniture and Computer Equipment at Cost	Other Equipment at Cost	Mobile Plant and Vehicles at Cost	TOTAL
	\$	\$	\$	\$	\$	\$
Balance 1 July 2004	3,027,048	68,062,579	6,740,419	1,375,969	7,890,847	87,096,862
Transfers and Adjustments	-	713,171	62,628	2,932	794	779,525
Additions	-	-	388,289	57,124	1,581,134	2,026,547
Disposals	-	(47,079)	(55,776)	-	(1,025,057)	(1,127,912)
Balance 30 June 2005	3,027,048	68,728,671	7,135,560	1,436,025	8,447,718	88,775,022
Transfers and Adjustments	-	(99,037)	74,480	(4,040)	45,558	16,961
Additions	-	845,090	422,396	92,629	1,771,400	3,131,515
Disposals	-	-	(142,531)	-	(1,361,298)	(1,503,829)
Balance 30 June 2006	3,027,048	69,474,724	7,489,905	1,524,614	8,903,378	90,419,670
Accumulated Depreciation						
Balance 1 July 2004	-	(16,422,269)	(5,168,127)	(1,088,206)	(2,301,441)	(24,980,043)
Additions	-	(1,699,211)	(503,247)	(64,345)	(754,801)	(3,021,604)
Disposals	-	21,513	55,776	-	455,616	532,905
Balance 30 June 2005	-	(18,099,967)	(5,615,598)	(1,152,551)	(2,600,626)	(27,468,742)
Additions	-	(1,720,221)	(485,065)	(56,287)	(796,846)	(3,058,419)
Disposals	-	-	131,551	-	684,497	816,048
Balance 30 June 2006	-	(19,820,188)	(5,969,112)	(1,208,838)	(2,712,976)	(29,711,113)
Net Book Value						
As at 30 June 2005	3,027,048	50,628,704	1,519,962	283,474	5,847,092	61,306,280
As at 30 June 2006	3,027,048	49,654,536	1,520,793	315,777	6,190,402	60,708,557

7 PROPERTY, PLANT AND EQUIPMENT (continued)

Infrastructure Assets	Reserves	Roads	Footpaths	Drainage	Other Infrastructure	TOTAL
	\$	\$	\$	\$	\$	\$
Gross Carrying Amount						
Balance 1 July 2004						
Deemed Cost Pre-1997	16,971,546	184,422,507	8,170,671	125,616,531	21,313,677	356,494,932
Cost Post - 1997	17,816,465	88,300,172	5,488,038	19,621,460	6,909,979	138,136,114
Additions	1,194,690	3,516,771	714,447	736,155	226,684	6,388,747
Disposals	(48,398)	-	-	-	-	(48,398)
Balance 30 June 2005						
Deemed Cost Pre-1997	16,923,148	184,422,507	8,170,671	125,616,531	21,313,677	356,446,534
Cost Post - 1997	19,011,155	91,816,944	6,202,485	20,357,615	7,136,664	144,524,863
Additions	3,829,857	15,603,232	873,369	1,775,286	272,522	22,354,266
Disposals	-	-	-	-	-	-
Balance 30 June 2006	39,764,160	291,842,683	15,246,525	147,749,432	28,722,863	523,325,663
Accumulated Depreciation						
Balance 1 July 2004	(9,792,316)	(37,828,366)	(2,154,850)	(14,661,890)	(4,836,319)	(69,273,741)
Additions	(2,010,252)	(6,526,195)	(418,824)	(2,199,412)	(713,029)	(11,867,712)
Disposals	48,398	-	-	-	-	48,398
Balance 30 June 2005	(11,754,170)	(44,354,561)	(2,573,674)	(16,861,302)	(5,549,348)	(81,093,055)
Additions	(2,056,707)	(6,615,910)	(436,479)	(2,208,614)	(718,986)	(12,036,696)
Disposals	-	-	-	-	-	-
Balance 30 June 2006	(13,810,877)	(50,970,471)	(3,010,153)	(19,069,916)	(6,268,334)	(93,129,751)
Net Book Value						
As at 30 June 2005	24,180,133	231,884,889	11,799,482	129,112,844	22,900,992	419,878,340
As at 30 June 2006	25,953,283	240,872,212	12,236,372	128,679,516	22,454,529	430,195,912

7 PROPERTY, PLANT AND EQUIPMENT (continued)

Fixed Assets Work In Progress	Computer Equipment	Vehicles	Buildings	TOTAL		
	\$	\$	\$	\$		
Balance 30 June 2005	9,924	75,245	6,919,780	7,004,949		
Balance 30 June 2006	0	0	11,260,011	11,260,011		
Infrastructure Assets Work In Progress	Reserves	Roads	Footpaths	Drainage	Other Infrastructure	TOTAL
	\$	\$	\$	\$	\$	\$
Balance 30 June 2005	2,775,960	6,550,793	81,001	175,883	123,265	9,706,902
Balance 30 June 2006	1,820,381	1,734,975	64,551	129,253	605,528	4,354,688
			Actual 2006 \$	Actual 2005 \$		
Net Book Value of Property Plant & Equipment			506,519,172	497,896,471		

8 PAYABLES AND PROVISIONS

335

	Actual 2006 \$	Actual 2005 \$
Payables		
Current		
Trade Payables (i)	3,925,813	3,408,182
Sundry Payables	1,261,199	1,598,998
Accrued Expenses	2,484,409	1,425,559
Income in Advance	206,095	220,430
Goods & Services Tax (GST) Payable	53,470	74,660
	<u>7,930,986</u>	<u>6,727,829</u>

(i) The average credit period on purchases of goods and services from external suppliers is 2 months. No interest is charged on the trade payables for the first 60 days from the date of the invoice.

The council has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Provisions

Current

Provision for Annual Leave	2,322,096	2,177,694
Provision for Long Service Leave	2,389,534	2,455,220
Provision for Workers Compensation	1,210,148	892,618
Provision for Purchased Leave	665	323
	<u>5,922,443</u>	<u>5,525,855</u>

Non Current

Provision for Long Service Leave	<u>918,307</u>	<u>788,843</u>
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Non current long service leave relates to employees with less than seven years service as per AAS 30.

Note: Number of employees (FTE) at end of financial year (2006) 472 (2005) 463

9 RESERVES

	Actual 2006 \$	Adopted Budget \$	Actual 2005 \$
(a) Asset Replacement Reserve			
Opening Balance	7,388,412	7,188,411	7,233,986
Transfer from Accumulated Surplus	3,948,098	3,300,000	-
Transfer from Domestic Cart Replacement Reserve	-	-	200,000
Transfer to Accumulated Surplus	(30,561)	(6,954,426)	(45,574)
Closing Balance	11,305,949	3,533,985	7,388,412
Expenditure from this Reserve required only when approved developments are identified.			
(b) Cash in Lieu of Parking Reserve			
Opening Balance	357,381	357,380	357,381
Transfer From Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	-
Closing Balance	357,381	357,380	357,381
Expenditure from this Reserve required only when approved developments are identified.			
(c) Cash in Lieu of Public Open Space Reserve			
Opening Balance	1,158,044	1,158,045	1,066,539
Transfer From Accumulated Surplus	16,746	-	91,505
Transfer to Accumulated Surplus	-	-	-
Closing Balance	1,174,790	1,158,045	1,158,044
Expenditure from this Reserve required only when approved developments are identified.			
(d) Community Facilities Reserve			
Opening Balance	344,000	344,000	344,000
Transfer From Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	-
Closing Balance	344,000	344,000	344,000
Expenditure from this Reserve required only when approved developments are identified.			

9 RESERVES (continued)

	Actual 2006 \$	Adopted Budget \$	Actual 2005 \$
(e) Domestic Cart – Refuse Collection Reserve			
Opening Balance	1,495,701	1,695,701	1,272,228
Transfer From Accumulated Surplus	851,435	714,802	423,473
Transfer to Accumulated Surplus	-	-	-
Transfer to Asset Replacement Reserve	-	(25,000)	(200,000)
Closing Balance	2,347,136	2,385,503	1,495,701
Expenditure from this Reserve is ongoing.			
(f) Heavy Vehicles Replacement Reserve			
Opening Balance	738,916	738,917	843,935
Transfer from Accumulated Surplus	120,910	134,334	169,575
Transfer to Accumulated Surplus	(142,022)	(675,000)	(274,594)
Closing Balance	717,804	198,251	738,916
Expenditure from this Reserve is ongoing and relates to the heavy vehicle replacement programme.			
(g) Hodges Drive Drainage Reserve			
Opening Balance	158,759	158,759	196,309
Transfer from Accumulated Surplus	(158,450)	(158,450)	(37,550)
Closing Balance	309	309	158,759
Expenditure from this Reserve is only when required.			
(h) Joondalup City Centre Parking Reserve			
Opening Balance	237,222	237,222	229,122
Transfer from Accumulated Surplus	121,500	-	8,100
Transfer to Accumulated Surplus	-	-	-
Closing Balance	358,722	237,222	237,222
Expenditure from this Reserve is only when required.			

9 RESERVES (continued)

	Actual 2006 \$	Adopted Budget \$	Actual 2005 \$
(i) Joondalup Normalisation Agreement Reserve			
Opening Balance	-	-	-
Transfer from Accumulated Surplus	2,800,000	2,800,000	-
Transfer to Accumulated Surplus	(2,800,000)	(2,800,000)	-
Transfer to Asset Replacement Reserve	-	-	-
	<hr/>	<hr/>	<hr/>
Closing Balance	0	0	0
<hr/>			
Transactions from this Reserve will occur on receipt of Normalisation funds.			
(j) Leisure Centres Capital Replacement Reserve			
Opening Balance	3,960,208	3,960,208	7,416,195
Transfer from Accumulated Surplus	-	450,000	2,200,000
Transfers to Accumulated Surplus	(2,508,514)	(3,947,141)	(5,655,987)
	<hr/>	<hr/>	<hr/>
Closing Balance	1,451,694	463,067	3,960,208
<hr/>			
Expenditure from this Reserve is required only when works on the Craigie Leisure Centre project are undertaken.			
(k) Library Literacy Program Reserve			
Opening Balance	17,601	17,600	7,605
Transfer from Accumulated Surplus	-	-	9,996
Transfers to Accumulated Surplus	(13,200)	-	-
	<hr/>	<hr/>	<hr/>
Closing Balance	4,401	17,600	17,601
<hr/>			
Expenditure from this Reserve is required only when this project is undertaken.			
(l) Light Vehicles Replacement Reserve			
Opening Balance	548,229	548,230	468,385
Transfer from Accumulated Surplus	384,299	501,139	456,863
Transfer to Accumulated Surplus	(616,524)	(878,500)	(377,019)
	<hr/>	<hr/>	<hr/>
Closing Balance	316,004	170,869	548,229
<hr/>			
Expenditure from this Reserve is ongoing and relates to the light vehicle replacement programme.			

9 RESERVES (continued)

	Actual 2006 \$	Adopted Budget \$	Actual 2005 \$
(m) Mullaloo Beach Foreshore Enhancement			
Opening Balance	-	-	-
Transfer from Accumulated Surplus	-	-	267,748
Transfer to Accumulated Surplus	-	-	(267,748)
Closing Balance	0	0	0
Expenditure from this Reserve is required only when approved developments are identified.			
(n) Ocean Reef Boat Launching Facility Reserve			
Opening Balance	155,991	155,991	55,991
Transfer from Accumulated Surplus	-	900,000	100,000
Transfer to Accumulated Surplus	(7,253)	(1,030,645)	-
Closing Balance	148,738	25,346	155,991
Expenditure from this Reserve is required only when approved developments are identified.			
(o) Performing Arts Facility Reserve			
Opening Balance	1,748,709	1,748,709	1,688,971
Transfer from Accumulated Surplus	-	-	122,294
Transfer to Accumulated Surplus	(418,202)	(1,187,444)	(62,556)
Closing Balance	1,330,507	561,265	1,748,709
Expenditure from this Reserve is required only when this project is undertaken.			
(p) Plant Replacement Reserve			
Opening Balance	999,794	999,795	991,582
Transfer from Accumulated Surplus	362,070	402,034	375,688
Transfer to Accumulated Surplus	(325,175)	(617,500)	(367,476)
Closing Balance	1,036,689	784,329	999,794
Expenditure from this Reserve is ongoing and relates to the plant replacement programme.			

9 RESERVES (continued)

	Actual 2006 \$	Adopted Budget \$	Actual 2005 \$
(q) Rate Revaluation Reserve			
Opening Balance	130,000	130,000	65,000
Transfer From Accumulated Surplus	165,000	165,000	65,000
Transfer to Accumulated Surplus	(195,000)	(195,000)	-
Closing Balance	100,000	100,000	130,000
Expenditure from this Reserve is required triennially to fund revaluation expenses			
(r) Section 20A Land Reserve			
Opening Balance	31,792	31,792	31,792
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	-
Closing Balance	31,792	31,792	31,792
Expenditure from this reserve is required only when approved developments are identified.			
(s) Sorrento Beach Foreshore Enhancement			
Opening Balance	828,295	900,000	-
Transfer from Accumulated Surplus	900,000	900,000	2,247,864
Transfer to Accumulated Surplus	(1,589,063)	(1,800,000)	(1,419,569)
Closing Balance	139,232	0	828,295
Expenditure from this Reserve is required only when approved developments are identified.			
(t) Specified Area Rating – Harbour Rise Reserve			
Opening Balance	13,051	13,051	57,833
Transfer from Accumulated Surplus	-	-	13,051
Transfer to Accumulated Surplus	(13,051)	(13,051)	(57,833)
Closing Balance	0	0	13,051
Funds to be transferred to operating revenue on 1st July 2005.			

9 RESERVES (continued)

	Actual 2006 \$	Adopted Budget \$	Actual 2005 \$
(u) Specified Area Rating - Iluka Reserve			
Opening Balance	113,479	113,479	131,578
Transfer from Accumulated Surplus	72,579	-	113,479
Transfer to Accumulated Surplus	(113,479)	(113,479)	(131,578)
Closing Balance	72,579	0	113,479
Funds to be transferred to operating revenue on 1st July 2005.			
(v) Strategic Asset Management Reserve			
Opening Balance	1,192,594	1,192,594	-
Transfer from Accumulated Surplus	1,338,564	1,808,564	1,192,594
Closing Balance	2,531,158	3,001,158	1,192,594
(w) Town Planning Scheme No 10 (Revoked)			
Opening Balance	430,076	430,077	560,857
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	(176,663)	(208,678)	(130,781)
Closing Balance	253,413	221,399	430,076
Expenditure from this reserve is required only when approved developments are identified.			
(x) Wanneroo Bicentennial Trust Reserve			
Opening Balance	12,500	12,500	12,500
Transfer from Accumulated Surplus	-	-	-
Transfer to Accumulated Surplus	-	-	-
Closing Balance	12,500	12,500	12,500
(y) Community Facilities Reserve - Kingsley			
Opening Balance	-	-	-
Transfer from Accumulated Surplus	248,979	-	-
Transfer to Accumulated Surplus	-	-	-
Closing Balance	248,979	0	0

9 RESERVES (continued)

	Actual 2006 \$	Adopted Budget \$	Actual 2005 \$
Grand Total of Reserves			
Opening Balance	22,060,754	22,132,461	23,031,790
Transfer from Accumulated Surplus	11,330,180	12,075,873	7,857,229
Transfer to Accumulated Surplus	(9,107,157)	(20,604,314)	(8,828,265)
Transfer to Another Reserve	-	-	200,000
Transfer from Another Reserve	-	-	(200,000)
	<hr/>	<hr/>	<hr/>
Closing Balance	24,283,777	13,604,020	22,060,754
	<hr/>	<hr/>	<hr/>

10 SUPERANNUATION

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The City of Joondalup makes superannuation contributions in respect of its employees to the Western Australian Local Government Superannuation Plan (WALGSP) established in respect of all Local Governments in the WA. Contributions made include Superannuation Guarantee Levy of 9% and employer contributions as per Council policy.

The financial statements of the WALGSP for the year ended 30 June 2005 were not qualified by its auditors. The assets of the WALGSP were sufficient to meet its liabilities at that date. The City of Joondalup does not have any liability for outstanding superannuation benefits associated with the WALGSP.

The amount of superannuation contributions paid by the City of Joondalup during the reporting period:
- Actual \$3,101,519 Budget \$3,247,305 (Actual 2004/2005 \$3,083,612 Budget 2004/2005 \$3,160,448).

11 TRUST FUNDS

	Opening Balance 1/7/2005 \$	Receipts \$	Payments \$	Closing Balance 30/6/2006 \$
Funds over which the Local Government has no control and which are not included in the financial statements are as follows:-				
Trust Bonds	-	2,734,532	(1,125,602)	1,608,930
Unclaimed Monies	32,498	-	-	32,498
Unclaimed Wages	1,485	-	-	1,485
	<hr/>	<hr/>	<hr/>	<hr/>
	33,983	2,734,532	(1,125,602)	1,642,913
	<hr/>	<hr/>	<hr/>	<hr/>

12 TOWN PLANNING AND LAND DEVELOPMENT SCHEME - MINDARIE

In June 1978 Lot 17 Marmion Avenue, Mindarie, a 432 hectare property situated approximately 2 kilometres north of Burns Beach and 30 kilometres north of the Perth City Centre was purchased jointly by the former City of Wanneroo, the former City of Perth and the City of Stirling as tenants in common in equal shares to provide for a future sanitary disposal site.

Subsequently, the Mindarie Regional Council was established by the three Councils and in 1990 leased approximately 251 hectares for this purpose. The lease provides for an initial term of 21 years, with an option for renewal for a further 21 years.

On 1 July 1998 the former City of Wanneroo's one third share was split equally between the City of Joondalup and the City of Wanneroo, in accordance with the Joondalup and Wanneroo Order 1998, the assets and liabilities were allocated by determination of the Joint Commissioners.

It is envisaged that the southern portion of Lot 17 encompassing the leased area will eventually be used for regional open space/recreational purposes. The north and western portions have been identified as future urban development with the potential for subdivision and resale.

13 RECONCILIATION OF CASH

For the purposes of the statement of cash flows, the City of Joondalup considers cash to include cash on hand and cash held in banks and investments. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the Balance Sheet as follows:

	Actual 2006 \$	Actual 2005 \$
Cash Assets		
Cash on Hand	6,855	6,584
Investments	49,538,666	40,191,073
Cash at Bank	(984,865)	374,856
	<u>48,560,656</u>	<u>40,572,513</u>
	<u><u>48,560,656</u></u>	<u><u>40,572,513</u></u>
Interest Bearing Liabilities		
Bank Overdraft	-	-
	<u><u>-</u></u>	<u><u>-</u></u>
Net Cash Balance	<u><u>48,560,656</u></u>	<u><u>40,572,513</u></u>

Cash and investments is restricted by regulations or other externally imposed requirements \$24,286,277 (refer Note 5) and the net balance of \$24,274,379 is required to fund unpaid creditors, provisions and to fund carried forward works as at the end of year.

14 GAIN (LOSS) ON DISPOSAL OF ASSETS BY CLASS

	Actual Net Book \$	Budget Net Book \$	Actual Sale Price \$	Budget Sale Price \$	Actual Gain (Loss) \$	Budget Gain (Loss) \$
Land	-	-	-	-	-	-
Buildings	-	-	-	-	-	-
Furniture and Office Equipment	675	-	-	-	(675)	-
Computer Equipment	10,305	-	-	-	(10,305)	-
Mobile Plant	106,953	174,573	82,609	124,500	(24,344)	(50,073)
Other Equipment	-	-	-	-	-	-
Vehicles	569,848	1,276,316	521,987	1,140,500	(47,861)	(135,816)
<hr/>						
Gain (Loss) on Disposal of Assets	687,781	1,450,889	604,596	1,265,000	(83,185)	(185,889)
<hr/>						

15 RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING SURPLUS FOR THE YEAR ENDED 30 JUNE 2006

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	Actual 2006 \$	Actual 2005 \$
Change in Net Assets Resulting from Operations	13,881,798	2,753,065
<u>Add Back</u>		
Depreciation	15,095,115	14,889,316
Decrease in Receivables	294,124	384,770
Increase in Payables	1,314,507	786,762
Increase in Income in Advance	-	220,430
Increase in Accrued Expenses	1,053,365	283,672
Decrease in Stock in Hand	-	226
Decrease in Accrued Income	-	47,568
Decrease in Doubtful Debts	-	175
Decrease in Accrued GST	79,517	-
Decrease in Clearing Accounts	5,485	-
Increase in Provisions	526,052	1,034,374
Loss on Sale of Assets (net)	52,451	-
	<u>18,420,616</u>	<u>17,647,293</u>
 Sub Total	 32,302,414	 20,400,358
<u>Deduct</u>		
Government Grants	3,249,710	1,679,546
Increase in Prepayments	16,895	18,350
Profit on Sale of Assets	-	245,691
Increase in Doubtful Debts	-	-
Increase in Deferred Debtors	40,598	33,897
Increase in Accrued Income	9,012	-
Decrease in Income in Advance	14,335	-
Decrease in Bond Payables	1,134,674	-
Increase in Accrued GST	-	170,508
Contribution of Assets	6,121,122	1,679,895
	<u>10,586,346</u>	<u>3,827,887</u>
 Net Cash Provided By Operating Activities	 21,716,068	 16,572,471

16 CREDIT STANDBY FACILITIES

	Actual 2006	Actual 2005
Bank Overdraft Limit	500,000	500,000
Bank Overdraft at Reporting Date	-	-
	<u>500,000</u>	<u>500,000</u>
 Total Amount Unused/(Exceeding Offset Limit)	 500,000	 500,000

17 COMMITMENTS FOR MAJOR EXPENDITURE

327

	Actual 2006 \$	Actual 2005 \$
At the reporting date, the City had entered into contracts for the following major expenditure:		
Buildings Works	4,000,951	514,472
Engineering Works	7,203,231	3,123,066
Parks Works	580,648	259,600
	<hr/>	<hr/>
	11,784,830	3,897,138
	<hr/>	<hr/>

These expenditures are due for payment:

Not later than One Year	11,784,830	3,897,138
	<hr/>	<hr/>
	11,784,830	3,897,138
	<hr/>	<hr/>

18 OTHER EXPENSES

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	Actual 2006 \$	Adopted Budget 2006 \$	Actual 2005 \$
(a) Elected Members Expenses			
Members Costs are paid monthly in arrears:	-	-	-
Elected Members Allowances	26,043	171,000	-
Elected Members Conferences/Training	-	85,000	-
Elected Members Presentation Items	8,393	1,000	-
Elected Members Travel, Child Care and	15,158	67,500	-
Other Specified Expenses			
	<u>49,594</u>	<u>324,500</u>	<u>0</u>
Elected Members Allowances comprise of – Mayoral and Deputy Mayoral Allowances, Members Meeting Fees and Telecommunications Allowance.			
(b) Commissioners Expenses			
Commissioners Costs are paid monthly in arrears:			
Commissioners Allowances	185,497	-	215,440
Commissioners Travel, Child Care and	18,212	-	21,518
Other Specified Expenses			
	<u>203,709</u>	<u>0</u>	<u>236,958</u>
Commissioners Allowances comprise – Chairman and Deputy Chairman Allowances Commissioners Allowances. Fees paid were approved by the Minister for Local Government and Regional Development			
It was assumed when preparing the 2004/05 budget that the Elected Members would return to coincide with the local government elections held on the 7 May 2005.			
(c) Auditors Expenses			
Annual Audit Fee - Deloitte	31,000	30,500	29,500
Other Audit Fees	9,705	20,000	22,360
	<u>40,705</u>	<u>50,500</u>	<u>51,860</u>

Note – Increase in audit fees relates to additional fees for internal audit procedures and auditing government grant acquittals as required by both State and Federal Government authorities.

19 GENERAL PURPOSE FUNDING

	Actual 2006	Adopted Budget 2006	Actual 2005
	\$	\$	\$
Rates General	48,699,260	48,494,368	45,858,520
Fees and Charges on Rates	768,119	656,378	690,506
Grants Commission - GP Grants	4,206,984	4,214,768	4,042,538
Interest on Deferred Pensioner Rates	52,586	50,000	52,958
Interest on Investments	3,451,633	2,248,000	2,917,089
Other Miscellaneous Reimbursements	-	-	-
Contributions	3,448,098	2,800,000	-
	<hr/>	<hr/>	<hr/>
	60,626,680	58,463,514	53,561,611
	<hr/>	<hr/>	<hr/>

Note: Contribution from Landcorp – Joondalup Normalisation Agreement.

20 MAJOR LAND TRANSACTIONS

During the 2005/2006 financial year the City did not dispose of any land but entered into an agreement on 13 November 2004 to purchase a portion of Lot 500 Grand Boulevard and Kendrew Ave Joondalup for \$595,000. A deposit of \$59,500 was paid on 4th April 2005. Settlement is anticipated to occur during 2006/2007 when the balance of \$535,500 will be paid.

21 PRESCRIBED SERVICES - SPECIFIED AREA RATE - ILUKA

The Council, BY AN ABSOLUTE MAJORITY in accordance with the provisions of Section 6.32 and 6.37 of the Local Government Act 1995 imposed for the 2005/2006 financial year, a specified area rate for the suburb of Iluka.

During the 2005/2006 financial year the income and expenditure was as follows;

Balance 1 st July 2005	113,479
2005/06 Rate income	50,162
Expenditure for the area of Iluka	<u>(91,062)</u>
 Surplus Transferred to Reserve as at 30 June 2006	 <u><u>72,579</u></u>

22 PRESCRIBED SERVICES - SPECIFIED AREA RATE – WOODVALE WATERS

The Council, BY AN ABSOLUTE MAJORITY in accordance with the provisions of Section 6.32 and 6.37 of the Local Government Act 1995 imposed for the 2005/2006 financial year, a specified area rate for the area of Woodvale Waters.

During the 2005/2006 financial year the income and expenditure was as follows;

Balance 1 st July 2005	0
2005/06 Rate income	21,496
Expenditure for the area of Woodvale Waters	<u>(21,496)</u>
 Surplus Transferred to Reserve as at 30 June 2006	 <u><u>0</u></u>

23 PRESCRIBED SERVICES – SPECIFIED AREA RATE – HARBOUR RISE

The Council, BY AN ABSOLUTE MAJORITY in accordance with the provisions of Section 6.32 and 6.37 of the Local Government Act 1995 did not impose for the 2005/2006 financial year, a specified area rate for the area of Harbour Rise Hillarys.

During the 2005/2006 financial year the income and expenditure was as follows;

Balance 1 st July 2005	13,051
2005/06 Rate income	47,498
Expenditure for Area of Harbour Rise	<u>(60,549)</u>
 Surplus Transferred to Reserve as at 30 June 2006	 <u><u>0</u></u>

(a) Significant Accounting Policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the accounts.

(b) The following table details the City's exposure to interest rate risks as at the reporting date.

			Fixed Interest Rate Maturity				
	Average Interest Rate %	Variable Interest Rate \$		1 to 5 Years	More than 5 Years	Non-Interest Bearing	Total
			\$	\$	\$	\$	\$
2005/2006							
Financial Assets							
Cash						6,855	6,855
Receivables						1,396,788	1,396,788
Rates & ESL Receivable	11.00			465,859			465,859
Investments							
ANZ Cash Plus Fund	5.86	6,880,023					6,880,023
Deutsche Cash Plus	6.07	8,456,071					8,456,071
Perpetual Enhanced A	5.84	8,425,411					8,425,411
Perpetual Enhanced AA	5.74	4,449,462					4,449,462
ING Enhanced	6.33	5,873,405					5,873,405
Perennial Cash	5.84	8,738,278					8,738,278
11AM	5.44	6,716,015					6,716,015
Total		49,538,665		465,859		1,403,643	51,408,167
Financial Liabilities							
Trade payables						7,930,986	7,930,986
Borrowings	5.95		68,012	407,399	424,589		900,000
"	5.79		242,013	1,442,577	1,086,916		2,771,506
Bank overdraft	9.25	984,865					984,865
Employee entitlements						6,840,750	6,840,750
Total		984,865	310,025	1,849,976	1,511,505	14,771,736	19,428,107
2004/2005							
Financial Assets							
Cash						381,440	381,440
Receivables						1,663,201	1,663,201
Rates & ESL Receivable	11.00			593,240			593,240
Investments							
ANZ Cash Plus Fund	5.85	8,417,899					8,417,899
CFS Wsale Prem Cash	5.16	2,033,476					2,033,476
Deutsche Cash Plus	6.16	8,866,788					8,866,788
Macquarie Diversified	5.74	9,000,426					9,000,426
Macquarie Income Plus	5.74	3,019,284					3,019,284
Perennial Cash	5.70	8,253,200					8,253,200
11AM	5.40	600,000					600,000
Total Assets		40,191,073				2,044,641	42,828,954
Financial Liabilities							
Trade payables						6,706,589	6,706,589
Borrowings	5.79		228,493	1,142,465	1,629,042		3,000,000
Bank overdraft						-	-
Employee entitlements						6,314,698	6,314,698
Total Liabilities						13,021,287	16,021,287

(c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the council. The council has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Council measures credit risk on a fair value basis.

The council does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in note 1 to the accounts.

25 JOONDALUP NORMALISATION AGREEMENT

During 2004, the City of Joondalup and the Western Australia Land Authority (LandCorp) entered into a Memorandum of Agreement to complete the normalisation of the City of Joondalup. The Memorandum of Agreement (MOA) recognises the historical evolution and contemporary position of Joondalup in terms of the Western Australia Land Authority Act 1992 (as amended) and the "Joondalup Centre Plan – Completion 2001 Modification". The process of "normalisation" is a transitional process through which the strategic regional centre would become operationally and perceptually transformed from a development project to an established centre.

The Memorandum Of Agreement (MOA) required LandCorp to make a contribution of \$5.24m to the City of Joondalup for works previously completed by the City and to be carried out by the City in the future.

The terms of settlement are not specified in the agreement however the City received \$1.9m in June 2004 and brought this revenue to account in 2003/04. The City received \$2.8m during 2005/06 as further settlement and this was recognised as revenue during 2005/06. The final payment of \$540,000 is conditional on LandCorp receiving possession of vacant land currently leased by LandCorp to the City which is due to expire in December 2007.

26 BORROWINGS

	Actual 2006 \$	Actual 2005 \$
Borrowings Short Term		
Current		
Borrowings Short Term	310,025	228,493
	310,025	228,493
Non Current		
Borrowings Long Term	3,361,482	2,771,507
	3,361,482	2,771,507

Loan	Balance 1/7/05	Loans Raised	Budget Interest & Charges	Actual Interest & Charges	Budget Principal Repayments	Actual Principal Repayments	Budget Principal 30/6/06	Actual Principal 30/6/06
Craigie Leisure Centre	3,000,000	-	218,444	180,794	228,493	228,493	2,771,507	2,771,507
Sorrento Beach	-	900,000	-	-	-	-	900,000	900,000

Loans Raised in The Financial Year

Loan - Sorrento Beach
 Lender- WA Treasury Corporation
 10 Year Loan @ 5.95% p.a.
 Amount Borrowed \$900,000
 Amount Expended \$900,000

28 FIRST TIME ADOPTION OF AUSTRALIAN EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS

(a) Reconciliation of Equity at 1 July 2004

There were no material differences between Equity in the opening AIFRS Balance Sheet and the Equity in the 1 July 2004 Balance Sheet presented under previous GAAP.

(b) Reconciliation of Equity at 1 July 2005

There were no material differences between Equity in the 30 June 2005 Balance Sheet presented under AIFRS and the Equity in the 1 July 2005 Balance Sheet presented under previous GAAP.

(c) Reconciliation of Net Result for the Year Ended 30 June 2005

There were no material differences between the Net Result for the year ended 30 June 2005 presented under AIFRS and the Net Result for the year ended 30 June 2005 presented under previous GAAP.

(d) Explanation of Material Adjustments to the Cash Flow Statement

There are no material differences between the Cash Flow Statement presented under AIFRS and the Cash Flow Statement presented under previous GAAP.

ADDITIONAL DISCLOSURES FOR LOCAL GOVERNMENT

PERFORMANCE MEASUREMENTS

	2001/2002	2001/2002	2003/2004	2004/2005	2005/2006
a) Current Ratio	1.76	1.76	1.6	1.66	1.85
b) Debt Ratio	0.02	0.02	0.02	0.02	0.03
c) Debt Service Ratio	0	0	0	0	0
d) Rate Coverage Ratio	0.61	0.61	0.58	0.63	0.57
e) Outstanding Rates	0.05	0.05	0.03	0.03	0.03
f) Gross Debt to Economically Realisable Assets Ratio				0.01	0.01
g) Gross Debt to Revenue Ratio				0.04	0.04
g) Untied Cash to Unpaid Trade Creditors Ratio				5.42	6.19

Formulae for calculation of ratios:

- a) **Current Ratio**

$$\frac{\text{Current Assets minus Restricted Assets}}{\text{Current Liabilities minus Liabilities Associated with Restricted Assets}}$$
- b) **Debt Ratio**

$$\frac{\text{Total Liabilities}}{\text{Total Assets}}$$
- c) **Debt Service Ratio**

$$\frac{\text{Debt Service Costs}}{\text{Available Operating Revenue}}$$
- d) **Rate Coverage Ratio**

$$\frac{\text{Net Rate Revenue}}{\text{Operating Revenue}}$$
- e) **Outstanding Rates**

$$\frac{\text{Rates Outstanding}}{\text{Rates Collectable}}$$
- f) **Gross Debt to Economically Realisable Assets Ratio**

$$\frac{\text{Gross Debt}}{\text{Economically Realisable Assets}}$$
- g) **Gross Debt to Revenue Ratio**

$$\frac{\text{Gross Debt}}{\text{Total Revenue}}$$
- h) **Untied Cash to Unpaid Trade Creditors Ratio**

$$\frac{\text{Untied Cash}}{\text{Unpaid Trade Creditors}}$$