



## **TOWN OF EAST FREMANTLE**

The Municipality of East Fremantle was created in 1897, when it separated from the Town of Fremantle to become an independent local authority. The Town has a population of approximately 6,500 and is 3.2 square kilometres in area. It is bounded to the north and west by the Swan River, across which many properties enjoy expansive views. To the east it shares a common boundary with the City of Melville, to the south and west with the City of Fremantle. It is a few kilometres from the centre of Fremantle and other major retail areas and is well served by public transport.

The Town has a rich history. The local aboriginal tribe known as Nyungar obtained food and drinking water from the river edges and open grassy areas. The track which linked the fledgling Swan River Colony based in Fremantle to the future city centre of Perth in 1831 is documented traversing along the East Fremantle cliff edge finishing at the river ferry crossing at Preston Point. Early settlement of the area consisted of large farm holdings, however as the colony prospered during the 1890's gold rush the nature of settlement altered dramatically, rapidly changing to a residential area.

The Plympton precinct today consists of charming worker's cottages which were established largely between 1890 and 1910. The annual East Fremantle Festival is held in historic George Street, the main street of Plympton. Riverside was established by the merchant elite of Fremantle and is perched high on the cliffs overlooking the River. Gracious homes of the goldrush era are dotted along the escarpment. Further northwards, the Preston Point area was developed in the 1950's with houses typical of the period also enjoying the expansive views over the river.

The Woodside and Richmond precincts contain many homes dating from 1900 – 1940. Described as 'sweetness and light' this area is characterised by its fine brick and tile bungalows on generous (quarter acre block or similar) sites with mature garden settings.

The Town of East Fremantle has strongly resisted the push for infill development and encouraged the retention of the many heritage homes, gardens and streetscapes in the municipality. Whilst pressure from various sources to increase densities may ultimately prevail, in East Fremantle the community and families currently enjoy the standard of amenity of their forebears, with space for children to play and a sense of history and community unparalleled elsewhere.

## *The Town At A Glance*

### **THE TOWN AT A GLANCE**

Established as a municipality:	2 April 1897
Population:	6,500 (approx)
Number of dwellings:	3,000 (approx)
Number of rate assessments:	3,161
Area:	3.2km <sup>2</sup>
Area of parks & gardens:	65ha
Location:	25km from Perth GPO
Length of roads:	40km
Annual Operating Expenditure:	\$5,586,497
Rate revenue:	\$2,924,982 General \$652,846 Specified Area
Employees:	42
Principal Officers (at 30 June 2002)	
Chief Executive Officer	Stuart Wearne
A/Executive Manager Finance & Admin	Mike Costarella
Town Planner	Kelvin Oliver
Principal Environmental Health Officer	Vic Andrich
Works Supervisor	Paul McGinty
Office location:	135 Canning Highway East Fremantle
Telephone:	(08) 9339 9339
Facsimile:	(08) 9339 3399
Email:	admin@eastfremantle.wa.gov.au
Office Hours:	8.30am-5.00pm Monday-Friday

## **Annual Report 2002/2003**

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#### *APPENDIX I*

*Financial Statements For the Year Ended 30 June 2003*

## *Mayor & Councillors*

### **Mayor & Councillors**

*(as at 30 June 2003)*

#### ***Mayor:***

*2001-2005*

Mayor Jim O'Neill

72 Allen Street

East Fremantle WA 6158

**9339 2425**

#### ***Councillors:***

##### ***Plympton Ward***

*2001-2005*

Cr John Kirkness

87 Duke Street

East Fremantle WA 6158

**9319 2371**

*2003-2007*

Cr Peter Le May

31 Duke Street

East Fremantle WA 6158

**9319 2689**

##### ***Woodside Ward***

*2001-2005*

Cr Don Hogg

78 Irwin Street

East Fremantle WA 6158

**9339 4541**

*2003-2007*

Cr Judith Kenny

59 Moss Street

East Fremantle WA 6158

**9319 2457**

##### ***Richmond Ward***

*2001-2005*

Cr Liz Lovell

33 Osborne Road

East Fremantle WA 6158

**9339 6755**

*2003-2007*

Cr Drew Cary

57 Osborne Road

East Fremantle WA 6158

**9438 1943**

##### ***Preston Point Ward***

*2001-2005*

Cr Marilyn Carosella

190 Preston Point Road

East Fremantle WA 6158

**9319 1595**

*2003-2007*

Cr David Martin

1 Chauncy Street

East Fremantle WA 6158

**9339 7179**

## *Mayor's Report*

It gives me great pleasure to present the Annual Report for 2002-2003. The Town adopted a more easily understood financial and annual reporting system last year and has further refined it over the last 12 months. This will allow greater transparency for ratepayers and residents.

My thanks goes to Mr Mike Costarella and the Finance and Administration team for their efforts in this area.

### ***Traffic***

A number of traffic treatments have also been completed. The most notable is Moss Street. In recognition that traffic is a priority with Council, Moss Street was recognised as needing a concerted approach. This approach needed to achieve traffic calming, attain an aesthetically high standard and provide parking for the East Fremantle Football Club. Now after its completion, it can be seen as having been a great success.

Marmion Street has been earmarked for traffic calming and this should be completed in the near future.

We are working closely with our neighbouring councils to adopt a strategic approach to promote cycling as an efficient, safe, environmentally friendly and active mode of transport.

### ***Parks***

The Town has continued its support of the Three Year Old playground in Moss and Fletcher Streets. A number of playgrounds have been upgraded. The most significant of these is Glasson Park. In recognition of the need for a state of the art park in Plympton, the Town work closely with playground designer Bernhard Kaiser. The result speaks for itself and the playground attracts dozens of children, parents and others daily. It has provided a real focus in George Street and is an excellent example of a community working together for a common goal.

Ulrich Park was finally sorted out, due to the tireless efforts of our Chief Executive Officer, Stuart Wearne. In the near future works will begin on a playground that should rival that of Glasson Park.

### ***Recycling***

This year saw the opening of the Regional Resource Recovery Centre (RRRC) and the importance we place on recycling and our environment. We have seen recycling reach over 80% and we must improve even more. My thanks to Mr Andrich in promoting recycling within our Town which reflects the high importance this Council places on the environment.

### ***Town Planning***

Unfortunately we still have not been able to adopt Town Planning Scheme No 3. Staff and Councillors have been frustrated at the amount of time this has taken. This scheme adopts a more sympathetic approach to town planning in East Fremantle.

It will reflect the wishes of residents for a more harmonious density policy and allow the Town to keep what we hold so dear. It will allow the Town to maintain gardens and trees that we all see as so important and protect our amenity and privacy.

I would like to thank Mr Kelvin Oliver, Ms Beryl Foster, Mr Dirk Arkeveld, Ms Shelley Jenkinson and Ms Peta Cooper for their excellent work in town planning and last but not least, Cr Kirkness, Chair of the Town Planning & Building Committee. I am sure that with this excellent team we can assure residents of sensitive development.

### ***Works***

The last year has seen major improvements in roads, footpaths and drainage. For many years the drainage system in the Town did not receive adequate attention. However, under Mr Paul McGinty and the Chief Executive Officer this has certainly changed. The Town's drainage has seen major maintenance

## *Mayor's Report*

see the system more able to cope with heavy rains.

The Town was heavily involved in the renovation of the hard courts and fencing at the East Fremantle Lawn Tennis Club. The Town was a major financial contributor to this upgrade and recognises the commitment we have to our local sporting bodies.

This also extended to the resurfacing of the carpark at the East Fremantle Football Club as well as tree planting. This has seen the carpark area become more attractive and aesthetically pleasing.

Works to rectify the Swan River foreshore erosion and as well as revegetation has seen the Council work closely with the Swan River Trust and the Friends of East Fremantle Foreshore Inc. The river is the heart of Perth and we need to ensure its survival and health. I would like to take this opportunity to recognise the efforts Mr Robinson, Mr Bawden, Mr England and other members of the Friends of East Fremantle Foreshore Inc. Without their tireless work this could not have been achieved.

The Town also completed the footpath along the river and through John Tonkin Park. The idea of Cr Marilyn Carosella was finally realised and allows people to enjoy our most important asset, the Swan River.

The Town has continued to support our sporting clubs. We have maintained the East Fremantle Football Oval and all the sporting grounds in the Town. Despite the high maintenance costs we have maintained the playing surfaces with a regular upgrade program. This reflects our commitment to these clubs.

The Council has continued to maintain and upgrade the playing surfaces for soccer, football, lacrosse, cricket and croquet to name a few. We have also continued our financial support of the East Fremantle Bowling Club

in our recognition to provide a range of sporting activities for all our residents.

As our sporting clubs grow, this places Council in a dilemma. We need to ensure that the pressure placed on our sporting grounds and the resulting increase in maintenance does not lead to more nutrient runoff into our river. We need to work closely with our sporting clubs to ensure that we provide optimum playing surfaces but still respect the integrity and importance of a clean Swan River.

### ***Council Meetings***

Council has continued its one Town Planning & Building Committee and two Council meetings per month. This has seen improved efficiency in the processing of development applications. All matters receive greater scrutiny under this system. Council still welcomes any public comment on these meeting procedures.

### ***Community Groups***

Ms Ann Reeves and the Glyde-In Committee have continued to offer excellent programs to our community. They celebrated their 21<sup>st</sup> Birthday in October and may they see another 21 years. Cr Carosella has been a great advocate of the importance of this facility often extolling its virtues. I would like to acknowledge the great efforts of Cr Kenny as Council's representative on the Glyde-In Committee.

Ms Sue Limbert and her team continue their great work in the Home and Community Care Program. We all should be proud of this important service that allows people to remain in their home and East Fremantle. As a caring community we need to ensure that this service stays and becomes even more expansive.

Neighbour Watch with Mr Noel Nimmo and his team continue to ensure that the Town has excellent advice and information regarding our security.

## *Mayor's Report*

East Fremantle has seen massive increases in land values over recent years. However we need to ensure that we remain an inclusive community. The things we see as so important in East Fremantle must be kept.

Our great sense of pride and tradition and the importance we hold to protect our heritage must be maintained. We need to continue our programmes that see our elderly remain in their homes and take the time and effort to look after all residents within the Town. Then and only then can we be truly proud of our Town.

I would like to recognise the efforts of two Councillors who retired in May. Crs Fenna and Wheeler did not seek re-election in May. Cr Wheeler worked tirelessly to protect and promote our Town and on behalf of the Town we thank you. To Cr Fenna, the residents of Plympton thank you and one of your great achievements Glasson Park will provide proof of your efforts.

I would also like to thank Cr Lovell for her support and hard work as Deputy Mayor.

I would again like to thank the Town for the great privilege I have as being Mayor. Mayor of a Town steeped in history and proud and willing to protect it. Before signing off I would have to recognise the efforts of Mr Stuart Wearne and Ms Janine May. We are truly lucky to have such a hard working and professional pair leading our Town. Their efforts have been outstanding.

I would like to take this opportunity to thank all Council staff and Councillors for their efforts over the last year. On behalf of Councillors, I would like to say to residents we thank you for your support and by working together we can continue to maintain our small Town feel and care, and be a true example of what a community should be.

**JAMES O'NEILL**

## *Chief Executive Officer's Report*

### **Overview**

The Town of East Fremantle has enjoyed a year in which, based on the organisational reforms of recent years, has allowed the Town to further improve on the services offered to the East Fremantle community.

The Mayor's and the departmental reports outline the more significant initiatives and achievements which occurred during the year.

I was particularly pleased with outcomes in the Works & Gardens area, with continued progress in the area of footpath reconstruction, road resurfacing, traffic management (lower Moss Street is looking quite Parisian), new bus shelters, foreshore erosion control, drainage works and improved management of Council's reserves and road verges. Works Supervisor Paul McGinty and his staff are thanked for their hardworking efforts, the results of which have earned much public praise.

Town planning, under our Town Planner Kelvin Oliver, has continued to improve in a number of areas of customer service. Mr Oliver and his staff are thanked for this. These achievements have occurred despite the frustration of ongoing delays, at a state government level, in respect of the adoption of Town Planning Scheme No 3. Another major issue has been the impact of the new Tribunal appeal system on the Town, following the abolition of the Ministerial appeal system. Whilst the Town had always opposed the Ministerial appeal system, due to the potential for political bias and interference, it did have the advantage of being "cost free" – for both appellants and the Council. Although not intended to be solicitor based, the reality of the new system is that Council must generally employ solicitors to defend appeals and this has significant cost implications for the Town. The more narrowly legalistic approach taken by the Town Planning Appeal Tribunal in some recent appeals has also presented major challenges for the Town, particularly in terms

in Town Planning Scheme No 2, the framing of provisions in proposed Town Planning Scheme No 3 and the financial implications of defending appeals.

During the period under review, our Heritage Planner Shelley Jenkinson left, for family reasons, to pursue a new career. Ms Jenkinson's commitment to the protection of the Town's heritage was renowned and she will be greatly missed. Shelley has been replaced by Julie MacKay, who also has very strong credentials in the heritage conservation field and will ensure Council remains in the forefront of local government, in this area.

Mr Vic Andrich, our Principal Environmental Health Officer, is thanked for his able management of his wide ranging portfolio, which includes the HACC Program and Ranger Services. Under HACC manager Sue Limbert, the HACC Program continued to flourish and looks forward to its eventual re-accommodation in "Dovenby". Ranger Services continued to operate effectively, although was compromised to a degree by staff turnover. Assisted once again by Festival Co-ordinator Dani Connelly, Vic Andrich also oversaw another highly successful East Fremantle/George Street Festival.

Mr Mike Costarella has continued to effect organisational improvements in his area of responsibility, Finance & Administration. Mr Costarella is an extremely dedicated officer who, whilst retaining his own work load, took over much of the role of Mr Laurie Griffiths, our former Executive Manager Finance & Administration, who died in late June 2002. Mr Costarella has made a significant contribution to the ongoing process of Council improvement and has been an invaluable support to myself. For this he and his staff are greatly thanked.

### **Challenges Ahead**

Whilst this was a productive and rewarding year, many challenges remain in the coming financial year. These include:



## *Chief Executive Officer's Report*

- adoption of Town Planning Scheme No 3, together with transitional and implementation arrangements.
- further negotiations with Main Roads & Minister for Planning on future ownership and use of Royal George Hotel
- finalisation of negotiations on "Dovenby" grant arrangements, to allow commencement of restoration process.
- finalisation of necessary approvals for replacement of Leeuwin Chewin. (The new building will be known as "Zephyr Café and Kiosk". "Zephyr" is Greek for "a light breeze" and was also the name of one of the original ferries which plied the Fremantle to Perth and Rottnest Island runs.)
- finalisation of new lease for East Fremantle Yacht Club.
- further resolution of outstanding drainage issues.
- ongoing foreshore restoration, maintenance and erosion control works.
- Ulrich Park playground and landscaping works.
- resolution of Municipal Inventory contract dispute.
- finalisation of outstanding Kaleeya Hospital issues (substantial progress has been made).
- resolution of Left Bank lease issue.
- progress on restoration of Town Hall and Old Police Station.
- resumption of Town Planning Advisory Panel.
- Marmion Street reconstruction.

### ***Invalidity Complaint – 2001 Mayoral Election***

Amongst the many challenges to Council which were successfully dealt with during the year was the Invalidity Complaint brought

Effectively this action involved an allegation of wilful and culpable neglect by the Chief Executive Officer, as Returning Officer, to discharge a duty imposed under the Act. Such conduct is a serious offence under the Local Government Act and carries heavy penalties. Hence this was a very serious complaint.

The May 2001 Council elections had resulted in (former Councillor) James O'Neill being elected as Mayor, defeating Ian Handcock and Jenny Harrington. However this result was challenged shortly afterwards by (then Cr) Christopher Roberts, via a summons served on the CEO (as Returning Officer) by Mr Ian Handcock. Mr Roberts alleged the CEO had improperly refused to accept a Mayoral nomination from him which he claimed had been tendered before 4pm on nomination day, ie before the close of nominations.

Cr Roberts requested that the election be declared invalid and a new Mayoral election called.

Following various preliminary hearings, the matter was heard on 13 and 14 December 2001; 6, 7 and 10 June 2002; 14 and 31 October 2002; 18 February 2003 and 17 March 2003. There were also court appearances after this date.

A decision was handed down by His Worship Magistrate Michelides SM on 29 April 2003. Magistrate Michelides rejected the complaint by Mr Roberts, who was ordered to pay costs.

Council will pay costs of half a day in relation to a preliminary and separate matter regarding a challenge to the validity of the hearing, which was based on issues regarding how the matter was brought before the court and whether the statutory requirements had been met. Whilst the Magistrate subsequently ruled that he would proceed with the case he did make adverse comments in regard to Mr Handcock's role in the matter.

## Chief Executive Officer's Report

This referred to the fact that despite Mr Hancock being a candidate in the same election, the complaint had been sworn or made by Mr Roberts before Mr Hancock JP, witnessed by Mr Hancock JP and the summons which was served on the Chief Executive Officer was served by Mr Hancock JP.

This situation, in the Magistrate's view, gave rise to the issue of a conflict of interest in Mr Hancock's case and hence raised questions regarding the propriety of Mr Hancock's actions.

With regard to the above, the Magistrate made these comments:

*"It may be that Mr Hancock's issuing of a summons was, under the procedure, invalid."*

*"It is also inappropriate by any measure, in my view at least, that a candidate in the same election and therefore someone who can be perceived to have a personal interest in its outcome, should purport to issue a summons."*

Comments by the Magistrate in respect of Mr Roberts' complaint and its particulars included the following:

*"Whilst it was the complainant's (Roberts') evidence that he arrived five minutes before 4.00pm, I am not satisfied that this is so. I think it more likely on the balance of probabilities...that the complainant arrived in the reception area and first spoke to Jessop at or about 3.58pm..."*

*"I now turn to the question of whether the nomination to which this complaint relates (ie the mayoral nomination) was refused by the defendant (or either of his agents) prior to the four o'clock deadline."*

*"I find it very odd that someone who was desirous of nominating for the mayoral position, knowing that he had only left himself*

*would be so coy about mentioning such a desire. Even on his own evidence he did not make it clear that he was tendering any kind of nomination to either Jessop or Wearne."*

*"I find that the complainant made no mention to the defendant (Wearne) or anyone else either in the reception area or in the ballot room of any desire to nominate for mayor and I find it unlikely that he would omit to do so if he had at that time an intention to so nominate. I do not accept that he placed any mayoral nomination on the counter in Jessop's area, or that he made it clear in any way that he intended to nominate for mayor at any material time."*

*In this regard some of Roberts' evidence was described by the Magistrate as "disingenuous" and "most unpersuasive".*

The Magistrate went on to say:

*"My finding is that Roberts did not at any time before the deadline either mention, or proffer, to either Jessop or Black, any mayoral nomination."*

*"In conclusion, I am satisfied that there was never any mention or tendering of a mayoral nomination by the complainant and there was accordingly no obligation upon the defendant or either of his agents to receive an untendered nomination. I find no irregularity upon which an invalidity declaration could be based."*

Accordingly the Magistrate made a declaration rejecting the complaint.

Council's solicitor Denis McLeod wrote to Council following the decision and described the outcome of the case as "a vindication of the approach taken by the Council in defending the complaint, and a vindication of the Returning Officer in his notification to Councillor Roberts that he was too late to nominate when the Returning Officer met with Councillor Roberts in the foyer of the Council

## Chief Executive Officer's Report

*offices, shortly after 4pm on the nomination day."*

In a public statement on the matter, Mayor O'Neill thanked Mr Wearne and Council's solicitor Denis McLeod, for their dedicated work in the case. Mayor O'Neill noted the huge amount of time the Chief Executive Officer, Stuart Wearne, had been forced to invest in the case over a period of almost two years and the hearings, which ran for eight days, not counting a number of other court appearances.

Mayor O'Neill said that Mr Wearne's reputation as a professional and dedicated officer, with the utmost impartiality and integrity, had been completely upheld.

Mayor O'Neill called upon Mr Roberts to apologise to the residents of East Fremantle for bringing such a spurious complaint against Mr Wearne and to fully refund all outstanding costs of the case to the Council, estimated at \$80,000, in order that ratepayers, whom Mr Roberts had been elected to serve, were not out of pocket for even one cent.

(The issue of final costs remains unresolved at this time.)

Mayor O'Neill was also scathing of former Mayor Ian Handcock's role in the case, declaring Mr Handcock had a direct interest in the outcome of the case, as also noted by the Magistrate.

Mayor O'Neill also observed that the first public mention of a Disputed Return challenge had come from Mr Handcock, via a statement in a "Fremantle Herald" article dated May 12 2001, ie *after* Mr Handcock had lost the Mayoral election.

Accordingly Mayor O'Neill challenged Mr Handcock to publicly and fully explain his role in the matter.

I thank the Mayor and the other elected members, for the support offered to me throughout this long case.

I also note that for almost two years immediately following his election, the Mayor endured the threat of disqualification. In my view it is a credit to the Mayor that despite this threat he so ably carried out his role, regardless, of service to the Town.

### *Appreciations*

The above legal challenge was only one of many dealt with by the Chief Executive Officer and the Town during the year under review. More can be expected. However I can be confident the Town will rise to meet all such challenges.

On an earlier occasion I wrote:

*The Town survives. It remains strong. Its size presents particular challenges for Council's administration, due to the magnitude and nature of some of the tasks which must be tackled by a small council infrastructure. However the positive benefits for the East Fremantle community of a small responsive Council are considered to far outweigh any possible disadvantages associated with its size.*

*Most notably the size ensures elected members are able to be in touch with the aspirations and concerns of the community, in a way which is generally not possible with larger councils. The community has a chance to be heard. Council is thus in a position to more accurately and effectively respond to its citizens' aspirations and concerns.*

*As a consequence Council in turn, and in comparison with most other metropolitan local governments, has a more prominent role in shaping and promoting values which are of importance to the community – for example values concerning community participation in Council decision making, environmental protection, the promotion of public amenity*

## *Chief Executive Officer's Report*

*appreciation and conservation of the Town's heritage, care for the frail aged, disabled and other disadvantaged persons in our community and finally a culture of robust political debate led by an active and democratic local government.*

*For this the Council should be proud.*

At the heart of this culture are the elected members.

At the May 2003 Council elections Cr Judith Wheeler retired, largely on health grounds. Cr Wheeler was a very committed Councillor, the Town's Arts and Culture Supremo, who served two terms, with great dedication. Judith is greatly missed. Cr Alan Fenna also retired in May. Cr Fenna's contribution was also noteworthy.

At the elections Cr Judith Kenny was returned.

Newly elected Councillors welcomed on board were Peter Le May (Plympton), Drew Cary (Richmond) and David Martin (Preston Point).

The Town has a group of very able and committed elected members at its helm. In this regard I feel very fortunate, as should all residents and ratepayers.

Their vision and their ability to work as a team augurs well for the Town's ongoing future.

I would also like to acknowledge the role of the Town's staff. Their commitment and hard work is very much appreciated. With limited staff resources, staff are expected to take on a much broader range of tasks and be much more flexible in terms of work arrangements than occurs at most other local governments. I am proud of the way staff rise to this challenge.

Invariably I conclude on a personal note of

May. This is always couched in a vast array of superlatives of appreciation, such is the esteem in which I hold Janine.

Unfortunately I have run out of superlatives.

Rather than recycle, I will thus say to Ms May. Thank you, again. Your assistance to myself and Council remains beyond measure. Your devotion to duty and constant concern to uphold the reputation and values of the Town is your hallmark. For 27 years you have been an Ambassador of the Town. You are irreplaceable.

It is with pleasure that I now present the following reports for each of the Town's operating divisions.

***STUART WEARNE***

*Chief Executive Officer*

## *Finance & Administration*

The function of the Finance and Administration staff of the Town covers a broad range of activities from Council Support, Financial Reporting, Rating and Debt Collection and administrative services. These include Asset Management, Records Management, Human Resource Management, Payroll, Accounting and Information Technology.

Its primary focus is on Financial Management and statutory compliance in terms of transparency and disclosure. To this end, the Town prepares a Principal Activities Plan, an Annual Budget and audited Annual Financial Statements each year. During the year regular financial reporting assists the Council in their role of the management of Council's financial and physical resources.

### ***Principal Activities Plan***

The Principal Activities Plan outlines the Town's major activities over the next four years and establishes performance measures and desired outcomes in respect of each. It is updated annually and effectively forges a link between the Council's Strategic Plan and its Annual Budget. The Town's Principal Activities Plan for 2002/2003 to 2005/06 identified the following goals: -

- Infrastructure Maintenance; (Streets, Roads, Bridges & Car Parking)
- Travel Management; (Streets, Roads, Bridges & Car Parking)
- Heritage & Conservation; (Town Planning, Building & Community Amenities)
- Environmental Management; (Waste Management)
- Image and Profile; (Members of Council)
- Corporate Services & Resourcing; (Administration)
- Health & Community Services. (Law, Health, Welfare & Recreation)

The goals provide a "Management tool" and represent a summary of the various activities and functions which attribute to the day to day management and future focus of the

development of Council works programs and future developments.

A statement showing variances between the Town's 2002/2003 to 2005/2006 Principal Activities Plan and the actual results for the year is attached with the audited financial statements.

### ***2002/03 Annual Budget***

The Council adopted its budget in July 2002 and contained a small surplus to provide for periods where there is little or no cashflow from rates and charges.

The Budget focused on bringing carried forward works to a successful conclusion, in addition to the development of its infrastructure assets as new works. General maintenance funding was retained at current levels with specific funding included to address drainage problems and carry out footpath works totalling some \$260,000. Additional specific funding had been provided for, traffic treatments, kerbing, streetscape and general area enhancement which totals an additional \$700,000.

The budget also provided for the development of facilities and other works on recreation reserves including Ulrich Park, John Tonkin Reserve, Sumpton Green and the Boat Ramps totalling \$160,000

Council also included the redevelopment of the Dovenby House which is estimated to cost \$290,000. The project was to be funded with income from the Council's Arts, Community and Recreation Reserve fund and has no effect on the rates and charges levied for the year.

The Town underwent a general revaluation by the Valuer General's Office and valuations have generally increased by 14.7% (ie \$34,382,853 increase to \$39,437,445).

The above figure provides for non-rateable properties with a value of \$3,260,283. This

## *Finance & Administration*

5.31%. Given the revaluation staff have currently reassessed the rate in a dollar to provide council with an overall rates income of 5%.

The Budget also included a loan totalling \$200,000 for Road and Footpath Construction. The Loan would be provided by the W A Treasury Corporation and taken over a 10 year period at the prevailing interest rate (currently 6.35%).

### *Annual Financial Statements*

The Annual Financial Report for the year ended on 30 June 2003 has been prepared in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and regulations under that Act. The audit was conducted by Barrett & Partners - DFK and their Audit Report was presented to Council at its meeting held on the 16 September 2003. Copies of the Audited Financial Report are included in this document.

### *Operating Statement*

The Operating Statement shows a deficit of \$130,698 compared with budgeted surplus amount of \$15,516. This is largely the result of prepaid grant funding received in June 2003 for the development of the Dovenby House of \$201,350 together with an amount of \$417,300 included in the accounts for costs associated with the Supreme Court case for No 91 Preston Point Road. The expenditure of the funds have been included in the 2003/04 budget. The balance of some \$80,000 is attributed to saving in other operating expenses, in particular recreation reserves.

### *Consolidated Surplus*

The Consolidated Surplus consists of Municipal and Reserve funds for the Town of East Fremantle. The Financial Position Statement for the year ended 30 June 2003 shows a deficit of \$452,160. This includes accruals for employee entitlements of some \$80,660 together with the costs associated with Supreme Court case for No 91 Preston

interest on loans \$26,460. The accruals are included to represent the expenses associated with the 2002/03 financial year. The exclusion of these accruals provides a cash position surplus of \$72,259.

### *Statement of Changes in Equity and Statement of Financial Position*

This Statement provides for the Assets, Liabilities and Equity for the Town of East Fremantle. The net equity increase from the 2001/02 financial year Financial Position Statement to the 2002/03 year is represented by the operating deficit of \$130,698.

Council invests surplus funds in term deposits with banks, building societies and property trusts to provide a positive return on its investment. The interest received for the 2002/03 year was \$157,665 and included \$37,798 transferred to Council's Reserve Funds.

Council continues to monitor its debt service level and where possible maintains a reduction debt strategy. In accordance with Council's budget, Council raise a loan of \$200,000 for the purpose of road construction. The loan debt for the 2002/03 year was reduced by some \$1,132,325. The outstanding loan principal as at the 30 June 2003, totals \$1,611,530. The amount includes the final payment of Loan 181 for Stage 2 of the underground power project of some \$324,000.

### *Financial Ratios*

In assessing the performance of the Financial Resources, Council Statements include ratios which provide a comparison between the three financial years. This report details a comparison between the 2000/01 financial year, 2001/02 financial year and the 2002/03 financial year. The Ratios include:-

*Finance & Administration*

	2002/03	2001/02	2000/01
<p><b>Current Ratio equals</b>            Purpose: To assess adequacy of working capital and the ability to satisfy short term obligations.  <i>The figures shows a decrease in the current equity which is mainly due to the reduction on the payments for Underground Power project.</i></p>	0.25	1.13:1	1.28:1
<p><b>Debt Ratio equals</b>            Purpose: To identify exposure to debts by measuring the proportion of assets funded by creditors.  <i>The figures show a reduction in the debts outstanding which is mainly due to the Underground Power project loans outstanding.</i></p>	14.73%	17.71%	22.12%
<p><b>Debt Service Ratio equals</b>            Purpose: To assess the degree to which revenues are committed to the repayment of debt.  <i>The figures show a reduction in the amount of Loan repayments from income which is also mainly due to the Underground Power project loan repayments decrease. Ie Stage 1 repayments ended in 2001/02 financial year</i></p>	23.76%	29.26%	24.38%
<p><b>Rate Coverage Ratio equals</b>            Purpose: To assess the degree of dependence upon revenue from rates  <i>The figures show a decrease in the income received from rates. This is also mainly due a reduction in Specified area rates for the Loan repayments of the Underground Power project</i></p>	66.48%	71.02%	70.16%
<p><b>Outstanding Rates Ratio equals</b>            Purpose: To assess the impact of uncollected rates on liquidity and the adequacy of recovery efforts.  <i>The figures show a reduction in outstanding rates and charges which have been levied. The reduction in percentage from the 2001/02 financial year to the 2002/03 financial year equates to approx \$130,000 decrease in outstanding rates and charges</i></p>	3.76%	4.70%	6.60%

## Town Planning/Public Domain

During the financial year of 2002/2003, the following works and capital projects carried out were as follows:

### **Footpath Reconstruction - \$233,888**

- Marmion Street – East Street to Stirling Highway
- Wolsely Road - Alexandra Road to Osborne Road
- Osborne Road – Canning Highway to Fraser Road
- Oakover Street – Marmion Street to Fletcher Street
- Coolgardie Avenue – Preston Point Road to Staton Road
- Windsor Road – Canning Highway to Fraser Road
- River foreshore – Leeuwin car park to Wayman Reserve
- Fraser Street – Easton Street to Preston Point Road
- May Street – Canning Highway to George Street
- View Terrace - Petra Street to Easton Street

### **Road Resurfacing - \$142,796**

- Coolgardie Avenue – Preston Point Road to Alexandra Road
- Wolsely Road – Alexandra Road to Osborne Road
- Clayton Street - Fraser Street to Preston Point Road
- Pier Street - Easton Street to Clayton Street
- Philip Street – Clayton Street to Gordon Street
- View Terrace service road – Gordon Street to View Terrace

### **Traffic Management - \$81,308**

Moss Street traffic Management implementation

### **Upgrade Merv Cowan Park Shelters - \$15,414**

- Refix and repair bridge over centenary stream
- Construct rose garden beds around gazebo center pole

- Reseal timberwork and replace shade cloth materials.
- Replace/repair lighting

### **Bus Shelters - \$40,000**

Construct and install bus shelters in Preston Point Road and Marmion Street at various locations.

### **Norm McKenzie Reserve foreshore erosion control - \$49,106**

- Construct ramp facilities for Rowing Club and foreshore protection works adjacent to clubrooms.
- Remove section of car park and construct river wall to prevent erosion.
- Regrade Norm McKenzie reserve foreshore to allow for natural beach enhancement and erosion control.

### **East Fremantle Tennis Club court resurfacing and lighting replacement - \$135,000**

- Remove and replace lighting to current standards.
- Resurface tennis courts.
- Replace court furniture.
- Remove and replace fencing.

### **Sumpton Green Playgroup shade sail - \$2,400**

Install shade sail over swing set

### **Other Works**

Other works that were carried out were as follows:

- Replacement of leach drains to East Fremantle Tennis Club - \$3500.
- Various crossovers were maintained and constructed to newly developed properties to the value of \$49,609.
- East Fremantle Oval, Henry Jeffrey Oval and Preston Point Reserve were renovated to sustain the high level of quality playing field conditions and the level of usage at a cost of \$8,000.
- Reconstruction of Marjorie Green and George Booth reserves were carried out involving the removal of the existing turf



## *Town Planning/Public Domain*

seed bank. This soil was replaced with new loam and new turf overlayed. Cost totalled \$8,000.

- Drainage works involved improvements to the system at 63 Preston Point Road. This involved the installation of combination side entry pits to allow stormwater to access the system more efficiently and reduce the amount of water stored on the road. Costs for these works were \$13,000.
- Location and investigation of the main drain was carried out with Main Roads. We now know where the main drain starts and finishes and have determined that works will need to be carried out in the near future to maintain the integrity of the drainage system. Costs associated with this investigation were \$6,000.
- Various drainage upgrades were carried out involving the upgrading of grated storm water pits to combination side entry pits. This was carried out because leaf litter was washing into the grates and blocking the grates, preventing water accessing the storm water system. Costs associated with these upgrades were \$30,000.

## Health Services

### Health Services

#### **Food Premises & Food Surveillance**

All food premises are monitored periodically to ensure the maintenance of hygiene standards and product quality.

A total of 76 food product recalls were recorded for 2002/2003 comprising:

- Class Nil 27 (information only)
- Class One 18 (immediate action)
- Class Two 31 (follow-up)

Council's Principal Environmental Health Officer ensures all food recalls are removed from public accessibility.

#### **Water Sampling Testing**

Water sampling of public pools is carried out to determine water quality and contamination by amoeba.

Where problems are detected immediate action is instigated to ensure public health is not compromised.

#### **Notifiable Diseases**

For the period under review 8 cases of notifiable diseases were recorded. Follow up action by Council's Environmental Health Officer ensured that no hazard was evident to the public.

The diseases reported were:

Campylobacteriosis	4
Giardiasis	1
Cryptosporidia	1
Salmonellosis	2

#### **Head Lice**

During the year, Council received a constant flow of enquiries relating to head lice. The solution for the treatment of this parasitic insect pest is available free of charge from the Council.

#### **Pollution**

Like most members of the community, residents of the Town are becoming more

conscious of the environment and unnecessary pollution.

Council's Principal Environmental Health Officer is available to provide advice in relation to most environmental matters, and can investigate complaints relating to noise, air and water borne pollution. In the event that Council's officer is unable to help, the Department of Environmental Protection and the Swan River Trust may be of assistance.

#### **Disability Services Plan**

As per the requirements of the Disability Services Amendment Bill 1999 Council is required to include outcome-based achievements as part of its annual report and these are set out below:

*Existing services are adapted to ensure they meet the needs of people with disabilities.*

Council continued its commitment with the Disability Services Plan. During the year works on improving footpaths were as per Council's adopted footpath replacement program. As footpaths were repaired/replaced, disability access issues were addressed including the installation of ramps at various locations throughout the Town. Works completed include ramp facilities at the rowing club and footpath reconstruction in a number of streets, and along the river foreshore.

*Access to buildings and facilities is improved.*

Council buildings are monitored to ensure that access requirements are maintained. This program included the reconstruction of footpaths (as mentioned above) providing improved travelling conditions.

Improvements to gazebos in Merv Cowan Park and to bus shelters amongst others have been part of the program.

*Information about services is provided in formats that meet the communication*

## Health Services

Council is able to provide information in various forms including large print, disk and tape upon request. A Better Hearing card is displayed on the reception counter. Fax and email addresses are displayed on all Council letterhead. Council continued to develop its web site to further improve information services – [www.eastfremantle.wa.gov.au](http://www.eastfremantle.wa.gov.au).

*Advice and services are delivered by staff who are aware of and understand the needs of people with disabilities.*

Council's Principal Environmental Health Officer continued to liaise with the Disability Services Commission via its website to be kept informed of issues related to disability access.

*Opportunities are provided for people with disabilities to participate in public consultations, grievance mechanisms and decision making processes.*

People with disabilities are able to participate at public meetings, functions, Council meetings and in local government elections. Should there be any difficulty in access, Council officers are keen to assist with any enquiry.

### **Freedom of Information**

No Freedom of Information (FOI) applications were received during this period. Council provides extensive coverage of services and activities on its website. Minutes of meetings, elected member information, services provided and general advice on most Council related activities are available at [www.eastfremantle.wa.gov.au](http://www.eastfremantle.wa.gov.au)

### **Waste Management & Recycling**

Council continued its active participation in the Southern Metropolitan Regional Council, which researches and develops waste minimisation strategies on a regional level.

Residents continued use of the yellow top

recycling tonnages. This initiative was consistent with Council's strategic plan and the integration of Council's waste and recycling collection service into the standard adopted by the Southern Metropolitan Regional Council. A total of 627.06 tonnes of recyclables have been processed at the RRRC site for 2002/03. This is almost double from 2001/2002 (385.36 tonnes)

Council's domestic refuse collection service was augmented by three green waste verge collections, two junk verge collections, fortnightly recycling collection, two green waste only RRRC passes and one general waste tip pass. Compost bins are also still popular at \$45 including free delivery and a booklet on "How to Compost".

### **Regional Waste Activities**

2002-2003 has been a year of continuous development for the Southern Metropolitan Regional Council (SMRC) in terms of achieving its primary objective of minimising the environmental impact of municipal solid waste on the regions environs.

The two regional working groups:

1. RRRC Education Centre Steering Group established to promote the RRRC's education facility and raise the facility's profile, attract numerous and diverse interest groups to the centre and ensured that the RRRC is recognised as being a valuable asset for the region. The group comprises representatives from waste industry & government.
2. Regional Media Coordination Group comprises all member councils' key media personnel. Has a valuable contribution to make in achieving a number of the broader education and communication goals, including strengthen the regional collection system at a household level, promoting the RRRC's operations,

## *Health Services*

(“Rubbish to Resource”) and development of community pride in the RRRC.

Green Waste Processing continued at the RRRC site and 391.58 tonnes of greenwaste has been processed from East Fremantle. All greenwaste is mulched and diverted from landfill.

The Education/Visitors Centre visual display was designed and commissioned during the year under review. Complete with visual displays, interactive lighting, cartoon presentations and recycled art works forms the gateway to the RRRC.

It offers a comprehensive overview of the regional waste management strategy. Visitors can explore the different components in detail before embarking on a site tour of the project seeing actual working processing of the sorting of recyclables and greenwaste shredding. Community volunteers provide tour groups, mostly school children, the opportunity to see the RRRC.

### ***Cities for Climate Protection Program***

The Southern Metropolitan Regional Council (SMRC) continued with *Cities for Climate Protection Australia* with the aim involving member councils in reducing greenhouse gas emissions. Council officers regularly attended regional CCP meetings to develop a regional approach to cross border issues. A regional CCP officer has been engaged and assists the Town with her involvement in Regional CCP initiatives. Regional issues include street lighting, energy consumption in the business sector, transportation (including alternative fuels), green purchasing policy and education/promotion.

Council achieved Milestone 3 and is well on the way to achieving Milestone 4. Milestone 2 denotes working with the community to establish an emission reduction goal and Milestone 3 recognises the development and adoption of a comprehensive Local Action

### ***Miscellaneous Services***

Council’s Environmental Health Service provides a range of miscellaneous products including free rat bait and head lice location, and at-cost Coopex household insecticide, ant baits and East Fremantle licence plates.

### ***Child Health Centre***

The Sumpton Green facility provided by Council hosts the East Fremantle Playgroup and the Child Health Clinic.

Over the past 12 months the Child Health Clinic, a valuable and much loved community service, has provided enormous assistance to residents and their young families. The service has had over 944 appointments dealing with a host of issues including nutrition (348), post natal depression (86), normal development screening (289) to name a few. Other services include weekly “new parent groups” which is a four weekly program held on a continual basis and a “sleep program” which assists parents on a needs basis in settling techniques for newborns. Services are available on a regular basis and through appointment by contacting Community Nurse, Dianna Ryan, on 93192384.

### ***Community Services***

***Sue Limbert Community Services Officer***

Since its commencement in 1989 the Neighbourhood Link (HACC) Program has provided affordable and efficient support services to frail aged and disabled people to enable them to remain in their own homes for as long as possible. The 398 current participants are drawn from the Town of East Fremantle and nearby municipalities. Neighbourhood Link continues to provide social support, center-based respite, in-home respite, meals, home maintenance, transport, counselling, support, information, referral, advocacy, assessment, case planning, review and co-ordination. At the time of writing we have 18 people on the HACC payroll and 81 volunteers.

## *Health Services*

Thirteen students from the Western Australian School of Health & Community Services participated in individual projects which were designed to enable students to demonstrate competencies expected from the various levels in community services.

Ten work opportunities were undertaken by the Work for the Dole Projects. The projects help participants to work in a team, build confidence and communication skills, to work independently, to motivate and become dependable.

Further non-recurrent support from our HACC funding body and Lotteries Commission this year will enable the Neighbourhood Link program to provide Dovenby House for HACC office accommodation and meeting and training facilities for staff, clients and volunteers.

The organisation has for a number of years, maintained its commitment to provide training for all its staff and volunteers through the HACC Training Brokerage. This year saw additional staff, students, volunteers and work for the dole participants attending a variety of training modules.

Council and HACC staff continue to be focused on its HACC mission to enhance the quality of life of the frail aged and younger people with disabilities and their carers, by providing high quality and cost effective care in East Fremantle and nearby communities, so that appropriate services are provided according to the assessed need of the individual, and inappropriate admission to residential care avoided.

### ***Community Arts***

#### ***East Fremantle Art Awards***

No art awards were held during 2002/2003.

#### ***East Fremantle Festival December 2002***

The 2002 East Fremantle Fiesta was held on Sunday December 8<sup>th</sup> from 3pm - 10pm.

Dani Connolly was again contracted by the Town of East Fremantle to coordinate the event. Dani was assisted by Sunny Wignall as Assistant Festival Coordinator and Stalls Coordinator. The Festival Coordinator's and Assistant Festival Coordinator's contract fee is paid out of the budget allocated for the Community Arts Officer. An allocation is made out of the project budget to pay for the Stalls Coordinator.

Audience numbers were calculated at 9-10,000 people. This is an increase from the previous year (6500-7000), which had itself been the largest Festival for a number of years. The increase in crowd numbers is probably due to the mild weather on the day that accounted for large crowds from 3pm and remaining steady throughout the day.

The 2002 East Fremantle Fiesta was delivered within budget.

The 2002 Fiesta followed a similar site program to the 2001 Fiesta, with interactive family activities programmed at Glasson Park, the main stage situated at Sewell Street and a performance area at King Street intersection. Lipton Ice Tea Café area was located near the King Street intersection and a Buskers Area was organised adjacent. This was an informal set-up with six buskers paid a small honorarium with audience encouraged to contribute to the 'hat'. Sunny Wignall was responsible for finding and contracting buskers.

Glasson Park worked extremely well as an acoustic and interactive performance area focussing on children and families. Water Play workshops were sponsored by Lance Holt School and the Surf Rider Machine and Surf Awareness display were sponsored by North Fremantle Primary School. The Gymbus and the Climbing Wall all contributed to a carnival feeling with Sambanistas conducting a carnival hat workshop, WA Modelling Academy performing story-telling and Bella Music

## *Health Services*

The official Glasson Park Opening was conducted by the Mayor and engaged children in hula hoop competitions with prizes. Many groups availed themselves of the shady grassed areas and spent the bulk of the afternoon relaxing there.

At the Hubble Street intersection artist Carre Wylder worked with eight local families to design and paint their wheelie bins. The result was astounding and attracted much interest with festival-goers. It was a shame however, that we didn't think to display them from the stage on completion.

In the alcove, next door to George Street Bistro, young local DJ Shannon demonstrated and assisted young people in a DJ workshop. The main stage at Sewell Street provided a range of high quality entertainment from the local band Sheva, to the multi-talented Miles To Go.

The stand-out hit of the musical program, however would have to be young funk band Dyslexic Fish. Freo Samba was a focal event as usual and well worth the fee, with their remarkable costumes and well choreographed parade from one of the festival sites to the other. The Fiesta wound down with a DJ Dance party by Brother B.

Applications for funding were lodged with Healthway and Lotteries Commission in July. Lotteries provided \$2750 for hire equipment and Healthway sponsored \$2000 for the provision of entertainment. Left Bank Bar & Café sponsored \$500. Fremantle Herald provided sponsorship to the value of \$1600 worth of advertising. Lipton Ice Tea again mounted a free drinks sample area and also provided sponsorship of \$500. Local businesses – Brown Cow Design, Limone's, Amadeus, Red Herring, Trade Winds Hotel, George Street Bistro, Altheu all provided prizes or services to the Fiesta. North Fremantle Primary School and Lance Holt School sponsored and provided activities for families and children.

The 2002 East Fremantle Fiesta has continued to build on the success of the previous year. Both audience numbers and stall bookings were up on previous years and the feedback has been very positive.

### **Neighbourhood Watch**

With Suburb Coordinator Noel Nimmo and Area Suburb Managers Barrie Renouf and Norman Baker, East Fremantle Neighbourhood Watch brings together 45 Area Coordinators and street representatives, 26 volunteers delivering newsletters and an estimated 2012 Neighbourhood Watch members.

Meetings of the East Fremantle Neighbourhood Watch Committee are held every second Thursday of the month and are attended by Fremantle Police (2 Officers), Suburb Coordinator, two Area Managers and Neighbourhood Watch volunteers.

3000 Neighbourhood Watch newsletters are delivered to all homes in East Fremantle around the second week of the each month. East Fremantle has been divided into two areas, north and south of Canning Highway. It is hoped that the newsletter helps to alleviate the fear of crime by advising the community of what crime has happened in a particular locality. No names, addresses or personal details are revealed, only street, day and time and a general description of the crime are recorded.

The object of the monthly newsletter is to:

- Promote protection and security for seniors at risk.
- Assist in dealing with telephone solicitations and door-to-door salesmen.
- Provide information on how to avoid becoming a victim of crime.
- Provide home security information and inspections by police.
- Advise of current frauds and scams.
- Advise of crime prevention programs.
- Promote expanded involvement in Neighbourhood Watch.
- Provide a list of important phone numbers to

## *Health Services*

A free monthly raffle for a chance to win a smoke alarm is also incorporated at our monthly meeting. During the year 10 smoke alarms and 2 personal alarms were awarded to residents. If members advise Neighbourhood Watch they will be away, other members will regularly check the front of the house.

When graffiti is reported to Neighbourhood Watch, a photo is taken and the details recorded. This information is then passed on to the appropriate departments involved with removal of the offending material. A follow up photo is taken to check the graffiti has been removed. The graffiti program was started in September 2001. To June this year 154 photos were taken at 45 sites and resulting in 35 formal police reports.

Engraving of valuables can be arranged through Neighbourhood Watch. Items that cannot be engraved can be photographed for members.

Crime statistics are collected from the police each week and are then broken down to particular crime scenes. A Crime Alert is then delivered to homes or units around this area as soon as possible after the crime. This year, 1021 Crime Alerts have been handed out in 75 locations.

372 phone calls (on graffiti, stealing, car theft, suspicious person and other worries people have) were recorded on our Neighbourhood Watch phone over the last twelve months from concerned residents who wanted to know if the police wanted their information. All phone calls were checked with the police to see that they received the information.

No grants were received from Safer W.A. The Town of East Fremantle provides an annual budget allocation for expenses and with the help of all our volunteers Neighborhood Watch has had a very active and successful year. The committee would like to record its appreciation and thanks to the Town, the

other staff for all the help and guidance over the year.

### ***Ranger Services***

#### ***Overview***

For the year ending 30 June 2003, Ranger Services were manned by one full time ranger, one casual ranger, contracted rangers, and one administrative officer.

#### ***Services and Responsibilities***

Rangers are Authorised Officers under the following Acts and Regulations:

- Dog
- Litter
- Bush Fires
- Off Road Vehicles
- Local Government
- and all Town of East Fremantle's Local Laws

Council's Ranger Services are also responsible for:

- Assisting with road closures
- Parking and temporary permits
- Mooring pens/launching ramp maintenance
- Cash collections and banking
- Courier duties
- Community education programs
- Insurance applications
- Safety and security of Council property
- Liaising with emergency services

### ***Dog Statistics***

#### **Attacks**

From 1 July 2002 to 30 June 2003 seven (7) dog attacks involving actual injuries to persons and / or dogs occurred. All of these files have now been closed with most cases settled with medical and/or veterinary costs reimbursed by the dog owners. On average Rangers attend seven (7) minor dog incidents per week, with numbers increasing during the summer months. These minor incidents usually involve a dog's intimidating and aggressive behaviour or general nuisances.

## Health Services

telephone; however most require a Ranger's immediate attendance with follow up action to ensure that the Dog Act was enforced.

### Education

Ranger Services have conducted an extensive "Dog awareness" program in the Town of East Fremantle. This included Rangers being rostered on duty between the hours of 7am and 7pm, (staff manning permitting). Numerous dog owners were spoken to for various offences with verbal and written cautions, and on occasion's infringement notices being issued. Ranger Services staff designed a Town of East Fremantle "Dog Information" brochure, which was handed out to dog owners on the street and when registering their dogs

### Barking

Rangers have investigated fifteen (15) official (official complaints involve at least three complainants, two from different residences for each complaint) dog barking complaints. However, Rangers receive on average four (4) complaints a week with most resolved by encouraging the complainant to talk to their neighbours. Rangers provide the owners of barking dogs with many alternatives to modify the animal's behaviour including restricting the animal's view of the street and increasing exercise times to provide information and contact details to numerous animal behaviourists and trainers.

In May 2003 Ranger Services adopted the Joint Metropolitan Animal Control Committee (JMAACC) Dog Barking investigation procedure. This gives Ranger Services a step by step procedure to follow, which has greatly simplified the investigation procedure for all parties concerned and has so far proven to be very successful.

Of the fifteen (15) official complaints, all have been solved with the cessation of the problem barking.

Total dogs reported lost	121
Returned to owners	79%
Dogs never found	14%
Dogs unknown status	7%

Total dogs impounded	39
Dogs reclaimed by owners	87%
Dogs unclaimed and re-homed	11%
Dogs destroyed	2%

### Registrations

For financial year 2002/2003, Council received \$7589.70 in dog registrations. This is a 25.3% increase on the previous financial year. A total of 1329 dogs were registered with the Town with 57.7% of these dogs sterilised. Ranger Services staff conducted an extensive dog registration program, which included conducting a door knock to follow up expired dog registrations, canvassing dog owners in the streets and local parks, and the use of caution notices for follow up action

### **Fire Breaks**

Fire breaks were checked in December 2002 with seventeen (17) properties requiring attention. Three (3) of these properties did not comply with the November 30 deadline resulting in two (2) properties receiving fire warning notices and accounts from Council for charges associated with complying with the Act. Bush Fire Act infringement notices were also issued to these two (2) property owners.

### **Parking**

#### Launching Ramp

Income from the two (2) parking ticket machines located at the Launching Ramp totalled \$81357.86. This is a 20.8% increase on the previous financial year. The increase in revenue gained from these machines can be contributed to the fact that Launching Ramp users have become aware of the requirements to purchase a ticket, and Ranger Services staff monitoring the machines and attending to repairs quickly.



## *Health Services*

Council issued 69 permits to ratepayers wishing to utilise the Leeuwin Launching facility reflecting a small decrease from the 71 issued in 2001/2002.

### Parking Infringements

In financial year 2002/2003, Council received \$58,235 in parking infringement penalties. This is a decrease on the previous financial year of 39.9%. This can be contributed to several factors such as a decrease in patronage at the Left Bank Hotel, Launching Ramp users becoming educated in the requirement of purchasing a ticket, and Ranger Services Staff issuing caution notices and educating the public in relation to Council's Parking Local Laws.

Of the total sum of parking infringements issued, 5% were revoked after written appeals were sustained. As a result of the improved Fines Enforcement Registry system, Rangers have attended a number of court cases involving appealed infringement notices and have achieved successful outcomes against non payers.

### Caution Notice Database

In February 2003 Ranger Services staff designed a data base which allows caution notices issued for parking, dog, bushfire, litter and other local law offences to be entered into the system. This information is then available to Ranger Services Staff when dealing with breaches against these Acts, and repeat offenders can easily be detected.

### Parking Schemes

Rangers instigated a review program of all parking within the Town. Numerous changes to existing parking facilities were made including a list of examples as follows:

- Sewell Street: The introduction of marked parking bays to a portion of Sewell Street, between George and Marmion Street, has greatly reduced the number of complaints from residents of vehicles obstructing driveways. Ranger Services have monitored the area and

observed a decrease in parking offences committed.

- Moss Street: Introduction of extra parking bays on Moss Street, between George and Marmion Street, which have provided extra parking for persons attending Football matches at the East Fremantle Football Oval. This has resulted in a decrease of parking complaints from local residents. Parking permits continue to be issued to residents living this area.
- Woodhouse Road: Introduction of yellow lines and "No Stopping" zones on a dangerous corner where Locke Crescent meets Woodhouse Road. No complaints from residents or incidences of illegal parking have been received since there implementation.

### *New Ranger Services Vehicle*

In April 2003 Ranger Services received a new Mitsubishi Express van, which replaced the old Ford Courier van. The van has been equipped with the recently introduced "Ranger Vehicle Striping", which was designed by the Rangers Association, and approved by the Department of Planning and Infrastructure. This striping has been well received from the general public, and the benefits include greater safety for Ranger Services staff and road users, and easy identification as a Ranger vehicle for members of the public. Also included in the new vehicle was a separate area in the rear to contain impounded dogs and livestock. This provides greater safety for Ranger Services staff when impounding dogs, and also provides greater comfort and less stress to impounded animals.

## Town Planning/Private Domain

The general purpose of Town Planning is to ensure development meets the existing and future amenity needs of the Town. Amenity relates to pleasantness and is defined as the sum of the expectations of the residents concerning the character and quality of their environment.

Town planning has two discreet but interrelated themes, referred to as Orderly Planning and Proper Planning.

Orderly Planning, based on procedural theory, relates to the processes involved in assessing development, making Policy, Scheme amendments etc. Examples of Orderly Planning include:

- Seeking neighbour comment on a boundary wall
- Seeking public comment on Policies, Town Planning Scheme amendments.

Proper Planning is based upon substantive theory, and relates to the impact (now or in the future) of a development upon the environment. Examples of Proper Planning include:

- Height controls to ensure solar access and views are conserved
- Density controls to ensure the retention of open space
- Setback, fenestration, roof pitch controls and the like to ensure streetscape harmony
- Location of trip attractors within easy walking distance of a bus stop

Decisions made by Council on Town Planning issues are directed and guided by the Town's Town Planning Scheme No 2 and Policies.

The objectives of Town Planning Scheme No 2 include:

- to retain the district primarily as a residential area;
- to protect and enhance the environment, character and pleasantness of the district; and

- to protect the significant places of heritage value within the district.

The Town employs a Town Planner, Senior Planning Officer, Heritage Planner and Planning Officer/Building Surveyor to assist residents and developers with these matters. The Planning Department liaises with Building and Environmental Health departments, via the weekly Development Control Unit meetings.

During the year Mr. Kelvin Oliver continued as the Acting Town Planner and Mrs Beryl Foster was appointed as the Senior Planning Officer.

Development and activity in 2001/02 included:

- Town Planning Scheme No. 3 was advertised for public comment and about 140 submissions were received. Council assessed all submissions and prepared a report to the Department of Planning and Infrastructure which was submitted to the Planning Commission in late 2001. The Commission processed the report and considered Council's comments in regard to each submission then forwarded the scheme and its comments to the Hon Minister for final approval. Council awaits the Hon Minister's determinations.
- Following an amendment to TPS 2 to create delegated authority provisions, Council adopted a Policy which established the procedures for delegation and a range of matters which can be delegated to staff for determination in accordance with set criteria.
- Council has continued to implement changes to its town planning practices in response to the Inquiry Panel recommendations.
- Council continues to update and make available to the public its internet site. A wide body of information is available on this facility, including:
  - agendas and minutes of meetings

## *Town Planning/Private Domain*

- detailed Town Planning information
- virtual heritage trail
- general information on rates, rubbish collection and public transport
- business directory

Council is monitoring the number of 'visits' and to date the site has been well used. It is anticipated that use of the site will increase in future years.

- Following the elections in May 2003 there was a resultant change in the composition of the Town Planning and Building (Private Domain) Committee. The committee consists of Cr J Kirkness as Chair, Mr J O'Neill (Mayor), Cr L Lovell, Cr P Le May, Cr J Kenny, Cr M Carosella and Cr D Martin (Deputy Member).
- The Kaleeya Working Party which comprised Council representatives, community representatives and representatives from Kaleeya Hospital met on a number of occasions to consider issues relating to development and parking in and around the hospital site. The working party has reported to Council and continued to assist Council on matters relating to planning in the immediate area of the hospital. Council initiated an amendment to its Town Planning Scheme to rezone the land for hospital purposes and additional car parking areas. Two submissions were received from the public which were addressed by Council. The amendment was finally adopted by Council and referred to the Hon Minister seeking final approval in June 2003.  
There is an outstanding appeal to the Tribunal for 77 Alexandra Rd which is also owned by the Hospital.
- The only other rezonings initiated and or completed in the subject period related to home units in Saint Peters Road and the service station on the corner of Canning Highway and Staton Road.
- WAMA has proceeded with the development of the Heritage Loans Scheme. Council committed funds to allow residents to participate in the Scheme, which became operational in the 2002-2003 financial year.
- The new Town Planning Appeal Tribunal became effective during the year which means that Council will no doubt be more involved in the appeal system as it will have to spend more time in the preparation and defence of appeals than it did with the Ministerial system.

## Town Planning/Private Domain

### Town Planning

Town Planning Fees Received	\$70,945
Planning Consent Granted	175
<i>Special Approval</i>	89
<i>Approvals</i>	35
<i>Delegated Authority</i>	51
Planning Consent Refused	16
Approval for Sign Licence	1
Home Occupations	3
<i>Approvals</i>	2
<i>Refusals</i>	1
<i>Renewals</i>	0
Planning Consents Appealed	13
Appeals	
<i>Upheld</i>	1
<i>Refused</i>	2
<i>Withdrawn by Applicant</i>	1
<i>Awaiting Determination</i>	9
Subdivision/Amalgamation Applications considered by Council/WAPC:	
Considered by Council	
<i>Subdivisions</i>	20
<i>Survey Stratas</i>	23
Approved by WAPC	
<i>Subdivisions</i>	8
<i>Survey Stratas</i>	22
<i>Amalgamation</i>	0
Refused by WAPC	
<i>Subdivisions</i>	2
Withdrawn	
<i>Subdivisions</i>	1

### Building

Building Fees Received	\$53,665
Building Licences Issued:	
Class 1 (Single House)	32 \$ 8,231,418
Class 1A (Duplex)	0
Group Housing	3 2,014,423
Additions/Alterations	69 6,698,720
Patios/Pergolas	19 67,332
Garages	9 75,500
Carports	11 51,495
Swimming Pools	30 471,910
Outbuildings	11 59,100
Balcony	1 11,000
Fences/Retaining Wall	8 39,000
Path/Accessway	1 17,000
Commercial/	
Public Buildings	0
	<u>194</u> \$17,736,898

Demolition Licences Issued	19
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**TOWN OF EAST FREMANTLE**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

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**TOWN OF EAST FREMANTLE**  
**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

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

**STATEMENT BY CHIEF EXECUTIVE OFFICER**

The attached financial report of the Town of East Fremantle being the annual financial report and other information for the year ended 30 June 2003 are in my opinion properly drawn up to present fairly the financial position of the Town of East Fremantle at 30 June, 2003 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards (except to the extent that these have been varied in the Statement of Accounting Policies required by Australian Accounting Standards AAS6 "Accounting Policies" and the accompanying notes to the annual financial report) and comply with the provisions of the Local Government Act 1995 and regulations under that Act.

Signed on the 10 day of September 2003

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M Costarella  
Manager of Finance  
( Delegated Officer)

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S Wearne  
Chief Executive Officer

**TOWN OF EAST FREMANTLE  
OPERATING STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2003**

NOTE	2002/2003 Actual \$	2002/03 Budget \$	2001/02 Actual \$
<b>OPERATING REVENUES</b>			
Governance	48,323	23,913	24,153
General Purpose Funding	3,925,593	3,942,514	4,894,772
Law, Order, Public Safety	17,486	129,063	10,455
Health	1,934	2,382	1,928
Education & Welfare	619,741	405,290	380,359
Housing	35,226	37,080	33,884
Community Amenities	129,585	202,833	151,741
Recreation and Culture	148,269	149,325	216,931
Transport	198,906	211,518	293,293
Economic Services	86,961	83,700	97,911
Other Property and Services	140,368	75,473	98,597
<b>TOTAL OPERATING REVENUE</b>	<b>5,352,392</b>	<b>5,263,091</b>	<b>6,204,024</b>
<b>OPERATING EXPENSES</b>			
General Purpose Funding	189,219	361,995	147,738
General Administration	370,121	354,137	296,052
Law, Order, Public Safety	167,149	308,572	161,948
Health	132,923	141,381	112,483
Education and Welfare	519,862	479,433	479,843
Housing	23,298	27,309	22,983
Community Amenities	1,650,202	1,102,601	1,126,353
Recreation & Culture	894,892	1,091,059	988,494
Transport	1,273,383	1,173,855	1,077,061
Economic Services	145,266	137,386	147,788
Other Property and Services	220,183	165,311	523,659
<b>TOTAL OPERATING EXPENSE</b>	<b>5,586,500</b>	<b>5,343,039</b>	<b>5,084,402</b>
<b>Grants/ Contributions for the Development of Assets</b>			
Welfare			154,655
Recreation & Culture	81,768	90,000	50,000
Transport	-		-
	<b>81,768</b>	<b>90,000</b>	<b>204,655</b>
<b>Disposal of Assets</b>			
Proceeds of Sale	235,891	107,700	83,725
Book Value	(214,250)	(102,235)	(55,055)
Profit on Disposal	21,641	5,464	28,670
<b>Asset Revaluation Adjustment</b>			
Recreation & Culture	8	-	(4,988,979)
<b>CHANGE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<b>2</b>	<b>15,516</b>	<b>(3,636,033)</b>

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

**TOWN OF EAST FREMANTLE**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT THE 30 JUNE 2003**

	NOTE	2002/2003	2001/2002
		\$	\$
<b>CURRENT ASSETS</b>			
Cash Assets	3	1,482,952	2,389,375
Receivables	4	337,783	301,738
Stock on Hand	5	-	-
Investments	3 (c)	-	147,036
Land Held for Resale	6	-	-
<b>TOTAL CURRENT ASSETS</b>		<u>1,820,735</u>	<u>2,838,149</u>
<b>CURRENT LIABILITIES</b>			
Payables	9	1,082,112	890,149
Interest-Bearing Liabilities	10	1,190,783	1,132,325
<b>TOTAL CURRENT LIABILITIES</b>		<u>2,272,895</u>	<u>2,022,474</u>
<b>NET CURRENT ASSETS</b>		<u>(452,160)</u>	<u>815,675</u>
<b>NON-CURRENT ASSETS</b>			
Receivables	4	150,795	194,551
Property, Plant and Equipment	7(a)	8,660,121	8,995,968
Infrastructure	7 (b)	8,168,453	7,611,866
<b>TOTAL NON-CURRENT ASSETS</b>		<u>16,979,369</u>	<u>16,802,385</u>
<b>NON-CURRENT LIABILITIES</b>			
Payables	9	75,181	44,550
Interest-Bearing Liabilities	10	420,747	1,411,530
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>495,928</u>	<u>1,456,080</u>
<b>NET ASSETS</b>		<u>16,031,281</u>	<u>16,161,979</u>
<b>EQUITY</b>			
Accumulated Surplus		14,966,543	15,560,379
Reserves - Cash Backed	11	1,064,738	601,600
<b>TOTAL EQUITY</b>		<u>16,031,281</u>	<u>16,161,979</u>

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



**TOWN OF EAST FREMANTLE**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2003**

	NOTE	2002/03 \$	2001/02 \$
<b>ACCUMULATED SURPLUS</b>			
Balance as at 1 July		15,560,379	19,222,467
Change in Net Assets Resulting from Operations		(130,698)	(3,636,033)
Transfer from/(to) Reserves		(463,138)	(26,055)
Balance as at 30 June		<u>14,966,543</u>	<u>15,560,379</u>
<b>RESERVES - CASH BACKED</b>			
Balance as at 1 July		601,600	575,545
Amount Transferred (to)/from Accumulated Surplus		463,138	26,055
Balance as at 30 June	11	<u>1,064,738</u>	<u>601,600</u>
<b>TOTAL EQUITY</b>		<u><u>16,031,281</u></u>	<u><u>16,161,979</u></u>

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

**TOWN OF EAST FREMANTLE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2003**

	NOTE	2002/03 Actuals \$	2002/03 Budget \$	2001/02 Actuals \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		3,541,784	3,447,698	4,428,719
Grants and Subsidies		949,055	839,336	789,873
Contributions, Reimbursements & Donations		90,472	98,006	47,311
Fees and Charges		517,314	682,996	539,471
Interest Earnings		157,665	158,000	165,620
Other		182,972	29,150	33,119
GST Refund		343,754		355,746
		<u>5,783,016</u>	<u>5,255,186</u>	<u>6,359,860</u>
<b>Payments</b>				
Employee Costs		(1,441,884)	(1,664,944)	(1,548,696)
Materials and Contracts		(2,552,084)	(2,285,516)	(2,294,999)
Utilities (gas, electricity, water, etc)		(321,260)	(50,055)	(290,288)
Interest		(125,259)	(157,140)	(223,856)
Contributions & Donations		(465,766)	(158,427)	(448,393)
Other		(129,719)	(38,093)	(89,043)
		<u>(5,035,972)</u>	<u>(4,354,175)</u>	<u>(4,895,276)</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	12(b)	<u>747,044</u>	<u>901,011</u>	<u>1,464,584</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Purchase of Property, Plant & Equipment		(221,539)	(825,400)	(566,535)
Payments for Construction of Infrastructure		(745,952)	(916,232)	(926,011)
Proceeds from Sale of Plant & Equipment		84,272	102,236	83,725
Property Investments		151,618		
<b>Net Cash Provided By (Used In) Investing Activities</b>		<u>(731,601)</u>	<u>(1,639,396)</u>	<u>(1,408,821)</u>
<b>Cash Flows from Financing Activities</b>				
Repayment of Loans		(1,132,325)	(1,143,351)	(1,571,210)
Proceeds from Self Supporting Loans		10,460	10,460	65,429
Proceeds from New Loans		200,000	200,000	-
<b>Net Cash Provided By (Used In) Financing Activities</b>		<u>(921,865)</u>	<u>(932,891)</u>	<u>(1,505,781)</u>
<b>Net Increase (Decrease) in Cash Held</b>		(906,423)	(1,671,277)	(1,450,018)
Cash at Beginning of year		2,389,375	2,842,417	3,839,393
<b>Cash at End of Year</b>	12(a)	<u>1,482,952</u>	<u>1,171,140</u>	<u>2,389,375</u>

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

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this financial report are:

**(a) Basis of Accounting**

The financial report is a general purpose financial report which has been prepared in accordance with applicable Australian Accounting Standards and the Local Government Act 1995 (as amended) and accompanying regulations. The report has also been prepared on the accrual basis under the convention of historical cost accounting except where otherwise stated.

**(b) The Local Government Reporting Entity**

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

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

All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 18 to this financial report.

**(c) Land Held for Resale**

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

**(d) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives to the entity in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings		40 years
Infrastructure	Various over life expectancy	
Plant and Equipment		8 years
Mobile Equipment		5 years
Furniture & Office Equipment		10 years
Electronic Equipment		5 years
Tools		5 years

**(e) Non-Current Assets**

**(i)** Council has adopted the following Asset Capital threshold:-

	\$
Land & Buildings	1,000
Infrastructures	1,000
Plant & Equipment	500
Furniture & Office Equipment	500

**(ii)** The accounting policies adopted are consistent with those of the previous year management has resolved that each class of property, plant equipment and infrastructure assets are carried at cost less any accumulated depreciation.

Other non-current assets are measured on the cost basis. The carrying amount of non-current assets are reviewed annually by management to ensure that they are not in excess of the recoverable amount.

The value of land under roads has not been recognised as an asset in the statement of financial position as at 30 June 2003.

**(f) Leases**

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the council, are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Leased assets are amortised over their estimated useful lives. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

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

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Investments**

All investments are valued at cost and interest on those investments is recognised when accrued.

**(h) Joint Venture**

The Council's interest in a joint venture is set out in Note 15.

**(i) Employee Entitlements**

The provisions for employee entitlements relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**(i) Annual Leave Provision**

The provision has been calculated at nominal amounts based on expected wages and salary rates on settlements and represents the amount the council expects to pay when the liabilities are paid resulting from employees services provided to the balance date and includes related on-costs

**(ii) Long Service Leave**

The provision for employees' entitlements for long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from the employees' service to balance date.

**(iii) Sick Leave**

A liability for sick leave is recognised based on the pattern of claims and the use of estimations techniques for the portion which is expected to result in payment to employees. However this amount was not material at balance date and therefore not recognised in the statement of financial position and operating statement.

**(j) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

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

**(k) Superannuation**

The Town of East Fremantle contributes to the Local Government Superannuation Scheme and the Occupational Superannuation Fund. Both funds are defined contribution schemes.

**(l) Rounding Off Figures**

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

**(m) Comparative Figures**

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

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**2. OPERATING REVENUES AND EXPENSES**

	2002/03 \$	2001/02 \$
<b>(a) The change in net assets from operations was arrived at after:</b>		
<b>Auditors Remuneration</b>		
- Audit	9,240	12,000
- Other Services	-	-
	9,240	12,000
<b>Depreciation</b>		
Buildings	245,155	396,307
Furniture and Equipment	33,317	32,802
Plant and Equipment	211,697	149,098
Infrastructure	189,366	171,044
	679,535	749,251
<b>Assets Sold</b>		
Carrying amount of non-current assets sold.	214,250	55,055
<b>Significant Item</b>		
Supreme Court Decision-93 Preston Point Road (Refer Note 14)	417,300	
<b>Borrowing Costs</b>		
- Bank Overdraft	-	-
- Loans	147,092	271,755
	147,092	271,755
<b>(ii) Crediting as Revenues:</b>		
Proceeds from the disposal of non-current assets		83,725
		235,891
	<b>2002/03 Actual \$</b>	<b>2002/03 Budget \$</b>
<b>Interest Earnings</b>		<b>2001/02 Actual \$</b>
Investments		
- Reserve Funds	37,798	27,121
- Other Funds	119,867	138,500
	157,665	165,620

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**2. OPERATING REVENUES AND EXPENSES (Continued)**

<b>(b) Operating Revenues and Expenses</b>	<b>2002/03</b>	<b>2001/02</b>
<b>Classified According to Nature and Type</b>	<b>\$</b>	<b>\$</b>
<b>Operating Revenues</b>		
Rates	3,577,828	4,511,939
Grants and Subsidies - operating	942,881	789,873
Contributions, Reimbursements and Donations	55,246	139,890
Profit on Asset Disposals	21,641	32,555
Fees & Charges	522,149	767,886
Interest Earnings	157,665	165,650
Other Revenue	178,389	84,539
	<u>5,455,799</u>	<u>6,492,333</u>
<b>Operating Expenses</b>		
Employee Costs	1,469,756	1,509,520
Materials and Contracts	2,440,198	1,788,653
Utilities (gas, electricity, water, etc)	301,124	290,288
Depreciation on Non-current Assets	679,535	749,253
Interest	130,398	271,755
Loss on Sale of Assets	-	3,885
Contributions & Donations	435,766	437,198
Other	129,720	5,077,812
	<u>5,586,497</u>	<u>10,128,366</u>
Operating Surplus( Deficit)	<u>(130,698)</u>	<u>(3,636,033)</u>

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**2. OPERATING REVENUES AND EXPENSES (Continued)**

**(c) Components of the Operating Statement by Function and Activity**

In order to discharge its responsibilities to the community, the Town has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

The Activities relating to the Town's components reported in the Operating Statement are as follows:

**GOVERNANCE**

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

Activities: Administration and operation of facilities and services to members of council; Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.

**GENERAL PURPOSE FUNDING**

Objective: To collect revenue to allow for the provision of services.

Activities: Rating, General Purpose Government Grants and the earning of Interest.

**LAW, ORDER, PUBLIC SAFETY**

Objective: To provide Bushfire Prevention Services and Animal ( Dog ) Control services.

Activities: Supervision, Enforcement of Bushfire Act and Dog Act.

**HEALTH**

Objective: To provide an operational framework for good community health in conjunction with the Health Department of W.A.

Activities: Health Inspection Services regarding food quality, pest control etc and the provision of Child Health Clinics.

**EDUCATION AND WELFARE**

Objective: To provide assistance to senior citizens, welfare and home and community care, and provision of services including meals on wheels

**HOUSING**

Objective: Help to ensure that adequate housing is available to staff and the community.

Activities: Provision and maintenance of 5 Staff Houses.

**COMMUNITY AMENITIES**

Objective: To provide community amenities and other infrastructure as required by the community.

Activities: Rubbish Collection and Disposal, maintenance of Rubbish Tips and recycling, administration of Town Planning Schemes for the whole of the Town including the provision of residential and commercial land and Townscaping facilities.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**2. OPERATING REVENUES AND EXPENSES (Continued)**

**(c) Statement of Objective (Continued)**

**RECREATION AND CULTURE**

Objective: To establish and manage efficiently sport and recreation infrastructure and resources which will help the social wellbeing and health of the community.

Activities: The provision and maintenance in conjunction with the various communities of public halls, recreation grounds, sport pavilions and the joint operation of the City of Fremantle Library.

**TRANSPORT**

Objective: To provide effective and efficient transport infrastructure to the community.

Activities: Construction and maintenance of streets, roads, bridges; the cleaning and lighting of streets;

**ECONOMIC SERVICES**

Objective: To help promote the Town and improve its economic wellbeing.

Activities: The regulation and provision of tourism, area promotion activities, and building control

**OTHER PROPERTY & SERVICES**

Objective: To provide other services etc not elsewhere included.

Activities: Private Works operations, Council plant repairs and operation costs and depot maintenance.

**(d) Conditions Over Contributions**

Grants which were recognised as revenues during the year but have yet to be applied in that manner at the reporting date were:

Office Of Crime Prevention- Graffiti Program

Department of Health- HACC Program

Grants which were recognised as revenue in a previous year and have not yet been applied in the manner specified by the grantor were:

Roads to Recovery Grant

Grants which were recognised as revenue in a previous year and were expended in the current year

in the manner specified by the grantor were:

Roads to Recovery Grant

	<b>2002/03</b>	<b>2001/02</b>
	<b>\$</b>	<b>\$</b>
	-	-
	8,760	
	201,350	
	-	-
	-	137,751
	<b>210,110</b>	<b>137,751</b>



**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

	<b>2002/03</b>	<b>2001/02</b>
	<b>\$</b>	<b>\$</b>
<b>3. CASH ASSETS</b>		
a) Cash on Hand	600	600
Cash At Bank	944,950	344,077
Term Deposits	537,402	2,044,698
	1,482,952	2,389,375
b) Unrestricted	(41,497)	1,476,447
Restricted	1,524,449	912,928
	1,482,952	2,389,375
The following restrictions have been imposed by regulations or other externally imposed requirements:		
<b>Restricted Funds</b>		
Mooring Pens	40,000	110,780
Sundry Liability		125
Bonds	16,883	5,751
Footpaths	192,717	187,152
Unspent Grants ( refer Note 2(d) )	210,110	
General Funds		7,520
<b>Reserve Accounts</b>		
Specified Area Rate	527,337	
Long Service Leave Reserve	36,956	49,819
Plant Replacement Reserve	28	28
Asbestos Reserve Account	6,170	5,902
Arts Recreation Reserve	359,168	416,943
Office Reserve	13,589	13,142
Annual Leave Reserve	74,990	71,561
T/Planning Reserve	19,868	18,963
Leeuwin Reserve	24,159	23,042
Centennial Reserve	2,474	2,201
	1,524,449	912,928
c) <b>Investments</b>		
Property Investment Trust	-	147,035

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

<b>4. RECEIVABLES</b>	<b>2002/03</b>	<b>2001/02</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Rates Outstanding	65,225	127,368
Loan Club & Organisations	11,173	-
Accrued Income	10,800	
Sundry Debtors	280,129	206,601
Less: Provision for Doubtful Debts	<u>(29,544)</u>	<u>(32,230)</u>
	<u>337,783</u>	<u>301,738</u>
 <b>Non-Current</b>		
Loans - Clubs/Institutions	70,946	92,579
Rates Outstanding - Pensioners	<u>79,849</u>	<u>101,972</u>
	<u>150,795</u>	<u>194,551</u>
 <b>5. STOCK ON HAND</b>		
Stores and Materials	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
 <b>6. LAND HELD FOR RESALE</b>		
Current	-	-
Non-Current	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

	2002/03 \$	2001/02 \$
<b>7(a) PROPERTY, PLANT AND EQUIPMENT</b>		
Land and Buildings - Cost	10,308,226	10,302,565
Less Accumulated Depreciation	<u>(2,320,131)</u>	<u>(2,074,977)</u>
	<u>7,988,095</u>	<u>8,227,589</u>
Furniture and Equipment - Cost	416,028	406,858
Less Accumulated Depreciation	<u>(332,911)</u>	<u>(300,744)</u>
	<u>83,117</u>	<u>106,114</u>
Plant and Equipment - Cost	1,448,957	1,434,269
Less Accumulated Depreciation	<u>(860,048)</u>	<u>(772,005)</u>
	<u>588,909</u>	<u>662,265</u>
	<u>8,660,121</u>	<u>8,995,968</u>
<b>7(b) INFRASTRUCTURE</b>		
Streets at Cost	475,395	170,624
Less Accumulated Depreciation	<u>(16,249)</u>	<u>(12,160)</u>
	<u>459,145</u>	<u>158,464</u>
Reserves at Cost	376,390	230,052
Less Accumulated Depreciation	<u>(13,920)</u>	<u>(8,170)</u>
	<u>362,470</u>	<u>221,881</u>
Rivers at Cost	181,011	181,011
Less Accumulated Depreciation	<u>(25,636)</u>	<u>(21,318)</u>
	<u>155,375</u>	<u>159,693</u>
Roads at Cost	5,113,441	4,828,791
Less Accumulated Depreciation	<u>(548,830)</u>	<u>(447,054)</u>
	<u>4,564,611</u>	<u>4,381,737</u>
Paths at Cost	1,180,054	1,180,054
Less Accumulated Depreciation	<u>(128,521)</u>	<u>(104,915)</u>
	<u>1,051,533</u>	<u>1,075,139</u>
Signs at Cost	79,433	79,433
Less Accumulated Depreciation	<u>(31,554)</u>	<u>(24,218)</u>
	<u>47,879</u>	<u>55,215</u>
Irrigation at Cost	274,346	274,346
Less Accumulated Depreciation	<u>(42,451)</u>	<u>(30,204)</u>
	<u>231,895</u>	<u>244,142</u>
Parks at Cost	296,041	296,041
Less Accumulated Depreciation	<u>(37,259)</u>	<u>(22,455)</u>
	<u>258,782</u>	<u>273,586</u>
Car Parks at Cost	387,045	387,045
Less Accumulated Depreciation	<u>(46,542)</u>	<u>(38,800)</u>
	<u>340,503</u>	<u>348,245</u>
Drains at Cost	731,658	721,464
Less Accumulated Depreciation	<u>(35,398)</u>	<u>(27,701)</u>
	<u>696,260</u>	<u>693,763</u>
	<u>8,168,453</u>	<u>7,611,866</u>
<b>TOTALS</b>		
Total Nett Value of Property, Plant & Equipment, and Infrastructure Assets	<u>16,828,574</u>	<u>16,607,834</u>
<b>SUMMARY ASSET TOTALS</b>		
Property, Plant & Equipment, and Infrastructure	21,268,024	20,492,553
Less Accumulated Depreciation	<u>(4,439,450)</u>	<u>(3,884,720)</u>
Written Down Value	<u>16,828,574</u>	<u>16,607,834</u>

**TOWN OF EAST FREMANTLE**  
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**FOR THE YEAR ENDED 30 JUNE 2003**

**7 (c) PROPERTY, PLANT AND EQUIPMENT (cont)**  
**MOVEMENTS IN CARRYING AMOUNTS**

Movements in the carrying amounts for each class of property, plant and equipment and infrastructure assets between the beginning and end of the current financial year.

CLASSIFICATION	OPENING BALANCE	ADDITIONS	DISPOSAL	DEPREC EXPENSE	CARRYING AMOUNT AT THE END OF THE YEAR
LAND & BUILDINGS	8,227,588	5,662	-	245,155	7,988,095
PLANT & EQUIPMENT	662,265	205,556	67,213	211,698	588,910
FURNITURE & EQUIPMENT	106,114	10,321	-	33,317	83,118
STREETS	158,465	304,769	-	4,089	459,145
RESERVES	221,882	146,337	-	5,750	362,469
RIVERS	159,694	-	-	4,318	155,376
ROADS	4,381,738	284,649	-	101,776	4,564,611
PATHS	1,075,139	-	-	23,606	1,051,533
SIGNS	55,214	-	-	7,336	47,878
DRAINS	693,763	10,194	-	7,697	696,260
IRRIGATION	244,142	-	-	12,247	231,895
PARKS	273,586	-	-	14,804	258,782
CAR PARKS	348,245	-	-	7,742	340,503
	<b>16,607,834</b>	<b>967,488</b>	<b>67,213</b>	<b>679,535</b>	<b>16,828,574</b>

**8 Land & Buildings Valuation Adjustment**

The figure in the 2001/02 year relates to assets incorrectly capitalised in previous years and not owned by council. The amount reflects the deletion of these assets from the books in that year.

**TOWN OF EAST FREMANTLE**  
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	2002/03	2001/02
	\$	\$
<b>9. PAYABLES</b>		
<b>Current</b>		
Sundry Creditors	723,202	459,876
Accrued Interest on Loans	26,458	21,319
Provision for Annual Leave	64,183	63,311
Provision for Long Service Leave	16,477	34,316
Income received in Advance	2,192	
Bonds & Deposits	<u>249,600</u>	<u>311,327</u>
	<u>1,082,112</u>	<u>890,149</u>
<b>Non Current</b>		
Provision for Long Service Leave	<u>75,181</u>	<u>44,550</u>
	<u>75,181</u>	<u>44,550</u>
<b>10. INTEREST-BEARING LIABILITIES</b>		
<b>Current</b>		
Loans	1,190,783	1,132,325
<b>Non-Current</b>		
Loans	<u>420,747</u>	<u>1,411,530</u>
<b>TOTAL BORROWINGS</b>	<u>1,611,530</u>	<u>2,543,855</u>

Additional detail on borrowings is provided in Note 21.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

	2002/03 Actuals \$	2002/03 Budget \$	2001/02 Actuals \$
<b>11. RESERVES - CASH BACKED</b>			
<b>(a) Specified Area Reserve</b>			
Opening Balance	-	-	-
Amount Set Aside / Transfer to Reserve	524,271	-	-
Amount Used / Transfer from Reserve	-	-	-
	<u>524,271</u>	<u>-</u>	<u>-</u>
<b>(b) Plant Replacement</b>			
Opening Balance	28	28	28
Amount Set Aside / Transfer to Reserve	-	-	-
Amount Used / Transfer from Reserve	-	-	-
	<u>28</u>	<u>28</u>	<u>28</u>
<b>(c) Annual Leave Reserve</b>			
Opening Balance	71,561	71,561	68,584
Amount Set Aside / Transfer to Reserve	3,429	2,815	2,977
Amount Used / Transfer from Reserve	-	-	-
	<u>74,990</u>	<u>74,376</u>	<u>71,561</u>
<b>(d) Office Reserve</b>			
Opening Balance	13,141	12,975	12,443
Amount Set Aside / Transfer to Reserve	614	502	698
Amount Used / Transfer from Reserve	-	-	-
	<u>13,755</u>	<u>13,477</u>	<u>13,141</u>
<b>(e) Town Planning Reserve</b>			
Opening Balance	18,962	18,962	18,176
Amount Set Aside / Transfer to Reserve	906	743	786
Amount Used / Transfer from Reserve	-	(7,500)	-
	<u>19,868</u>	<u>12,205</u>	<u>18,962</u>
<b>(f) Leeuwin Reserve</b>			
Opening Balance	23,042	23,043	22,237
Amount Set Aside / Transfer to Reserve	1,117	762	805
Amount Used / Transfer from Reserve	-	-	-
	<u>24,159</u>	<u>23,805</u>	<u>23,042</u>
<b>(g) Centennial Reserve</b>			
Opening Balance	2,201	2,200	2,621
Amount Set Aside / Transfer to Reserve	106	507	536
Amount Used / Transfer from Reserve	-	-	(956)
	<u>2,308</u>	<u>2,707</u>	<u>2,201</u>

**TOWN OF EAST FREMANTLE**  
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**FOR THE YEAR ENDED 30 JUNE 2003**

	2002/03 Actuals \$	2002/03 Budget \$	2001/02 Actuals \$
<b>11. RESERVES - CASH BACKED cont.</b>			
<b>(h) Art &amp; Recreation Community Reserve</b>			
Opening Balance	416,942	416,942	398,027
Amount Set Aside / Transfer to Reserve	29,068	14,504	18,915
Amount Used / Transfer from Reserve	<u>(83,777)</u>	<u>(416,000)</u>	<u>-</u>
	<u>362,233</u>	<u>15,446</u>	<u>416,942</u>
<b>(i) Long Service Leave Reserve</b>			
Opening Balance	49,819	49,820	47,757
Amount Set Aside / Transfer to Reserve	2,290	1,949	2,062
Amount Used / Transfer from Reserve	<u>(15,153)</u>	<u>(24,565)</u>	<u>-</u>
	<u>36,956</u>	<u>27,204</u>	<u>49,819</u>
<b>(j) Asbestos Removal Reserve</b>			
Opening Balance	5,902	5,903	5,670
Amount Set Aside / Transfer to Reserve	268	218	231
Amount Used / Transfer from Reserve	<u>-</u>	<u>-</u>	<u>-</u>
	<u>6,170</u>	<u>6,121</u>	<u>5,902</u>
<b>Total Cash Backed Reserves</b>	<u><u>1,064,738</u></u>	<u><u>175,369</u></u>	<u><u>601,599</u></u>

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

**11. RESERVES (Continued)**

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

**Specified Area Rate Reserve**

- a Statutory requirement to transfer surplus funds from Specified Area Rates to a Reserve Fund

**Plant Reserve**

- to be used for the purchase of major plant

**Annual Leave Reserve**

- to be used to fund accrued annual leave requirements

**Office Reserve**

- to be used for the purchase of major office equipment

**Long Service Leave Reserve**

- to be used to fund long service leave entitlements of staff.

**Town Planning Reserve**

- to be used to fund expenditure relating to Town Planning Scheme reviews

**Leeuwin Reserve**

- to be used for the funding of major expenditure for the boat ramp located at Centennial Reserve

**Centennial Reserve**

- to be used for the funding of expenditure in the Town's centennial year

**Art, Recreation & Community Reserve**

- to be used for the funding of any major art, recreation or community project

**Asbestos Removal Reserve**

- to be used to fund any asbestos removal throughout the Town of East Fremantle

**Usage of Reserves**

All Reserves are on-going and are not expected to be totally utilised within a set period as further transfers to and from the Reserve accounts are expected as the funds are utilised in this and future budgets.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**12. NOTES TO THE STATEMENT OF CASH FLOWS**

**(a) Reconciliation of Cash**

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:

	<b>2002/03 Actuals \$</b>	<b>2002/03 Budget \$</b>	<b>2001/02 Actuals \$</b>
Cash - Unrestricted	(41,497)	391,452	1,476,447
Cash - Restricted	<u>1,524,449</u>	<u>779,689</u>	<u>912,928</u>
	<u><u>1,482,952</u></u>	<u><u>1,171,141</u></u>	<u><u>2,389,375</u></u>

**(b) Reconciliation of Net Cash Provided By Operating Activities to Change in Net Assets Resulting from Operations**

Change in Net Assets Resulting from Operations	(130,698)	15,516	(3,636,033)
Depreciation	679,535	745,602	749,250
(Increase)/Decrease in Receivables	(2,746)	167,622	168,412
(Profit)/Loss on Sale of Asset	(21,641)	(5,465)	(28,670)
(Increase)/Decrease in Stock on Hand	-	-	-
Adjustment to land & Building Revaluation	-	-	4,988,979
Increase/(Decrease) in Payables	208,930	(22,264)	(816,531)
Increase/(Decrease) in Employee Provisions	<u>13,664</u>	<u>-</u>	<u>39,176</u>
<b>Net Cash from Operating Activities</b>	<u><u>747,044</u></u>	<u><u>901,011</u></u>	<u><u>1,464,584</u></u>

**13(a) Loan Facilities**

Loan Liability - Current	1,190,783	1,132,325
Loan Liability - Non-Current	<u>420,747</u>	<u>1,411,530</u>
<b>Total Facilities in Use at Balance Date</b>	<u><u>1,611,530</u></u>	<u><u>2,543,855</u></u>

**(b) Unused Loan Facilities at Balance Date**

	<u><u>-</u></u>	<u><u>-</u></u>
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TOWN OF EAST FREMANTLE

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003

	(unaudited) 2002/03 \$	2001/02 \$
<b>13 (c) Capital Expenditure Commitments</b>		
<b><u>Joint Venture Entity Capital Commitment</u></b>		
At the reporting date, Council's share of the Regional Resource Recovery Centre's capital commitment was as follows:-	(unaudited)	
Total Joint Venture RRRC Construction Contract	8,200,938	8,200,938
Council's share of this contract	<b>147,617</b>	<b>209,371</b>
	1.80%	2.55%

**14. CONTINGENT LIABILITIES**

**Supreme Court Case- 93 Preston Point Rd**

In 1993 Council received an application from the owner to construct a dwelling on the above lot. The application was refused on heritage grounds and in accordance with the heritage provisions of Town Planning Scheme No 2. The owners claimed compensation for "injurious affection" under a relevant clause of Council's Town Planning Scheme No 2. In August 2003 The Court awarded an amount of \$252,000 compensation and interest of \$165,300 ( totalling \$417,300). The amount represents the loss of market value of the land and opportunity costs. The amount of \$417,300 has been reflected in the Operating Statement for the year ended 30 June 2003 and is disclosed in Note 2 (a) under the heading "Significant Items".

The decision also awarded the court costs to the owner however at the date of this report the amount has not been quantified .

**Regional Resource Recovery Centre- Lending Facility**

Council is a participant in the Regional Resource Recovery Centre. The project was established through the Southern Metropolitan Regional Council (SMRC) and involves the Cities of Canning, Cockburn, Fremantle, Melville & Town of East Fremantle, in the development of a waste processing plant and a recyclable & green waste facility at Canning Vale.

The capital construction of the facility will be funded by borrowings from the Western Australian Treasury Corporation. A \$40 million lending facility has been set up for this purpose, repayable over a term of 20 years. The SMRC will receive and administer the borrowings and the project will make quarterly contributions towards repayment of these borrowings.

The Council's estimated share of the project funding is based on population percentages ( census figures each 5 years) over the life of the loan, currently at 1.8%. As at June 2003 \$35,925,970 had been drawn against the lending facility, with the Council's share of this liability being \$646,670.

It is estimated that once fully drawn , Council 's annual contribution towards the repayment of interest and principal will be in the region of \$70,000 to \$80,000 over the 20 year loan period. Council has guaranteed by way of agreement its share of the loan liability to the SMRC and the Western Australian Treasury Corporation ( funding body)

**15. JOINT VENTURE  
INTEREST IN JOINT VENTURES**

**South West Group**

The Council is a member participant in a project for the South West Management Groups with the cities of Cockburn, Fremantle, Melville, Rockingham & Town of Kwinana. Council's share in the net assets of the South West Groups as at 30 June was:

	(unaudited) 2002/03	2001/02
Amount of interest	4,107	4,107
Cost/profit sharing ratio	4.90%	4.90%

**Southern Metropolitan Regional Council (SMRC)  
General Funds**

The Council is a member of the Southern Metropolitan Regional Council. SMRC was established in accordance with the Local Government Act 1995 and consist of seven local governments namely cities of Canning, Cockburn, Fremantle, Melville, Rockingham & towns of East Fremantle and Kwinana.

Council's share in the net assets of the SMRC (excluding the RRRC project) as at 30 June was:-

	(unaudited) 2002/03	2001/02
Amount of interest	5,928	5,928
Cost/profit sharing ratio	1.94%	1.94%

The RRRC project is disclosed separately as it has a different cost/profit sharing ratio to that for the SMRC's general funds.

**Regional Resource Recovery Centre (RRRC)**

This project is undertaken on behalf of SMRC's five participating Council's being the cities of Canning, Cockburn, Fremantle, Melville & Town of East Fremantle. The venture was established through the SMRC as a major trading undertaking. The RRRC joint venture's principal activity is the development of a waste processing plant & recyclable & green waste facility at Canning Vale.

Participating Councils are required to contribute an annual fee to cover the capital cost in the establishment of the facility and pay gate fees for each tonne of waste they deliver to the facility to cover the operating costs. The capital costs for each participating Member Council is based on the Australian Bureau of Statistics census of population statistics. Each project participant will develop equity in the project equal to the relevant proportion of the total capital loan repayments made by the project participant.

The Council's interest in the Joint Venture as at 30 June (as calculated by the SMRC):

	(unaudited) 2002/03	2001/02
Amount of interest	744,638	744,638
Cost/profit sharing ratio	1.80%	2.55%

It is estimated the capital cost of the project will be \$40 million to be funded by borrowings repayable by annual contributions from the five participating Local Governments. Council's portion of the Capital repayment commenced in the 2001-2002 financial year and continue for a period of 20 years. The contribution for 2002-2003 by the council is \$ 77,479 and this expenditure is reflected in Council's financial statements as an operating expense.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**16. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY**

	2002/03	2001/02
	\$	\$
Governance	1,928,320	1,924,637
Law, Order, Public Safety	30,929	2,806
Health	76,184	76,184
Education and Welfare	458,530	253,124
Housing	350,400	350,400
Community Amenities	1,747,542	1,709,230
Recreation and Culture	6,445,823	7,476,031
Transport	7,116,557	7,113,174
Economic Services	16,935	-
Other Property and Services	628,884	642,269
	<u>18,800,104</u>	<u>19,547,855</u>

**17. FINANCIAL RATIOS**

	2002/03	2001/02	2000/01
Current Ratio	0.25:1	1.13:1	1.28:1
Debt Ratio	14.73%	17.71%	22.12%
Debt Service Ratio	23.76%	29.26%	24.38%
Rate Coverage Ratio	66.48%	71.02%	70.16%
Outstanding Rates Ratio	3.76%	4.70%	6.60%

The above rates are calculated as follows:

**Current Ratio equals**

Purpose: To assess adequacy of working capital and the ability to satisfy short term obligations.

$$\frac{\text{Current assets minus restricted current assets}}{\text{Current liabilities minus liabilities associated with restricted assets}}$$

**Debt Ratio equals**

Purpose: To identify exposure to debts by measuring the proportion of assets funded by creditors.

$$\frac{\text{Total liabilities}}{\text{Total assets}}$$

**Debt Service Ratio equals**

Purpose: To assess the degree to which revenues are committed to the repayment of debt.

$$\frac{\text{Debt Service Cost (Principal \& Interest)}}{\text{Available operating revenue}}$$

**Rate Coverage Ratio equals**

Purpose: To assess the degree of dependence upon revenue from rates

$$\frac{\text{Net rate revenue}}{\text{Operating revenue}}$$

**Outstanding Rates Ratio equals**

Purpose: To assess the impact of uncollected rates on liquidity and the adequacy of recovery efforts.

$$\frac{\text{Rates outstanding}}{\text{Rates collectable}}$$

**TOWN OF EAST FREMANTLE**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2003**

**18. TRUST FUNDS**

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

	<b>Balance 1-Jul-02 \$</b>	<b>Amounts Received \$</b>	<b>Amounts Paid \$</b>	<b>Balance 30-Jun-03 \$</b>
Covered Seating Liability	9,828	477	-	10,305
Nomination Deposit	40	-	-	40
General Funds	40,441	5,790	36,637	9,594
Rates in Advance	3,056	-	3,056	-
Tramway Trust	122,106	6,175	-	128,281
Underground Power in Adv	2,023	-	2,023	-
Training Levy	-	-	-	-
Left Bank Rent	131,311	13,962	-	145,273
AUSTPROP funds	7,971	406	-	8,377
Unclaimed Wages	-	-	-	-
	<b>316,776</b>	<b>26,810</b>	<b>41,716</b>	<b>301,870</b>

**19. DISPOSALS OF ASSETS - 2002/03 FINANCIAL YEAR**

The following assets were disposed of during the year.

	<b>Net Book Value</b>		<b>Sale Price</b>		<b>Profit (Loss)</b>	
	<b>Actual \$</b>	<b>Budget \$</b>	<b>Actual \$</b>	<b>Budget \$</b>	<b>Actual \$</b>	<b>Budget \$</b>
Land and Buildings	-	-	-	-	-	-
Furniture and Equipment	-	-	300	-	300	-
Plant & Equipment - Motor Vehicles	67,214	102,235	83,973	107,700	16,759	5,465
Property Investment	147,036	-	151,618	-	4,582	-
	<b>214,250</b>	<b>102,235</b>	<b>235,891</b>	<b>107,700</b>	<b>21,641</b>	<b>5,465</b>

**TOWN OF EAST FREMANTLE**

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2003**

**20. BUDGET COMPARISON**

	<b>2002/03 Actual \$</b>	<b>2002/03 Budget \$</b>
(a) Non Operating Income and Expenditure		
<p>The following non operating income and expenditure and movements to and from reserve accounts are not included in the operating statement.</p>		
<b>Non Operating Income</b>		
Proceeds on sale of assets	235,891	107,700
Loans raised	200,000	200,000
Transfers from reserves	98,930	448,065
 <b>Non Operating Expenditure</b>		
Principal repayment of loans	1,132,325	1,143,351
Construction/purchase of assets		
Land and Buildings	5,662	521,000
Plant and Equipment	205,556	251,400
Furniture & Equipment	10,321	53,000
Infrastructure	745,952	916,232
Transfers to Reserves	562,069	22,000

(b) Net Current Asset Position at 1st July 2002

The net current position balance carried forward from the previous financial year for the purpose of the 2002/03 budget was \$1,442,216.

The actual net current asset position balance shown in the audited financial report as at 30th June 2002, after adjustment for restricted assets, was\$ 1,346,400

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**21. INFORMATION ON BORROWINGS ( Interest-Bearing Liabilities)**

**(a) Loan Repayments**

Particulars	Rate	Lender	Date Funded	Term in Years	Principal	New	Interest Repayments		Principal		Principal		
					1-Jul-02	Loans	Actual	Budget	Repayments		30-Jun-03		
										Actual	Budget	Actual	Budget
<b>Administration</b>													
Organisational Reform -179	7.11	WATC	27-Jun-00	15	229,755	-	16,035	16,166	11,234	11,234	218,521	218,521	0
<b>Community Amenities</b>													
George St Beautification-173	6.85	WATC	28-Jun-99	15	65,383	-	4,467	4,503	3,662	3,662	61,721	61,721	0
Recycling Bins-176	6.36	WATC	27-May-99	10	114,386	-	7,276	7,953	13,437	13,437	100,949	100,949	0
UnderGround Power St 1-177	6.25	CBA	1-Oct-99	3	438,580	-	13,706	13,706	438,580	438,580	(0)	0	0
UnderGround Power St 2-181	6.63	WATC	1-Nov-00	3	943,991	-	53,995	71,692	619,012	619,012	324,979	324,979	0
<b>Recreation &amp; Culture</b>													
* East Fremantle Tennis Club-165	6.89	WATC	22-Aug-97	10	50,569	-	3,351	4,706	7,851	7,851	42,718	42,718	0
* East Fremantle Bowling Club-167	6.12	WATC	29-Jul-98	15	42,011	-	2,875	3,642	2,610	2,610	39,401	39,401	0
Foreshore & Landscaping-169	6.85	WATC	28-Jun-99	15	122,050	-	8,406	8,406	6,836	6,836	115,214	115,214	0
Playground Equipment-171	6.85	WATC	28-Jun-99	15	69,742	-	4,804	4,804	3,906	3,906	65,836	65,836	0
Automatic Reticulation-175	6.85	WATC	28-Jun-99	15	95,897	-	6,604	6,605	5,371	5,371	90,526	90,526	0
<b>Transport</b>													
Footpath Construction-168	6.85	WATC	28-Jun-99	15	130,767	-	8,834	9,007	7,324	7,324	123,443	123,443	0
Construction Works-170	6.85	WATC	28-Jun-99	15	59,281	-	4,005	4,083	3,320	3,320	55,961	55,961	0
Local Area Traffic Managemt-174	6.85	WATC	28-Jun-99	15	43,589	-	2,945	3,002	2,441	2,441	41,148	41,148	0
Road & Footpath Construction-178	7.11	WATC	27-Jun-00	15	137,854	-	9,789	9,647	6,740	6,740	131,114	131,114	0
Road & Footpath Construction-182	4.96	WATC	13-Jun-03	10		200,000		12,770		11,026	200,000	188,974	0
					2,543,855	200,000	147,092	180,692	1,132,325	1,143,350	1,611,530	1,600,505	0

Note: \* Self-Supporting Loan financed by repayments from third parties.  
All other loan repayments were financed by general purpose income.

**(b) New Borrowings**

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate	Amount Used		Balance Unspent \$
	Actual	Budget						Actual	Budget	
Loan 182 - Roads & Path Construction	200,000	200,000	WATC	Debenture	10	54,896	4.96%	-	200,000	

**(c) Overdraft**

Council established an overdraft facility in 1997 with Commonwealth Bank of \$100,000 to assist with short term liquidity requirements. In conjunction with this facility Council has arranged for the limit to increase to \$300,000 during the months July to September to overcome liquidity problems until adoption of the annual budget.

Although Council utilised these facilities during the reporting period the balance of the Overdraft as at 30 June 2003 was NIL.

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

## RATING INFORMATION - 2002/03 FINANCIAL YEAR

RATE TYPE	Rate in \$ cents	Number of Properties	Rateable Value	Rate Revenue	Interim Rates	Back Rates	Total Revenue	Budget Rate Revenue	Budget Interim Rate	Budget Back Rate	Budget Total Revenue
<b>GRV - General Rate</b> Residential	7.6675	2,830	30,168,150 0	2,313,143	47,591	0	2,360,734	2,311,149	20,000	0	2,331,149
<b>GRV - Commercial Rates</b> Commercial	9.5844	94	5,270,877	505,182	0		505,182	510,078	0	0	510,078
<b>Sub-Totals</b>		2,924	35,439,027	2,818,325	47,591	0	2,865,916	2,821,227	20,000	0	2,841,227
<b>Minimum Rates</b>	<b>Minimum \$</b>										
- GRV Valuations	\$495 \$618	234 3	1,293,574 13,640	115,830 1,854	0 0	0	115,830 1,854	116,325 1,854	0	0	116,325 1,854
<b>Sub-Totals</b>		237	1,307,214	117,684	0	0	117,684	118,179	0	0	118,179
Specified Area Rates Less Adjustments							2,983,600 652,846 0				2,959,406 654,515
Discounts							3,636,446 (58,618)				3,613,921 (58,618)
<b>Totals</b>							3,577,828				3,555,303

**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

**23. SPECIFIED AREA RATE - 2002/03 FINANCIAL YEAR**

Rate in \$ cents	Basis of Rates	Rateable Value	Rate Revenue	Budget Rate Revenue	Applied to costs	Budget Applied to Costs
4.6000	G..R.V	14,156,130	652,846	654,515	652,846	654,515
			<b>652,846</b>	<b>654,515</b>	<b>652,846</b>	<b>654,515</b>

**24. SERVICE CHARGES - 2002/03 FINANCIAL YEAR**

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

**25. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2002/03 FINANCIAL YEAR**

Type	Disc %	Total Cost/ Value	Budget Cost/ Value
General Rates	-	58,618	58,618

**26. INTEREST CHARGES AND INSTALMENTS - 2002/03 FINANCIAL YEAR**

	Interest Rate (%)	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	10	-	18,859	26,000
Interest on Instalments Plan	5.5	-	12,295	20,508
Charges on Instalment Plan	0.0	9	17,778	20,165
			<b>48,932</b>	<b>66,673</b>

Ratepayers had the option of paying rates in one, two or four equal instalments, due on 30 August 2002 (one payment) and 30 August 2002 and 1 November 2002 (two payments) and/or four payments due 30 August 2002, 1 November 2002, 10 January 2003 and 14 March 2003. Administration charges and interest applied for the final three instalments.



**TOWN OF EAST FREMANTLE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2003**

<b>27. FEES &amp; CHARGES</b>	<b>2002/03</b>	<b>2001/02</b>
	<b>\$</b>	<b>\$</b>
Governance	591	1,294
General Purpose Funding	14,370	12,613
Law, Order, Public Safety	1,321	7,753
Health	1,875	1,903
Welfare	4,801	9,868
Housing	35,226	33,884
Community Amenities	129,774	137,507
Recreation & Culture	32,042	54,392
Transport	173,763	382,414
Economic Services	67,894	66,489
Other Property & Services	60,492	59,770
	<u>522,149</u>	<u>767,886</u>

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

<b>28. GRANT REVENUE</b>		
General Purpose Funding	156,176	149,262
Governance	8,808	-
Welfare	588,424	507,387
Community Amenities	14,433	22,455
Recreation and Culture	125,484	59,789
Transport	49,556	50,980
	<u>942,881</u>	<u>789,873</u>

<b>29. COUNCILLORS' REMUNERATION</b>	<b>2002/03</b>	<b>2002/03</b>	<b>2001/02</b>
	<b>Actual</b>	<b>Budget</b>	<b>Actual</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
The following fees, expenses and allowances were paid to council members and/or the mayor.			
Meeting Fees	43,500	48,000	46,500
Mayoral Meeting Fees	12,000	12,000	12,000
Mayoral Allowance	10,000	10,000	10,000
Deputy Mayoral Allowance	2,500	2,500	2,500
Conference & Other Expenses	185	2,200	1,716
	<u>68,185</u>	<u>74,700</u>	<u>72,716</u>

TOWN OF EAST FREMANTLE

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2003

30 FINANCIAL INSTRUMENTS

(a) Significant Accounting Policies

Details of the significant 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 of the accounts.

The following table details the Council's exposure to interest rate risk as at the reporting date.

	Average Interest Rate %	Variable Interest Rate \$	Fixed Interest Rate Maturity			Non- Interest Bearing \$	Total \$
			Less than 1 Year \$	1 to 5 Years \$	More Than 5 Years \$		
<b>2003 Financial Assets</b>							
Term Deposits	5	537,402					537,402
Cash at Bank	4	944,950					944,950
Trade Receivables						249,085	249,085
Rate Receivables						65,225	65,225
Investments- Property Trust			-				-
		1,482,352	-	-	-	314,310	1,796,662
<b>2003 Financial Liabilities</b>							
Trade Payables						972,802	972,802
Loans	7	1,611,530					1,611,530
		1,611,530	-	-	-	972,802	2,584,332
<b>2002 Financial Assets</b>							
Term Deposits	4	2,044,698					2,044,698
Cash at Bank	3	344,077					344,077
Trade Receivables						206,601	206,601
Rate Receivables						229,339	229,339
Investments- Property Trust	5		147,036				147,036
		2,388,775	147,036	-	-	435,940	2,971,751
<b>2002 Financial Liabilities</b>							
Trade Payables						771,204	771,204
Loans	7	2,543,855					2,543,855
		2,543,855	-	-	-	771,204	3,315,059

b) Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial report represents their respective net fair values determined in accordance with the accounting policies disclosed in Note 1.

c) Credit Risk Exposure

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to and forming part of the financial report. The Town does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Town.