



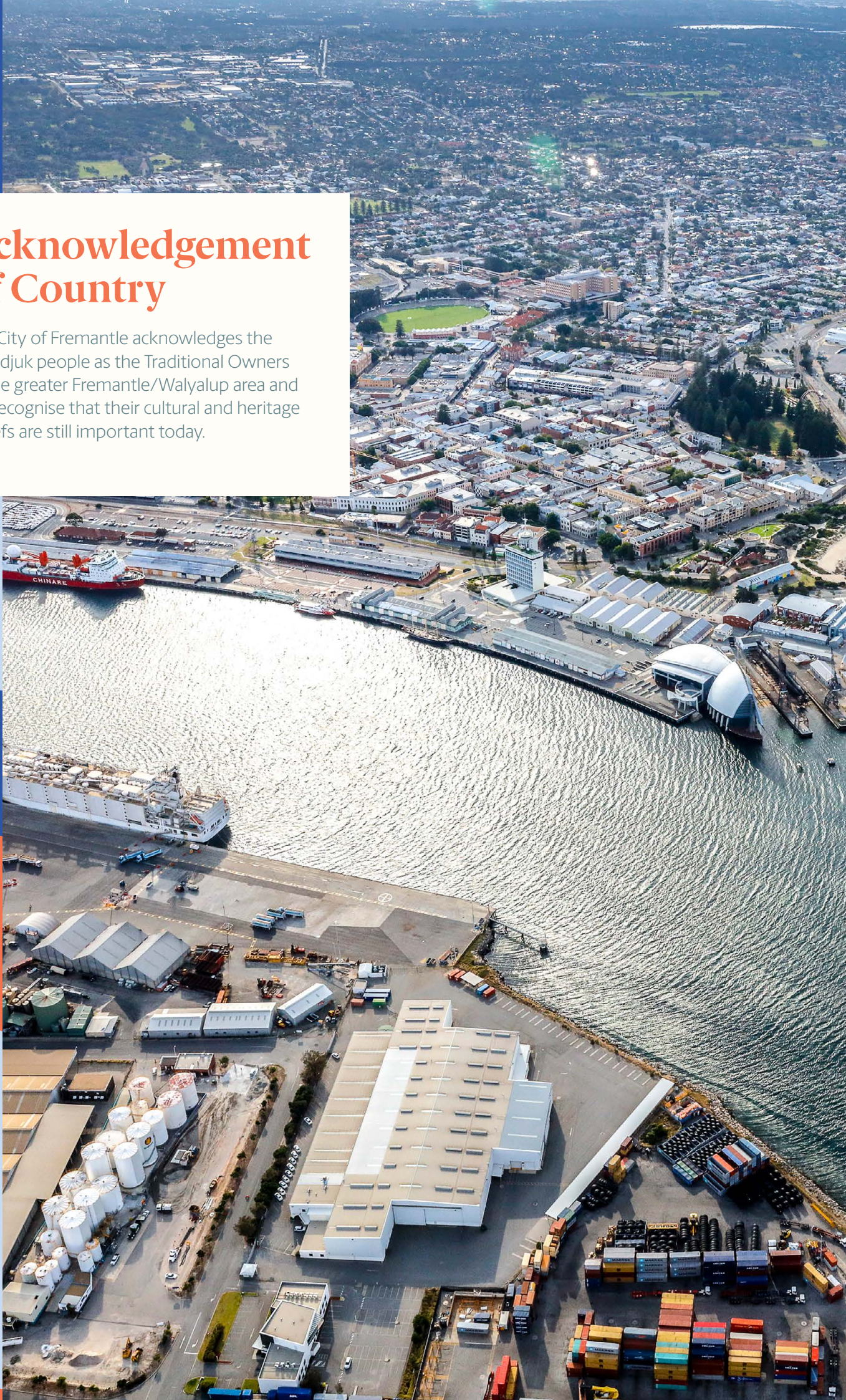
Annual Report

2022–23



Acknowledgement of Country

The City of Fremantle acknowledges the Whadjuk people as the Traditional Owners of the greater Fremantle/Walyalup area and we recognise that their cultural and heritage beliefs are still important today.





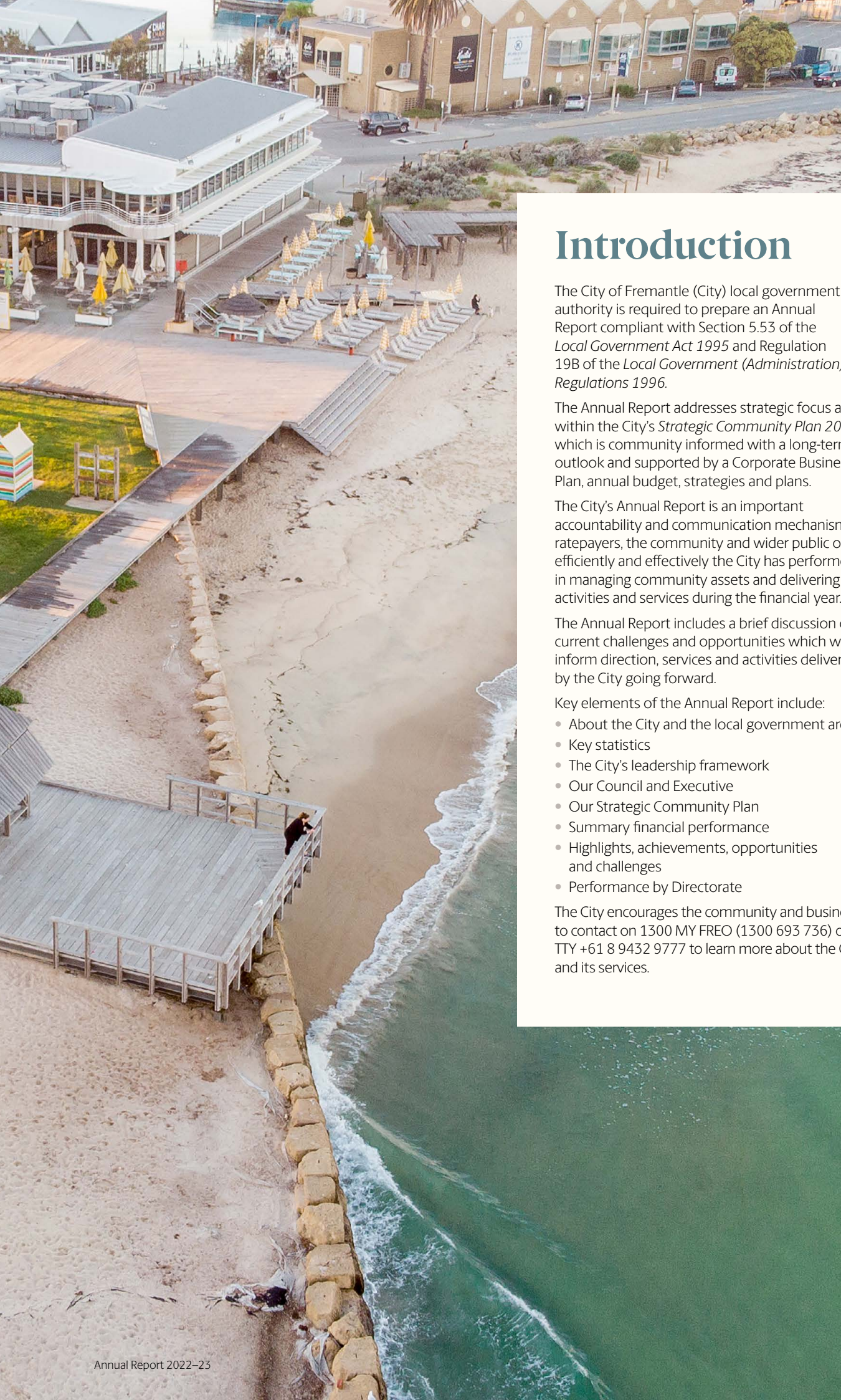
Contents

Introduction	3
City of Fremantle	4
Key Statistics	5
Message from the Mayor	9
Message from the Chief Executive Officer	10
Our Framework	12
Strategic Community Plan	19
Summary Financial Performance	20
Highlights, Achievements, Opportunities and Challenges	22
Year Ahead	27
Office of the Chief Executive	28
City Business	33
Community Development	37
Fremantle Arts Centre	42
Place, Planning and Urban Development	53
Infrastructure and Project Delivery	56
Independent Auditor's Report	60
Annual Financial Statements 2022–23	64

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Introduction

The City of Fremantle (City) local government authority is required to prepare an Annual Report compliant with Section 5.53 of the *Local Government Act 1995* and Regulation 19B of the *Local Government (Administration) Regulations 1996*.

The Annual Report addresses strategic focus areas within the City's *Strategic Community Plan 2015-25* which is community informed with a long-term outlook and supported by a Corporate Business Plan, annual budget, strategies and plans.

The City's Annual Report is an important accountability and communication mechanism for ratepayers, the community and wider public on how efficiently and effectively the City has performed in managing community assets and delivering activities and services during the financial year.

The Annual Report includes a brief discussion on current challenges and opportunities which will inform direction, services and activities delivered by the City going forward.

Key elements of the Annual Report include:

- About the City and the local government area
- Key statistics
- The City's leadership framework
- Our Council and Executive
- Our Strategic Community Plan
- Summary financial performance
- Highlights, achievements, opportunities and challenges
- Performance by Directorate

The City encourages the community and businesses to contact on 1300 MY FREO (1300 693 736) or TTY +61 8 9432 9777 to learn more about the City and its services.

City of Fremantle

Fremantle is the second metropolitan city in Perth located 20km south of the Central Business District, with the local government area encompassing 19.3km². With an estimated population of 33,007 (2023) and median age of 42 years, the population reflects considerable diversity with approximately a third of the population born overseas. Bounded by the Indian Ocean and Swan River (Derbarl Yerrigan), the City includes the Port of Fremantle.

The City's workforce is responsible for managing local government services and activities across the suburbs of Fremantle, Beaconsfield, Hilton, North Fremantle, O'Connor, Samson, South Fremantle and White Gum Valley.

The city centre is significant for its colonial and world heritage, narrow streets and eclectic mix of retail and hospitality, range of housing options and exceptional access to public transport. It is a globally recognised tourism, arts and culture destination with a vast expanse of waterfront. The City's Gross Regional Product is \$4.57 billion with an economy heavily reflecting its designation as a Port City, and with a significant presence of State Government services.

The City's waterfront, greenspace and heritage underpin a longstanding commitment to environmental sustainability and protection of natural resources.

Fremantle or Walyalup is located in Whadjuk Nyoongar Boodja (country). The area has significant spiritual importance, informing dreamtime stories and being historically an area of importance for ceremonies, cultural practices and trade. The City includes a number of Aboriginal heritage sites under the *Aboriginal Heritage Act 1972* (WA).

Fremantle's uniqueness and identity is heavily influenced by early planning based on walkability and liveability, architectural contrast between the Port's industrial character and colonial and linear architecture, and its migrant influence on arts and culture. Its authenticity, history and character have been retained over time through conservation and sustainable development, being complementary urban planning objectives that remain highly relevant today.



Key Statistics

Our City



19.3km²

Geographical area



33,749

Population (2022)¹



70.9% | 29.1%

Percentage born in Australia / overseas (2021)¹



552 (1.7%)

Aboriginal and Torres Strait Islander (2021)¹



42

Median age (2021)¹



2.2

Average number per household (2021)¹



\$4.57 billion

GRP¹



5,023

Businesses (2022)²



27,577

Employed in Fremantle (2021)³

Source: Australian Bureau of Statistics June 2021¹ and June 2022²; National Institute of Economic and Industry Research (NIEIR) June 2022. Compiled and presented in *economy.id* by *.id* (informed decisions)³.





City Services



395

Permanent City employees



275

Casual City employees



96%

Customer satisfaction score



57,910

Calls handled



15 seconds

Average call response time



18,790

Emails received and responded to



\$692 million

City net asset value



179km

Roads



273km

Pathways



135.8 hectares

Total area green space



36 buildings

Managed heritage assets*



1016.61 tonnes

Waste collected



740.61 or 73%

Waste recycled



369,006

City website new users



1.23m

City website pageviews



135,918

This Is Fremantle website
new users



38%

This Is Fremantle website
growth (vs 2021–22) in unique
website visitors



1.3m

This Is Fremantle website
pageviews

*Excludes heritage landscapes, precincts, artworks, trees, streetscape elements such as fountains.

“

Over the last year, Fremantle's visitor economy has rebounded with a significant number of additional businesses opening and record hotel occupancy rates.



Message from the Mayor

The financial year 2022–23 has seen continued momentum for the City following the completion of the Walyalup Koort and Civic Centre project.

A number of significant State Government projects are on our horizon and the City is working collaboratively with the agencies involved to try and ensure they deliver the best outcome for Fremantle.

The City has been an active partner in the planning for the Fremantle Harbours Master Plan which will guide a renewal program for Fishing Boat Harbour, create better connections back to the Fremantle city centre, and give security to the maritime industries that rely on Fremantle's boat harbour.

Likewise, we have been collaborating with Fremantle Port to activate the Victoria Quay precinct through improved pedestrian connections, better use of the historic sheds and increased amenity.

The Future of Fremantle planning has also been significant, to determine scenarios for the future of the port land should the State Government take the decision to move the port to Kwinana.

Our development pipeline continues to be strong, with 419 development (planning) applications determined (99.3% approved) in 2022–23, amounting to \$196 million in estimated construction value. This includes infill development through our suburbs and new hospitality and residential in the CBD.

Suburban sporting infrastructure is a priority as our city continues to grow, and the Hilton Park Master Planning process is well underway, with consultation with the clubs and recreational users of the space helping shape the vision. This will be a significant project and we have started to put money aside in reserves to contribute to its delivery.

Following the completion of the successful sand nourishment program at Port Beach we have also undertaken minor works to improve the dunes, carpark and changerooms there.

Addressing the collective challenges and opportunities faced by our City requires contemporary and sound strategic planning. During 2022–23, the City engaged with nearly 5,000 residents, visitors and businesses through 'Let's Talk Freo' to frame a new Strategic Community Plan, setting the City's direction for the next 10 years.

Over 2022–23 Fremantle was reinvigorated post-COVID as the spiritual home to music, arts and creatives, and festivals. Fremantle hosted the State Government sponsored High Voltage in May 2023 and the globally renowned Fremantle International Street Arts Festival (FISAF) returned at Easter 2023, attracting an estimated 100,000 people with over 160 performances over four days, and injecting an estimated \$11.17 million into the local economy.

Over the last year, Fremantle's visitor economy has rebounded with a significant number of additional businesses opening and record hotel occupancy rates. During 2022–23, Fremantle welcomed back cruise ships with an estimated impact on the WA economy of \$333.5 million. Further growth is forecast under Tourism WA's *WA Cruise Tourism Strategic Plan 2023–2033* with Fremantle Port being designated a Tier One destination with potential as a homeport and for accommodating mega liners.

The City's ongoing commitment to Aboriginal Reconciliation saw the finalisation of its *Walyalup Reconciliation Action Plan 2019–2022* with significant achievements over the period, and the formulation of a draft Reconciliation Action Plan incorporating the pillars of Voice, Treaty and Truth on a local level to guide reconciliation actions for the next three years.

Finally, I would like to acknowledge and thank my fellow Councillors for their expertise, community engagement and considered decision-making on Council matters. It's an honour to serve such an active and engaged community and a responsibility that we do not take lightly.



Hannah Fitzhardinge
City of Fremantle Mayor

Message from the Chief Executive Officer

This year marked the conclusion of the successful Walyalup Koort renewal project, the largest project ever undertaken by the City and a catalyst for revitalising Fremantle through integrated development of the Walyalup Koort civic space and adjoining properties with a high vacancy rate. Through careful contract planning and management, the City navigated the collapse of the primary builder in May 2021, exercising insurance bonds and securing a twenty-year fixed interest loan rate of 1.96 percent to complete construction of the new civic centre without additional municipal costs.

In 2022–23, Walyalup Koort and its architects received multiple prestigious design awards, with significant awards achieved for the City's destination marketing program and LibraryCraft program, and the City was a finalist under Containers for Change.

Walyalup Civic Centre while architecturally acclaimed, has demonstrated its functional design, supporting staff capability through activity-based agile working arrangements to achieve the City's organisational focus, and community engagement. Over the last year, the City's library at the Walyalup Civic Centre, experienced a 49 percent increase in visitation, reinforcing the investment in the Walyalup Civic Centre.

A new Business Transformation unit has further strengthened performance through building the organisation's vision, culture and capability to effectively deliver services to the community. Business Transformation will progressively drive leadership capability by ensuring better data, systems and processes underpin decision-making; enhance interaction with the community; and deliver more efficient and responsive systems that address contemporary and complex challenges.

A new project has also commenced in the development of a City Plan to consider how the City grows and develops into the future by ensuring a holistic approach to urban renewal, mobility and parking, density and population growth, redevelopment of Fremantle Oval and the Italian Club sites as we continue our approach to a thriving community with a seven day a week economy.

The City committed to a renewed vision of a 'Strong Reputation, Stronger Future,' underpinned by values that support *collaboration*; an *inclusive* culture, *integrity* by doing things right, well and accountably; and *making a difference* through curious and courageous thinking that drives adaptability, learning and growth.

Alignment between functions has improved with Field Services transferred from City Business to Place, Planning and Urban Development, recognising that community compliance and safety functions are essential to decision-making around City planning and development.

The City continues to provide growth opportunities and encourage local jobs and employee development with horticultural employees employed through a joint partnership with South Metropolitan TAFE and an employment service and a supervised Graduate Engineer given the opportunity to project manage road renewal projects using an innovative and sustainable product.

Access and inclusion are at the forefront of the City's operations as it continues to achieve outcomes under its *Access and Inclusion Plan 2021-25* including accessibility enhancements for events, activities afforded in low sensory environments, and improvements in parks, building and beach access, and City information.

The City seeks to reduce its environmental footprint and move towards net zero emissions, with sustainability and innovation key goals. Walyalup Civic Centre was awarded a commendation for sustainable architecture at the Australian Institute of Architects WA Awards in 2022 and the City continues to deliver on its commitment to a walkable, cyclable and sustainable city through expansion of its path and wayfinding network.

In 2022–23, the City achieved collection of its 10 millionth container through the Containers for Change Program. The City's sustainability efforts will be further cemented on delivery of a comprehensive roadmap towards net zero over the coming year.

Coastal hazard impacts from climate change are an ongoing challenge with sand nourishment at Port Beach a temporary solution to erosion. Further, while the City continues to deliver quality services and achieve facility and public amenity upgrades, the cost of doing business in a high inflationary environment and competition for labour, remains challenging.

I would like to thank Council for its support as the City changes gear to further refocus on maintenance and renewal programs following a period of city revitalisation. I also commend City staff for their dedication and commitment to delivering outcomes and improving the amenity of Fremantle.

Glen Dougall
Chief Executive Officer



“

This year marked the conclusion of the successful Walyalup Koort renewal project, the largest project ever undertaken by the City and a catalyst for revitalising Fremantle through integrated development of the Walyalup Koort civic space and adjoining properties.

Our Framework

The City is one of 137 local government authorities established under the *Local Government Act 1995* providing services and facilities and delivering wide ranging powers vested in it under legislation and regulation. The City recognises that the effectiveness of its performance strongly influences its communities' liveability, productivity, wellbeing, cohesion and identity.

Under the City's *Strategic Community Plan 2015-2025*, Council commits to continuously improving capability, being innovative, responsive and influential and delivering services and projects through good governance, effective communication, responsible management and excellence. The City's strategic priorities and ongoing projects are founded on a commitment to consultation that encourages a diversity of views and inclusivity.

In addition to guiding Statute, Local Laws and Council, policies provide the decision-making framework for Council and its employees, with these regularly reviewed and updated.



Council

Council is responsible under Section 2.7 of the *Local Government Act 1995* for governing the City's affairs and for the performance of its functions. Council represents community interests in Council and at Council Committee meetings.

Council comprises the Mayor and 12 Councillors with responsibilities across six City wards including North, South, East, City, Hilton and Beaconsfield, with two Councillors assigned per ward. Hannah Fitzhardinge was elected to the Office of Mayor in October 2021 by the combined electorate, with the Mayor and Councillors all having four-year terms.

Council elections are held two yearly with the next scheduled election 21 October 2023. At the 2021 elections, the City of Fremantle achieved the second highest community participation rate from local governments in the metropolitan area.

Councillors bring a diversity of skills and experience to Council's governance functions.

Meet our Council



Hannah Fitzhardinge
City of Fremantle Mayor

Hannah has been an Elected Member for seven years, with five years as a Councillor for Beaconsfield Ward and two years as Mayor. Hannah is a graduate of the Australian Institute of Company Directors and has served on multiple Boards. Hannah has extensive experience in corporate affairs, government approvals, strategic communications, and the resources sector.

Hannah views collaboration, engagement and leadership as key to positioning and advancing the City's future.



Deputy Mayor Cr Frank Mofflin
Hilton Ward

Frank was elected to Council in 2019 and to the position of Deputy Mayor by Council in 2021. Frank has significant corporate experience in the resources sector, including community engagement and environmental management, and chairs the board of Fremantle College.

Frank has a strong commitment to Fremantle's economic development and infrastructure improvements, ensuring these align with community expectations around quality and accessibility.



Cr Jenny Archibald
East Ward

Jenny Archibald was elected in 2017 but had two previous terms as Councillor and a three-year period as Mayor. Jenny has qualifications in Geology and has museum, petroleum exploration industry, and business development and management experience in geoscience technology, services and geothermal exploration companies. Jenny holds several board positions and is currently vice chair of the State Library of Western Australia Board.

Jenny is a strong supporter of the community voice and debate and protection of the character and identity of Fremantle.



Cr Fedele Camarda
Beaconsfield Ward

Fedele was elected to Council in 2021 and is a fourth generation Fisher and a primary school teacher. He is vice chair of the Western Rock Lobster Council, is a representative on the Fremantle Maritime Advisory Group and has been active in coaching of local sports teams.

Fedele champions grass roots advocacy to Council, to ensure Council works effectively for the community.



Cr Geoff Graham
Beaconsfield Ward

Geoff was elected to Council in 2019, although has previously undertaken two terms with Council. Geoff has extensive experience in State Government in Justice and Health, is a Justice of the Peace and has served on numerous community-based committees, with a focus on sporting clubs.

Geoff has a strong interest in planning, heritage and sport and recreation and views the development of the Heart of Beaconsfield and Fremantle Oval as critical.



Cr Su Groome
East Ward

Su Groome was elected to Council in 2019 and has qualifications in architecture and skills in design, planning, sustainability and community engagement. Su currently works in State Government in community disaster resilience but has held leadership roles in the private and non-profit sectors.

Su views the importance of focusing on small projects and improvements that positively impact the community in its daily activities and ensuring an inclusive, creative, sustainable and lively future for Fremantle.



Cr Bryn Jones
North Ward

Bryn was elected to Council in 2015 but served as a Councillor for a period of six years in the 1990s. Bryn holds qualifications in Civil Engineering, teaching and a Masters Degree in Science Education. He had an extensive career in educational technology and received the Apple Distinguished Educator Award in 2000 for outstanding service.

Bryn has a strong interest in heritage buildings and streetscapes, as well as Fremantle's diversity and creative talent.



Cr Adin Lang
City Ward

Adin first was elected to Council in 2017 and has qualifications in Environmental Science and Business. He has operated small businesses and worked for the private sector and multi-nationals in environmental roles. Adin received Fremantle's Citizen of the Year Award in 2016 for supporting the transition of Hollis Park, South Fremantle.

Adin supports increasing the rate base in Fremantle, economic development to establish Fremantle as a genuine second city to Perth, support for the disadvantaged, an active community and continued beautification of Fremantle.



Cr Ben Lawver
Hilton Ward

Ben was elected to Council in 2021 and was previously on the Westport Taskforce focused on freight, logistics and environmental work streams; the WA Port Operations Taskforce and the Freight Logistics Council of Western Australia.

Ben is an active member of community groups and committees, a strong supporter of local businesses and seeks to ensure neighbourhoods have a voice in their growth and development.



Cr Rachel Pemberton
City Ward

Rachel was first elected to Council in 2011 and has qualifications in Marketing and Public Relations and post graduate studies in urban planning, community engagement, sustainability, project management and economics. Rachel has extensive experience in government, arts and community sectors and as a campaign advisor for a Federal Senator.

Rachel is committed to sustainable cities, diversification of Fremantle's economy and implementation of the Walyalup Reconciliation Action Plan.



Cr Andrew Sullivan
South Ward

Andrew was elected to Council in 2009, served as Deputy Mayor from 2019 to 2021 and had two terms on Council in the 1990s. Andrew has qualifications in architecture and remains involved in urban design and coastal planning issues. Andrew was the Project Architect and Urban Designer for the Northbank Development, was involved in the conservation of Bannister Mill and has managed a tourism accommodation business in the south-west.

Andrew is focused on revitalising Fremantle's core, developing village nodes in each community, actions that support the vibrancy and sustainability of Fremantle, urban forestation and recreation and cultural activities.



Cr Doug Thompson
North Ward

Doug was elected to Council in 1988 and holds qualifications in Humanities and Education. Doug serves on the State Council for the Western Australian Local Government Association and is the City's representative on the Southern Metropolitan Regional Council. Doug previously worked for South Metropolitan TAFE as a principal lecturer.

Doug is committed to realising the vision, objectives and outcomes of *FREO 2029* and the City's Strategic Community Plan and is a strong advocate for achieving a circular economy for waste minimisation.



Cr Marija Vujcic
South Ward

Marija was elected to Council in 2019. Marija has extensive Human Resource and Industrial Relations experience in construction, with the Australian Mines and Metals Association and resource sector projects. Marija managed her own human resources business and currently provides human resource services to small-medium sized businesses and works on Aboriginal business development.

Marija is committed to good governance and transparency around Council finances, business decisions, management of assets and genuine and comprehensive consultation with community.

Council Meetings

Meetings of Council comprise Ordinary Council Meetings, Committee meetings and other meetings including advisory committees and working groups. Council encourages community attendance at Council meetings and all Council and Committee meetings are livestreamed except confidential items and the proceedings of the Audit and Risk Management Committee. Agendas and Minutes are published on the City's website.

Council Committees are established pursuant to the *Local Government Act 1995* and support Council in the performance of its functions, including through the exercise of delegated powers.

Elected Members' attendance at meetings 1 July 2022 to 30 June 2023.

The following attendance record evidenced Mayoral and Councillor participation in Council and Committee meetings for the reporting period:

Table 1: Elected Member attendance 2022–23 FY

Elected Member	Ordinary Council Meetings (12)	Planning Committee (11)	Finance, Policy, Operations, and Legislation Committee (10)	Audit & Risk Management Committee (5)	Special Council Meetings (1)
Mayor Hannah Fitzhardinge	12	3	7	2	1
Cr Su Groome	10	8	-	4	1
Cr Jenny Archibald	12	1	10	1	1
Cr Andrew Sullivan	11	11	-	5	0
Cr Maria Vujcic	12	-	10	1	1
Cr Geoff Graham	9	9	-	-	1
Cr Fedele Camarda	10	-	10	5	0
Cr Rachel Pemberton	12	-	10	-	1
Cr Adin Lang	10	10	-	-	0
Cr Bryn Jones	12	11	1	-	1
Cr Doug Thompson	11	-	7	-	1
Cr Frank Mofflin	10	2	9	5	1
Cr Ben Lawver	10	9	1	-	1

Key: ☐ Deputy Committee Member

Executive

The City's Executive is responsible for the provision of services and facilities and administration of local laws with the Chief Executive responsible for ensuring that policies and decisions of Council are effectively implemented.

Executive comprises the Office of the Chief Executive which is responsible for corporate functions and four directorates including City Business, Community Development, Infrastructure and Project Delivery, and Planning, Place and Urban Development. Directors are responsible for providing leadership, management and accountability on matters within their directorate as well as ensuring effective collaboration across the local government.

Executive Leadership Team 2022–23



Glen Dougall
Chief Executive Officer



Matthew Hammond
Director City Business



Michelle Brennand
Director Community Development



Graham Tattersall
*Director Infrastructure
and Project Delivery*



Russell Kingdom
*Planning, Place and
Urban Development*

Our service commitment

The City commits to Service Standards under its Customer Service Charter (Charter) to facilitate the customer experience being of the highest standard, authentic and of real value. Under the Charter, the City aims to:

- Deal with enquiries in a polite, professional and helpful manner.
- Be realistic about what we can do and in what timeframes.
- Listen to your views.
- Provide you with clear and relevant information.
- Take ownership of enquiries, follow up with you and keep you informed of progress through to completion.
- Actively seek and use customer feedback regarding our services to continuously improve our processes and procedures.

Access and inclusion

The City's *Access and Inclusion Plan 2021–25* aims to ensure that equitable access is provided to organisational facilities, services and community life through addressing barriers to exclusion for people with disability and encouraging a diverse and inclusive community for all.

The City has appointed a dedicated Access and Inclusion Officer to deliver the plan and support other measures which improve access and inclusion. The outcomes of the *Access and Inclusion Plan 2021–25* are discussed within this Annual Report.

Sustainability

The City acknowledges the importance of the United Nations Sustainable Development Goals and has committed to sustainable practices through its sustainable policies and procedures, including sustainable events, procurement, and waste management; use of active transport to reduce carbon emissions; and planning policies that support sustainable development in the City. The City will continue to examine opportunities to reduce its environmental footprint and collectively build resilience to climate change.



Strategic Community Plan

Strategic Community Plan 2015–25

Council's Integrated Planning and Reporting Framework is a legislative requirement that ensures that planning is community and data informed, holistic and aligned to a vision and long-term strategy for the City, builds capability, optimises resources, and is integrated, monitored, evaluated and reported on.

The City's *Strategic Community Plan 2015–25* establishes the vision, outcomes and objectives of the local community for the period of the plan. Resources and activities are aligned through key strategic documents such as the Corporate Business Plan, Annual Budget, informing strategies, and business unit plans, to achieve the community's needs and aspirations in the Strategic Community Plan.

The *Strategic Community Plan 2015–25* establishes a vision for Fremantle as 'a destination city' which includes:

- A city that is clever and creative, inspiring and inclusive.
- A city that welcomes and celebrates all people and cultures.
- A city that encourages innovation, prosperity and achievement.
- A compassionate city that cares for the wellbeing of our people and the environment we share.
- A city that thrives on diversity, that dares to be different.

The Strategic Community Plan outlines goals and objectives under the following strategic focus areas:



ECONOMIC DEVELOPMENT

Diversify and strengthen Fremantle's economic capacity.



ENVIRONMENTAL RESPONSIBILITY

Work with the community to develop environmentally sustainable solutions for the benefit of current and future generations.



TRANSPORT AND CONNECTIVITY

Enhance the connectivity throughout the city of Fremantle and other strategic economic hubs and population centres.



CHARACTER, CULTURE AND HERITAGE

Sustain and grow arts and culture and preserve and promote the importance of our social capital, built heritage and history (both pre- and post-European settlement).



PLACES FOR PEOPLE

Create great spaces for people through innovative urban and suburban design.



HEALTH AND HAPPINESS

Creating a physical and social environment where it is easy for people to lead safe, happy and healthy lives.



CAPABILITY

An innovative, responsive, influential local government which leads the way in delivering services and projects through good governance, effective communication, responsible management and excellence in delivery.

The City reports to Council on its achievements against the measures of success in the Strategic Community Plan biannually.

A new Strategic Community Plan

With the *Strategic Community Plan 2015–25* nearing its end, the City commenced a six-month *Let's Talk, Freo* campaign incorporating online and direct engagement with nearly 5,000 people who live, work and visit Fremantle to help shape the new Strategic Community Plan. Consultations reflected on critical (and other) issues including Fremantle as an artistic and creative hub and a learning city; positioning Fremantle for growth; supporting the City centre to flourish; reducing our environmental footprint and responding to climate change; and driving economy and employment.

Feedback will be sought from the community on the draft Strategic Community Plan which will be presented in the 23–24 financial year.



Summary Financial Performance

\$736.6m

Total value of City owned and controlled assets

\$246m

Increase in Net Asset value for the City

\$89,103,658

Generated operating revenue

\$5,370,023

Capital revenue

\$5.8m

Earned more revenue than budgeted

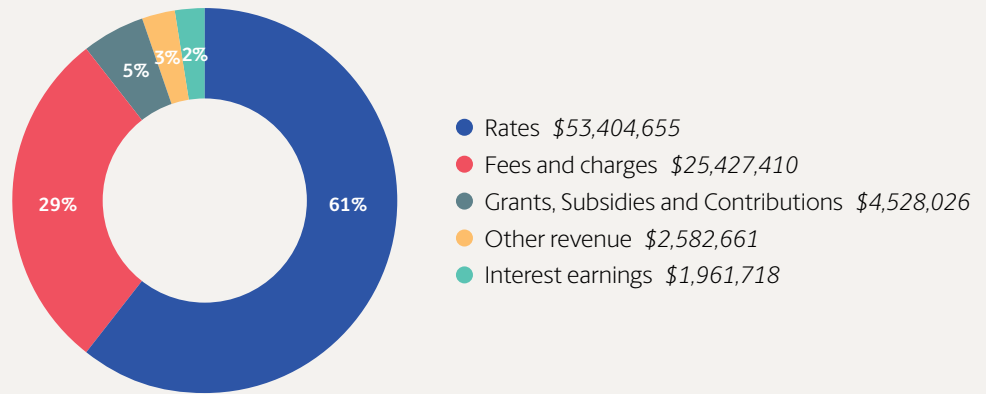
Income

As at 2022–23, the City owned and controlled assets with a total value of \$736,654,292 and generated operating revenue of \$89,103,658 and capital revenue of \$5,370,023. The City's fiscal performance for the financial year evidenced the following:

- Increased the Net Asset value for the City by \$246 million.
- Ended the year with a Net Result in the Statement of Comprehensive Income of \$4.6 million.
- Earned \$5.8M more revenue than budgeted.
- Provided funding for the multitude of programs and services as detailed in the Annual Report, to deliver to the strategic objectives as set by the community.

Revenue

Figure 1:
Revenue 2022–23



Expenditure

Figure 2:
Expenditure from operating
activities 2022–23

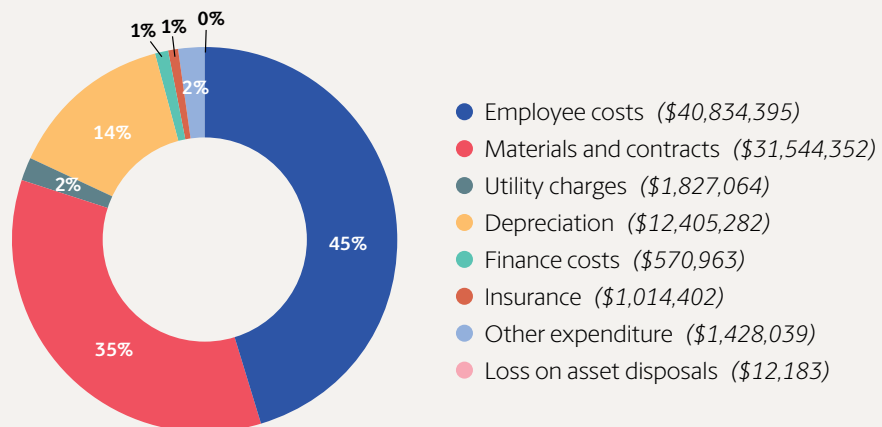
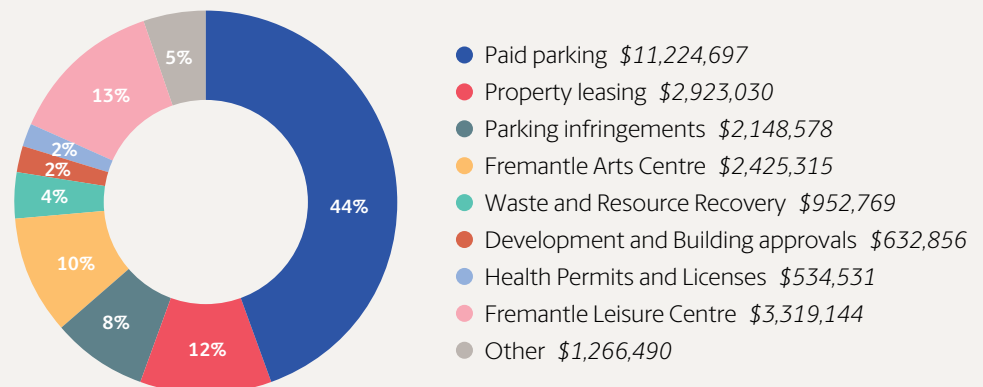
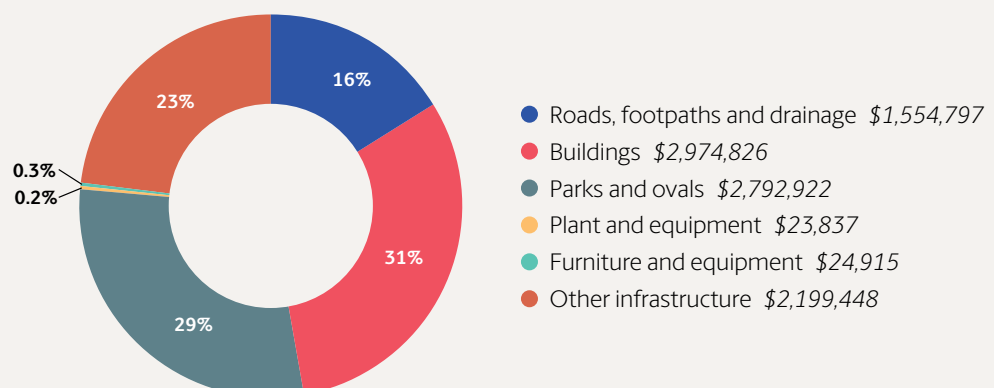


Figure 3:
Fees and Charges



Capital works

Figure 4:
Capital Works 2022–23





Highlights, Achievements, Opportunities and Challenges

The City achieved significant outcomes during the financial year and identified and managed key challenges, with some ongoing. Partnerships with the community and key stakeholders, including the State and Federal Governments have been integral to delivery of many activities and projects.

57,910

Calls handled

96%

Customer Satisfaction score

10 million

Containers claimed for the City's Containers for Change program

\$1 million

Paid since October 2020 to the community, businesses, charities, schools and sporting clubs, equating to a significant diversion of waste from landfill

1,926

Trees planted in bushland, along the coastal reserve and in streets and parks

100,000+

Attended the Fremantle International Street Arts Festival over 4 days



Highlights and achievements

Walyalup Koort

The development of Walyalup Koort revitalised the city centre through integrated development of a new Civic Centre, commercial office and retail space, public realm enhancements and renewal of the historic Town Hall. The project was undertaken in partnership with Sirona Capital and incorporated the delivery of the Walyalup Civic Centre.

A fixed contract for construction of the Civic Centre was awarded at \$43.05 million and commenced in 2019. In 2021, the contractor entered administration and work ceased with the City exercising contractual provisions, including insurance bond payments to cover additional costs associated with administration and completion of the project. A new tender was awarded to finalise the project.

Targets

During the reporting period the City received and responded to 57,910 calls and 18,790 emails with a Customer Satisfaction score of 96 percent.

The City's Containers for Change program claimed its 10 millionth container, equating to \$1 million paid since October 2020 to the community, businesses, charities, schools and sporting clubs, equating to a significant diversion of waste from landfill.

The City exceeded its 2022 target under the City's Urban Forest Plan by planting 1926 trees in bushland, along the coastal reserve and in streets and parks. Since 2017, 8942 trees have been planted, 3000 ahead of target, to beautify our streets, create habitat for wildlife, and address climate change by reducing the Urban Heat Island Effect.

Awards

The Walyalup Civic Centre and Kerry Hill Architects received the George Temple Poole Award, the highest honour for architecture; the Julius Elischer Award for Interior Architecture; the John Septimus Roe Award for Urban Design, with a commendation in the sustainable architecture category; and the Jeffrey Howlett Award for Public Architecture,

at the Australian Institute of Architects WA, 2022 WA Architecture Awards. Kerry Hill Architects also received an award for Public Architecture and Urban Design at the 2022 National Architecture Awards. Hocking Heritage and Architecture received the Heritage Architecture Award for the historic Fremantle Town Hall works.

The City of Fremantle won two Golds in the Perth Airport WA Tourism Awards in the categories of Tourism Marketing and Campaigns for *This is Fremantle*, and for the second year in a row, an Excellence in Local Government Award for Tourism for its lead role in driving visitation to Fremantle. The City represented Western Australia at the 2022 Qantas Australian Tourism Awards in the Tourism Marketing and Campaigns category, receiving a high commendation for its work.

City of Fremantle Library received the Library Board of Western Australia Excellence Award for Innovation and collaboration for its LibraryCraft project, a free Minecraft server for WA players between 7 and 17 years. The City was also a finalist in the category of Medium Refund Point Operator of the Year for Containers for Change in 2022.

2022-23 Awards

Australian Institute of Architects | 2022 National Architecture Awards Public Architecture

Walyalup Civic Centre, Kerry Hill Architects

Urban Design

Walyalup Civic Centre, Kerry Hill Architects

Australian Institute of Architects WA | 2022 WA Architecture Awards

The George Temple Poole Award, the highest honour for architecture.

Walyalup Civic Centre, Kerry Hill Architects

The Julius Elischer Award for Interior Architecture

Walyalup Civic Centre, Kerry Hill Architects

The Jeffrey Howlett Award for Public Architecture

Walyalup Civic Centre, Kerry Hill Architects

The John Septimus Roe Award for Urban Design

Walyalup Civic Centre, Kerry Hill Architects

Award for Heritage Architecture

*Fremantle Town Hall, Hocking Heritage
and Architecture*

Commendation for Sustainable Architecture

Walyalup Civic Centre, Kerry Hill Architects

2022 Perth Airport WA Tourism Awards

Gold – Tourism Marketing & Campaigns

This is Fremantle, City of Fremantle

Gold - Excellence in Local Government Award for Tourism

*City of Fremantle, for its lead role
in driving visitation to Fremantle
(second year in a row)*

2022 Qantas Australian Tourism Awards

High Commendation - Tourism Marketing & Campaigns

This is Fremantle, City of Fremantle

Library Board of Western Australia Excellence Award for Innovation and Collaboration

Winner – Metropolitan and Large Regional

*City of Fremantle, LibraryCraft project,
a free Minecraft server for WA players
between 7 and 17 years (co-awarded
with fellow LibraryCraft member local
governments).*

Containers for Change | Change Maker Awards 2022

Finalist - Medium Refund Point Operator of the Year

City of Fremantle

Property Council of Australia's 2022 WA Property Awards

Best Mixed-Use Development

Walyalup Koort, Sirona & City of Fremantle

Best Retail Development (75 stores and under)

FOMO Freo, Sirona

Regional Capitals Alliance | 2022 Most Accessible Communities WA Awards

Commendation - Accessible Buildings / Facilities / Services

*Leighton Beach Access Project,
City of Fremantle*

LGIS Mutual Services Diligence in safety award

Recognising positive safety performance
is an important initiative for both Local
Governments and LGIS. This is why
we have a Diligence in Safety Awards
process.

City of Fremantle

**Tier 3 Silver Diligence in Safety Certificate
≥ 75% against Tier 3 Checklist awarded,
April 2023**

Arts and culture

The City hosted several world class events to support the creative sector and local economy, further cementing Fremantle's status as a destination city. Considered the 'jewel in the crown' of Fremantle's arts program, the renowned International Street Arts Festival was held over four days in April 2023 and saw an estimated 100,000 attend, 50 percent more than forecast.

Infrastructure projects

Infrastructure projects demonstrated what can be achieved through grass roots initiatives and an increased focus on inclusion, community safety, sustainable design, and greening.

The community-initiated Booyeembara Park Mountain Bike Trails project co-funded by the City and the State Government involved the construction of two 500 metre downhill trails and one uphill trail and vegetated bushland. The trails encourage participation by riders of different abilities within a purpose built and safer environment and invaluable additional habitat for wildlife and incorporated recycled materials wherever possible.

To improve traffic safety, the City constructed a roundabout at the intersection of Wiluna Avenue and Hope Street in White Gum Valley in response to several serious accidents at this location over a five-year period.

"Considered the 'jewel in the crown' of Fremantle's arts program, the renowned International Street Arts Festival was held over four days in April 2023 and saw an estimated 100,000 attend, 50 percent more than forecast."



Opportunities and challenges

Relocation of the port and waterfront renewal

The proposed relocation of Fremantle Port to Kwinana to meet Western Australia's long-term freight needs under the State Government's Westport project will have significant economic implications for Fremantle.

The preparation of a long-term vision for development of the inner harbour precinct under the State Government's *Future of Fremantle* project, and master planning for Challenger and Fishing Boat Harbours provides substantial opportunity to re-connect Fremantle to the waterfront, improve liveability and deliver economic and population growth. The City is represented on the Future of Fremantle Planning Committee and was a key stakeholder in the development of the draft Fremantle Harbours Masterplan, released in July 2022.

Moving forward it is essential that Fremantle is positioned to attract population and grow its economy in readiness for the Port's transition and to ensure complementary economies are achieved across the city centre and waterfront developments, particularly Port land.

Complementary planning by the City, advocacy, partnerships, and attraction of public and private investment, are required to leverage waterfront developments, diversify and grow a strong and resilient economy, and continue to transition Fremantle to a more liveable and vibrant modern city, envisaged under the Strategic Community Plan.

Commercial and residential investment

The State Government's Perth and Peel@3.5million land use and infrastructure framework recognises Fremantle as a Strategic Metropolitan Centre with significant potential to capitalise on existing infrastructure.

Building Fremantle's capability as a Strategic Metropolitan Centre requires a greater mix of land uses, public and private investment, population and local jobs in a diversified market. The Strategic Community Plan identified the need for investment in A-grade accommodation in Fremantle which is constraining business growth and attraction. Housing supply is limiting the ability for people to live, work and experience Fremantle and rates revenue growth to fund increasing costs for Council operations and projects.

A creative hub

Fremantle was identified as one of eight creative hotspots in Australia in research undertaken by Queensland University of Technology Digital Media Research Centre titled *Australian Cultural and Creative Activity: A population and Hotspot Analysis* in 2020. Fremantle has an expansive sector of visual and performing artists and creative services' workers in immersive industries, with arts and culture important to tourism and economic growth. City consultations for the development of a new 10-year Arts, Culture and Creative Strategy have identified the lack of affordable and collaborative spaces for creatives in Fremantle to maintain and grow the creative economy, with much of the current accommodation dilapidated or not fit-for-purpose. Next financial year will see Fremantle focus on how to retain quality arts organisations and artists in line with objectives of the Strategic Community Plan.



Fremantle Oval Precinct

Historic Fremantle Oval and heritage-listed Victoria Pavilion have long been embedded in the spirit and soul of Fremantle and are an integral part of a city centre precinct. Oval facilities have structural deficits, are not code compliant for WAFL or AFL and need further improvements to meet gender inclusive requirements and lack multi-use capability, with Victoria Pavilion requiring conservation.

A masterplan for a staged \$90 million redevelopment of the facility and funding attraction will achieve an AFL category 4 venue for the State, a scalable events space, tailored facilities, expansion capacity for community programming, and commercial and housing developments. It will also grow the economy through complementary patronage of hospitality and retail venues in the city centre.

Coastal management and sustainability

Managing coastal erosion and inundation impacts on managed foreshore reserves is a significant challenge. Popular Port Beach topped the State Government's list of coastal erosion hotspots in 2019 and significant storm events over the past few years have eroded large quantities of beach sand and undermined coastal infrastructure assets.

A second stage of sand nourishment works were delivered at Port Beach this year under partner funding with the State Government with 150,000m³ of dredged sand pumped directly onto shore via an innovative pumping technique called rainbowing. Coupled with dune reestablishment and vegetation, this aims to provide approximately 10 years protection against erosion, although the full effect of storm fronts on Port Beach are unknown. The City will continue to monitor the effects of coastal processes on its coastline and coastal assets.

Rising costs

The 2022–23 budget committed to delivering \$115 million investment with a focus on renewal or upgrades to key facilities and roads, improving the visitor experience in the city centre, greening our city and coastal reserves and coastal monitoring.

The rising cost of materials, insurance and labour and the impact of COVID-19 lockdowns on revenue underpinned a six percent rate rise, equating to around \$120 per average household per year and aligning with the Western Australian Local Government cost index of 5.7 percent and Perth's 12-month CPI of 7.6 percent. The rates increase supported the City to deliver essential services, maintain assets, deliver new capital works and attract staff with the skills to deliver quality level service and programs to the community.

Year Ahead

Over the 2023–24 financial year, the City will strengthen its advocacy program across core issues to improve the City's performance as a Strategic Metropolitan Centre including Victoria Quay, housing, the City Plan and Fremantle Oval, to attract population and investment in Fremantle whilst retaining the character and eclecticism that is uniquely Fremantle.

A consultative City Plan process will identify city-wide and precinct-based opportunities for development and investment to grow Fremantle's inner-city density. The City Plan will include an assessment of heritage, greenspace, culture, housing, economic activation, sustainability opportunities and significant projects such as public realm upgrades and Fremantle Oval as a community hub.

The City will launch its Propel brand to support start-up businesses and the development of a thriving, diverse and innovative local economy. Supported by the State Government and a group of ecosystem partners through Lotterywest, Spacecubed and the Innovative Society Initiative, Propel will bring together a wealth of expertise and knowledge to harness Fremantle's competitive advantages with a focus on key growth sectors - the blue economy, sustainability and immersive technologies.

The City will commence collaborative planning for the bicentenary of colonial arrival in Fremantle or Walyalup and settlement of Perth in 2029, with strong emphasis on Aboriginal reconciliation.

The focus of the 2023-24 financial year will be making the City and its suburbs more liveable and supporting population growth. New projects will include more city centre parking, improving accessibility at South Beach and Fremantle Leisure Centre, master planning for a new sporting and community precinct at Hilton Park reserve, upgrades to the Fremantle Arts Centre and increasing youth funding and services.



Office of the Chief Executive

The Chief Executive Officer is responsible for liaising with Elected Members, intergovernmental and stakeholder relations and overseeing directorates, Governance, People and Culture and Business Transformation.

Business Transformation

The City established the business transformation unit during the reporting period to conduct process reviews, corporate and business planning and customer advocacy. Reporting directly to the Executive Leadership Team, the unit is focussing significantly on strengthening information technology processes and systems, improving the City's cross-organisational capability and relationships, building leadership and change capability, and conducting and implementing the findings of a service and functional review.

Governance

Governance ensures effective performance and compliance with legislative requirements applicable to local government and supports Council, including the preparation of agendas and minutes and other meeting papers, maintenance of registers and other compliance matters. Governance works collaboratively across the organisation providing governance advice, coordinating organisational policies, risk and governance activities, and preparing relevant reports as required.

Council Meetings

In 2022–23, Governance prepared meeting papers collectively for 38 Council and Committee meetings and one Special Council Meeting.

Risk Management Framework

Following the adoption of a new Risk Management Framework (RMF) in 2021, the City has continued to strengthen risk management through adoption of a practical and comprehensive risk management approach. This includes delivery of risk training and support, alignment of city documents with the RMF, incorporation of the framework into corporate planning processes and identification of key strategic risks with a view to further refining service and activity level risks for business units.



City policies

The following policies were created during 2022–23:

- Fraud and Misconduct Control Policy (24/08/22)
- Information Technology Security Policy (24/08/22)
- Seasonal Trading Policy (23/11/22)
- Approval of venues for sporting, cultural or entertainment events: Regulation 19B (22/02/23)
- Code of Conduct for Employees (30/05/23)

The following policies were reviewed and amended during 2022–23:

- Local Planning Policy 1.9 'Design Advisory Committee and Principles of Design' (27/07/22)
- Dog exercise and prohibited areas (23/11/22)
- Local Planning Policy 1.7 'Development Exempt from Approval under Local Planning Scheme No.4' (22/02/23)
- Local Planning Policy 2.25 'Telecommunications' (22/03/23)
- Parklets Policy (26/04/23)
- Traffic Calming Policy (28/06/23)

Local Laws

During the reporting period, the Cat Management Local Law 2020 and Parking Local Law 2021 were amended.

Local Government elections and ward review

No local government elections were held during the reporting period.

The City conducted a review of representation and its ward system in accordance with the WA Government's local government reform proposals and in compliance with the requirements of the *Local Government Act 1995*. The City's ward review and changes to ward boundaries considered community of interest, physical and topographical features, demographic trends, economic factors, and the ratio of councillors to electors in the various wards.

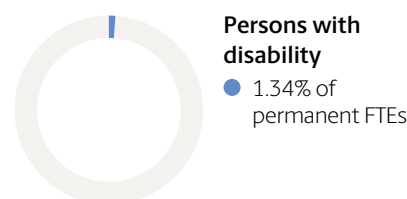
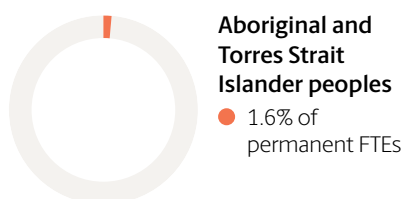
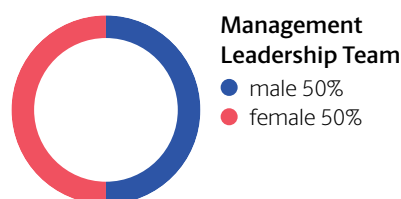
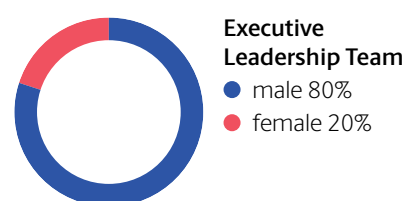
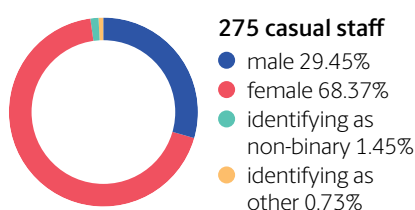
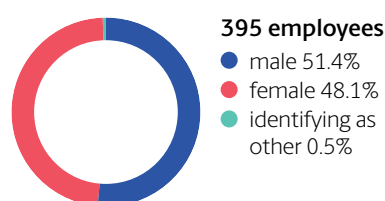
Council resolved that the existing ward boundaries be abolished, and four wards established in 2023 with two Councillors allocated per ward with changes to representation implemented over two election cycles, 2023 and 2025. Further, that the wards temporarily be named – North Ward, Coastal Ward, Central Ward and East Ward – with a further review of ward boundary names required to consider Whadjuk Nyoongar or other locally relevant names.

Register of Complaints

Section 5.53 of the *Local Government Act 1995* requires that local government authorities report on the detail contained within the Register of Complaints under Section 5.121 of the *Local Government Act 1995* for the reporting period including the number of complaints and how they were dealt with. The Local Government Standards Panel found that a Councillor committed one minor breach under the *Local Government Act 1995* and Regulation 18(1)(b) of the *Local Government (Model Code of Conduct) Regulations 2021*. The Standards Panel required the Councillor to issue a public policy and complete specified training.

An appeal was submitted to the State Administrative Tribunal (SAT) to review the findings/decision of the Local Government Standards Panel (LGSP). As a result, no further action has been taken in relation to this matter during 2022–23.

In 2022–23, \$2,217.60 (incl. GST) was paid to the Department of Local Government, Sport and Cultural Industries for the Local Government Standards Panel (Standards Panel) deliberation on one or more complaints of minor breach submitted by the Complaints Officer during 2022–23.



People and Culture

People and Culture is responsible for supporting and growing the quality of the City's workforce and workforce culture to ensure effective and efficient service delivery to the community and a positive employee experience.

The City has 395 employees of which 190 or 48.1 percent are female and 203 or 51.4 percent are male with two or 0.5 percent identifying as other. Casual staff comprise 275 of which 188 are female or 68.37 percent and 81 or 29.45 percent are male, with four or 1.45 percent identifying as non-binary and two or 0.73 percent other.

During the reporting period, the Executive Leadership Team comprised four males or 80 percent and one female or 20 percent; and the Management Leadership Team comprise eight females or 50 percent and eight males or 50 percent. Aboriginal and Torres Strait Islander peoples comprised 1.6 percent and persons with disability 1.34 percent of permanent FTEs.

In March 2023, the City announced new horticultural traineeships to support skills development, grow local jobs and green Fremantle.

The *Local Government (Administration) Regulations 1996* requires local government authorities to report on the number of employees paid salaries over \$130,000 in \$10,000 bands, the remuneration paid to the Chief Executive Officer, and any amount paid in relation to a complaint against a Council member under Schedule 5.1, Clause 9 of the *Local Government Act 1995*.

Table 2: Employees entitled to an annual salary over \$130,000.

A total number of 28 employees received remuneration exceeding \$130,000 during the reporting period.

Number of Staff	Salary Band (\$)
8	130,000–140,000
3	140,000–150,000
3	150,000–160,000
6	160,000–170,000
1	170,000–180,000
2	180,000–190,000
1	190,000–200,000
–	200,000–210,000
2	210,000–220,000
–	220,000–230,000
1	230,000–240,000
1	310,000–320,000

Capacity Building

The City continues to facilitate manager development sessions through the Australian Institute of Management Western Australia to support leadership development capability, with the Executive Leadership Team completing an Executive Leadership program through another private provider. Employees can apply for approval for training aligned to work requirements through their respective manager with group training is scheduled as required.

Employee Recognition

The City is committed to creating a culture of recognition that celebrates staff achievement in meaningful ways. The City has introduced the STARS program which enables staff to provide colleagues with timely recognition of achievement, through the Viva Engage platform. It also allows employees to nominate peers for a 'Supernova' award, either as an individual or as part of a team. Each Nyoongar season, a panel of employees selects an individual and a team winner for an award.

Health and Wellbeing Services

During the reporting period, the City enhanced its Employee Assistance Program through extending the service and adding a wellness application to provide access to nutritional, fitness, and relaxation advice and programs in addition to existing confidential counselling. A Manager Assist Program was also made available to supervisors, providing access to advice on supporting employees experiencing mental health issues.

Industrial Award

The *Industrial Relations Act 1979* (WA) was amended to enable all State local governments to be covered under the State Industrial Relations system, effective 1 January 2023. The City has commenced negotiations with unions for new Enterprise Agreements.

369,006

Website new users

624,555

Facebook reach

29,875

Instagram reach

1.23 million

Website pageviews

27,174

Facebook followers

6,751

Instagram followers

16,000+

FRE-OH! Magazine distributed to residents

1,000+

FRE-OH! Magazine distributed to city cafés and businesses

3,812

Freo Weekly distributed to subscribers weekly

52%

Freo Weekly click through rate per week



Corporate Communications

Corporate Communications supports the City of Fremantle's strategic intent framed in the Strategic Community Plan through the provision of transparent and informative communications to residents, stakeholders and the community aimed at developing social cohesion. The City uses a variety of communications channels to increase reach within the community and works in partnership with external agencies to leverage their communication platforms where applicable.

Website

The City of Fremantle's website received 369,006 new users and 1.23 million website pageviews in 2022–23, evidencing its popularity as a source of information for Fremantle residents. The top 10 pages for hits included the homepage, Fremantle Leisure Centre, swim school, where to park, current opportunities, contact us, Fremantle Library, verge collection, Fremantle Recycling Centre and lost dogs/cats and adoption.

Social Media

The City's social media platforms have proven increasingly popular for residents and stakeholders to engage with the City. In 2022–23, the City's Facebook page reached 624,555 and 27,174 followers and Instagram 29,875 with 6,751 followers.

The most popular social media posts for 2022–23 were the announcement of the Booyeembara Park photos (Facebook, 61,000), Walyalup Smoking Ceremony (Facebook, 40,000), My Home Opening Doors (Instagram, 2,500 accounts), and new dunes announcement (Facebook, 22,300).

Short form videos (Instagram and Facebook reels and YouTube shorts) have been particularly engaging for audiences such as Booyeembara Mountain Bike tracks announcement (Instagram, 4,200), Fremantle International Street Arts Festival (Instagram 3,500) and the Christmas Lights show (Instagram, 4,000). Longer form videos (i.e. YouTube) have been useful in addressing more detailed topics.

Media Releases

Several local print and digital media outlets have kept locals informed on the City's activities and decisions, with the City generating 82 media releases throughout the year covering the following topics:

- City projects such as the Port Beach sand nourishment project; Fremantle Leisure Centre roof replacement; the Booyeembara Park mountain bike trail; and South Beach change room redevelopment.
- City-owned events such as One Day, as well as its school holiday activations.
- Community Information such as Containers for Change milestones; Plastic Free July; and a profile on the first retailer to open in Walyalup Koort.
- Community Engagement such as the City's 'Have Your Say' campaigns for specific community projects, and nominations for City of Fremantle awards.

The City also responds to information on external events such as the State Government's announcement on the Fremantle Bridge Plan and to media enquiries or queries raised by individual residents or special interest groups.

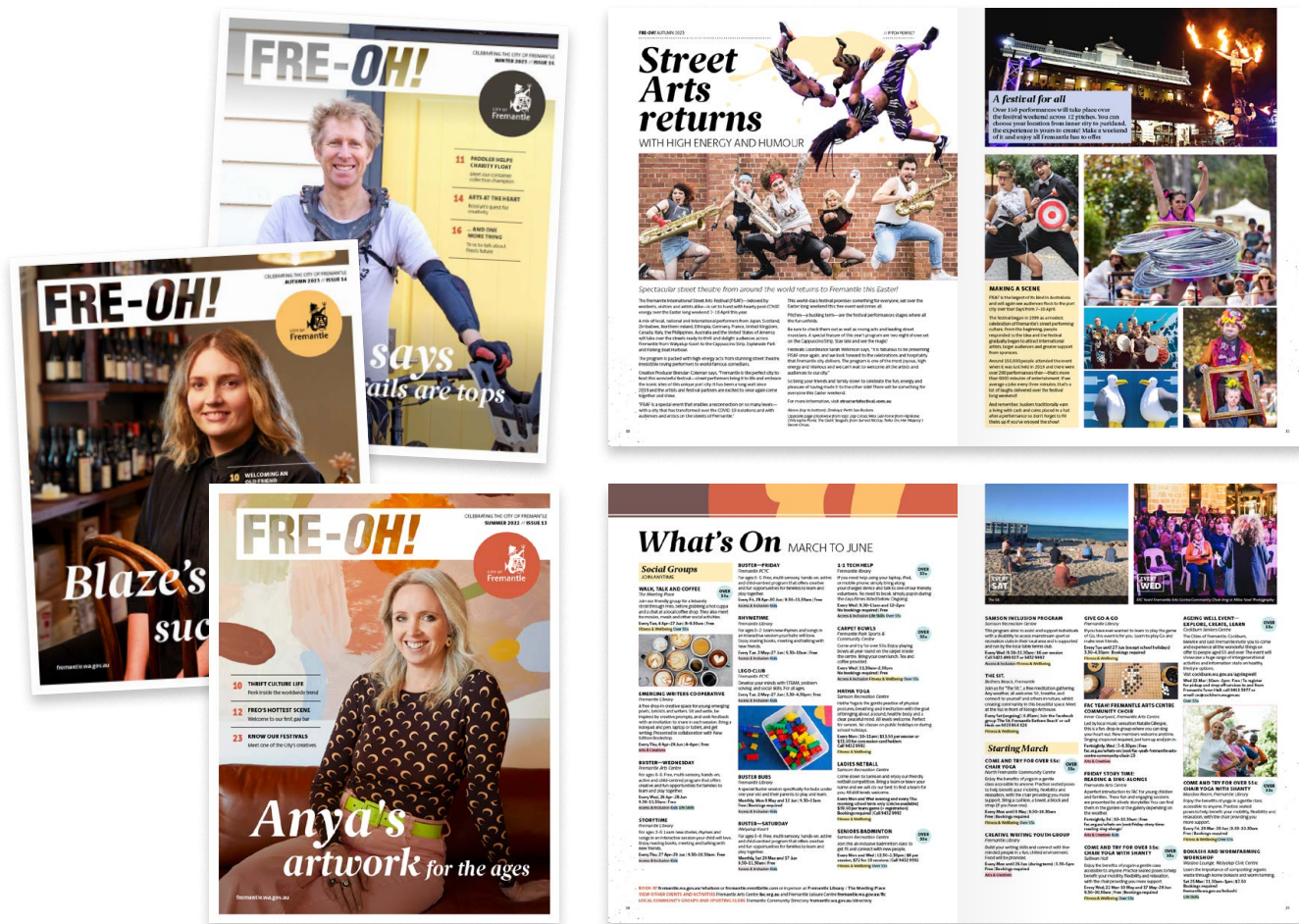
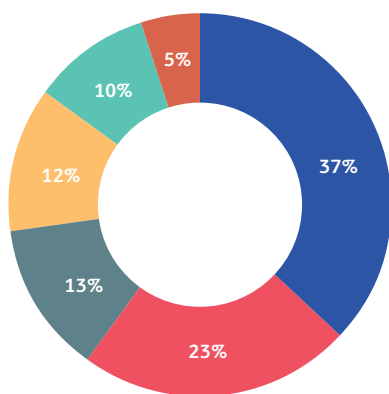


Figure 5: Media release content



- City Projects
- City Events
- Community Information
- Community Engagement
- Reaction to External Events
- Council/Committee Decisions

FRE-OH! Magazine

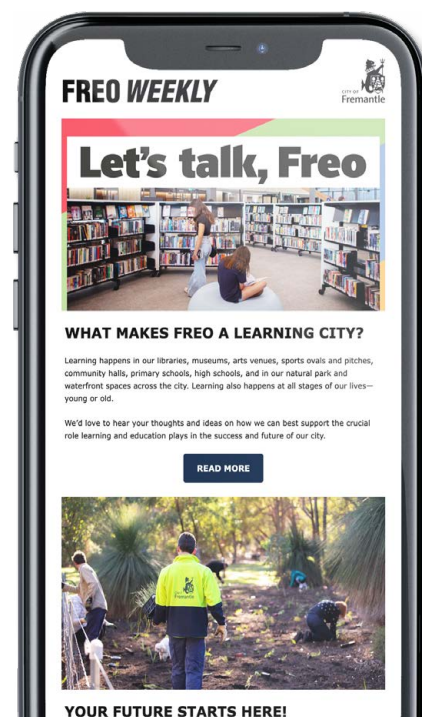
One of the City's major communications' assets, FRE-OH! magazine is published quarterly and distributed to 16,000 residents and to more than 1,000 cafes and businesses in the city.

During 2022–23 FRE-OH! featured stories about Fremantle changemakers such as WA Good Food Guide's 2023 Young Chef of the Year, Nieuw Ruin's head chef Blaze Young; Mark Binns Containers for Change collection champion; local writer and founder of the Lost in Fremantle website, Nardia Plumridge; and Leala and Babs Brekalo, owners of Fremantle's first gay bar.

FRE-OH! also showcased regular Fremantle events such as 10 Nights in Port; Fremantle Christmas Festival; Bazaar Christmas Market; Fremantle International Street Arts Festival; and the Sunday Music Series.

Freo Weekly

Freo Weekly, the City's e-newsletter is distributed to 3,812 subscribers weekly with an average click through rate of 52 percent per week. Freo Weekly covers key City news for residents, notices and what on.





City Business

The directorate plays an integral role in economic development strategy; integrated management of the City's parking system; growing the City's revenue; and ensuring efficient, streamlined and compliant Finance and Information Technology services that support capability.

16

Additional retailers in the city centre precinct

56

Additional businesses were identified compared to May 2022

33

Cruise ships docked, with more than 67,000 passengers

\$333.5m

Cruise industry generated economic impact in WA in 2022–23

135,918

Visit.fremantle.com.au new users

180%

Increase in interactions with the My Say Freo website over

2,800

People registered with My Say Freo

87

External events were approved

48

Events and activations sponsored



Economic Development and Marketing

Economic Development

In line with the Strategic Community Plan's strategic commitment to diversify and strengthen Fremantle's economic capacity, the City introduced a Seasonal Trading Policy which enables leisure tourism businesses to trade at key locations throughout the City bringing consistency to Council's approach to managing temporary and seasonal commercial trading activity in public spaces throughout the City of Fremantle. This policy provides guiding principles for assessing permit applications for mobile traders or semi-permanent operations to operate out of seven designated locations around Fremantle. One application was received for the winter season and four were received by 30 June 2023.

42 filming permits were processed, varying from single day student films to three-month long productions encompassing precincts in Fremantle.

Property Management

The City is a lessor for several properties.

Table 3: Leases or Licences provided, amended or ceased during the 2022–23 financial year:

Primary Category	Tenant	Address	Term	Option	Start Date	Rent
Licence	Jetty and Marine Constructions Pty Ltd	Portion of 10A Wood Street, Fremantle	1 year	Plus 1	01/07/22	\$24,750
Licence	Yidarra Property Group Proprietary Ltd	Portion of 10A Wood Street, Fremantle	1 year	Plus 1	01/10/22	\$11,000
Licence	Stephen Michael Foundation	Portion of 70 Parry Street, Fremantle	2 years	1+1	01/09/22	\$37,950
Licence	Fremantle Football Club Limited	Portion of 70 Parry Street, Fremantle	2 years	1+1	01/12/22	\$13,200

“The City hosted a booth at the Australian Tourism Exchange on the Gold Coast with 80 plus appointments held with domestic and international product buyers about Fremantle products and the Destination Perth Members *Mingle* alongside local businesses.”

Business Mix and Vacancy Audit

The City's 2023 Fremantle city centre street-level Business Mix and Vacancy Audit evidenced a fall in the city centre vacancy rate of four percent to 16.3 percent, meaning 21 fewer vacant sites in the city centre. Retail evidenced a small resurgence with 16 additional retailers in the city centre precinct. In total, 56 additional businesses were identified compared to May 2022. The City's Visitor Tracker 2023 evidenced visitation to Fremantle as steadily returning to pre-pandemic levels. Hotel occupancy achieved record rates for bookings in the first three months of 2023.

Destination Marketing

Fremantle is a City that is rich and diverse in experiences, UNESCO world heritage, festivals, sails and sea breeze, music and culture and world class food and wine.

The City allocated \$680,000 to destination marketing in 2022–23.

The City supported creative industries through hosting live events; preparing for the resumption of cruise shipping; and supporting Tourism WA in its *Famils* program as the State reopened to interstate and international markets. A total of 33 cruise ships (including transit and turnaround ships) docked in Fremantle with over 67,492 passenger numbers. The cruise industry generated an economic impact in WA of \$333.5 million in 2022–23 with more than 85% of this spent in Fremantle on local businesses as well as refuelling and re-provisioning.

The City hosted a booth at the Australian Tourism Exchange on the Gold Coast with 80 plus appointments held with domestic and international product buyers about Fremantle products and the Destination Perth Members *Mingle* alongside local businesses. It also sponsored the *This is Fremantle* Aspire Business Awards to support local business development.

The City's *Destination Marketing Strategic Plan 2018–22* concluded with two more Gold tourism awards achieved. The *Destination Development Strategic Plan 2023–27*, developed in partnership with the Destination Marketing Working Group, builds on the significant tourism growth generated by the earlier plan focusing on sustainable destination development to support Fremantle's tourism and business community to flourish.

The visitfremantle.com.au website and social media channels achieved 135,918 new users and 994,424 reach in 2022–23 respectively. Visitor data evidenced recovery in intrastate and interstate markets, with international visitation still in the recovery phase post the pandemic.

The City continued as a member of the Fremantle Chamber of Commerce Tourism Committee; participated in and actively promoted Fremantle in relevant tourism forums and business events, produced marketing campaigns and materials, and provided promotional opportunities to local tourism operators through advertising and event activations.

The Strategic Community Plan commits to design, investment and programs that enhance walking and cycling in Fremantle. The City secured funding via Tourism WA to upgrade the existing pedestrian wayfinding signage in the city centre with upgrades also undertaken at North Fremantle foreshore and directional signage installed to support wayfinding to Fremantle neighbourhoods.

My Say Freo Portal

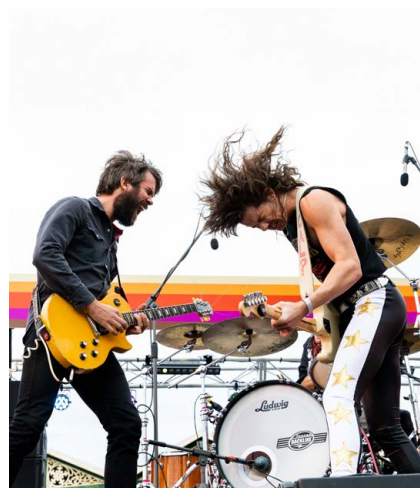
The Strategic Community Plan commits to providing greater opportunities to build community understanding on strategic matters and for community participation in decision-making processes, with My Say Freo a primary engagement tool. In 2022–23, there were 52,155 interactions with the My Say Freo website across 24 projects, up by 28,931 from 2021–22 which had 28 projects. The *Let's Talk Freo* engagement program for the Strategic Community Plan attracted significant interest coupled with the adoption of focused media campaigns for each project and a monthly 'open engagement' e-newsletter highlighting open projects for community interaction.

Approximately 2,800 people have registered with My Say Freo at mysay.fremantle.wa.gov.au.

External activations

A total of 87 external events were approved by City during 2022–23.

The January School Holiday activation, *Splash Freo*, attracted 7,500 people to Fremantle over one week and over 6,000 people attended the Dawn Service in Fremantle, the largest attendance on record.



Sponsored Events

The City provided sponsorship to a total of 48 events and activations. 38 events and activations were supported through in-kind sponsorship with a total value of \$161,212. 10 events and activations were supported through cash sponsorship with a total value of \$39,085.

Freo Builds LEGO®

Popular Freo Builds LEGO® trail returned in the July school holidays with six imaginative LEGO® builds co-located with major cultural institutions. It attracted nearly 14,700 participants, 147 percent above the 10,000 target an estimated economic impact of \$830,000 supported by businesses creating packages, themed activities and special offers.

Leeds United

Decked out in Leeds United Colours, the Cappuccino Strip was awash with blue and yellow with Fremantle the home base for Leeds fans when Leeds United played Crystal Palace as part of ICON, the Perth Festival of International Football on 22 July 2022 at Optus Stadium. Leeds United Legends, a training session at Fremantle oval attended by 3,000 fans and a pre-game party at Gage Roads were drawcards for passionate supporters, with an estimated economic impact of \$100,000.

High Voltage

May 2023 saw Fremantle amp up for the massive rock n' roll music festival, High Voltage, which opened at Fremantle Oval. The Tourism WA and Perth Festival funded event built on the Highway to Hell concert in 2020 to once again commemorate former AC/DC frontman Bon Scott, with well-known performers playing to crowds at three stationary performance zones, and on seven flatbed trucks travelling in convoy over a five-kilometre loop through Fremantle and South Beach. Musicians and artists included blues legend Diesel, post-punk rockers Body Type, Eddie Perfect, souls and blues performer Natalie Gillespie, Cash Savage and Last Drinks. An estimated 50,000 attended the home-grown free event in Fremantle.

Parking

The Strategic Community Plan identifies the requirement to improve parking options in the CBD. The former vacant Westgate Carpark in Point Street was re-opened in March 2023 through a partnership between the City and owners, Sirona Urban. Taking on management of privately owned carparks in addition to City managed carparks realises revenue for investment in community services and infrastructure and more parking.

Finance

With a key role in financial planning and management and rates and grants administration, Finance provided considerable support to internal business units as well as the community. Finance delivered the Annual Budget for adoption by Council inclusive of operational and capital expenditure aligned to the strategic objectives established in the Strategic Community Plan. An unqualified audit opinion was achieved on the Annual Financial Statements for the year ended 30 June 2022. Rates notices were issued to ensure revenue flow for the financial year and Finance ensured statutory compliance with all financial reporting requirements.

Information Technology

The City is committed to ensuring reliable, systematic and compliant management of records. During the reporting period, the City upgraded its Enterprise Resource Planning (ERP) Software to a Cloud-based product to facilitate streamlined processes, collocation of data, and improved capability in operational and capital works and customer management.

Next year will see further transition to a Cloud-based environment for document management, facilitating greater mobility and integration between the Document Management System and Teams for enhanced document collaboration.

Freedom of Information

A total of 12 applications were received and processed in 2022–23 within an average of 29 days under the provisions of the *Freedom of Information Act 1992 (WA)*.



Community Development

Community development builds capacity and connection to enable a healthy, empowered and inclusive community, a key objective of health and happiness under the Strategic Community Plan. The directorate plays an integral role in delivering a quality customer service and visitor experience, lifelong learning, preserving and celebrating Fremantle's unique history, fostering community connection, and supporting Fremantle's unique arts and creative sector and community organisations.

57,910

Customer Service calls handled

15 seconds

Average call wait time

18,790

emails were received and responded to

11,160

Service requests were created for City business units to action

96%

Customer satisfaction

96%

Average customer satisfaction since 2018



Service and Information

Customer Service

In 2022–23, the Customer Service team handled 57,910 calls, a decrease of 4,706 calls over 2021–22 with the average call wait time was 15 seconds, slightly higher than 2021–22.

Other service statistics include:

- 18,790 emails were received and responded to (2,210 fewer than the previous year).
- 11,160 service requests were created for City business units to action (2,740 fewer than the previous year).
- 250 independent customer satisfaction phone surveys were completed measuring phone support, online ease of use and front counter service, returning a 96 percent customer satisfaction with the City's response to service requests rated at 72 percent.

Since 2018, the City's customer satisfaction level has been very high, achieving an average 96 percent over a five-year period. (not measured in 2021 due to COVID-19). Business units apply customer satisfaction ratings to identify issues and improve service provision.

Fremantle Library–Lifelong Learning

- 243,187 visitors, up 49% from 2021–22
- Total registrations of 40,312 and 11,105 active library members.
- Rated 97% for good or excellent service, representing an increased customer satisfaction score of 17% over 2021–22.
- Over 250,000 physical and digital loaned items
- Over 172 early childhood programs attended by more than 10,000
- The Toy Library received a 100% customer satisfaction rating, membership grew with 363 memberships for the year, 145 new, and 17,990 loans.

The City of Fremantle Library received 243,187 visitors in 2022–23 up 49 percent from 2021–22 with total registrations of 40,312 and 11,105 active library members.

The *Voice of our Customers* survey independently canvassed 57 regular users of Lifelong Learning Services at the library on service performance and acceptability of library facilities. The results evidenced significant progress in the provision of services, with the library rated 97 percent for good or excellent service, representing an increased customer satisfaction score of 17 percent over 2021–22. Respondents reported that they liked

the safety of the library, its feel as a community facility, its contemporary and attractive design and functionality and the staff and service provision.

Results from the *Culture Counts Public Libraries Evaluation Network* (PLEN) survey of public libraries on library use, performance, personal and community outcomes identified that the library was a safe and trusted place to visit, and played a vital role in studying, reading and spending time with children and families.

Collections

Over the last year, 7,805 physical new items were added to the library with physical loaned items totalling 205,020 and digital items from online platforms, Borrow Box and Overdrive achieving 52,254.

The Language other than English collection expanded with an additional 100 new titles in 10 languages including Nyoongar books and an interactive Nyoongar language learning kit. Several collections for children were refreshed and updated or colour coded to improve children's capacity to locate their own books, and junior and young adult magazines were moved to dedicated areas resulting in a large increase in loan counts.

In February 2023, the library celebrated Library Lovers Day with a special 'Blind Date with a Book' display. Highly successful, the library intends to run the same display concept in February each year.



Adult programs

The library offers a number of established programs for adults including the Emerging Writers Cooperative, Meerlinga Parenting Circle, Podcasting with the Studio School and two collaborations with the GRAI-LGBTI Elders Games Hub and LGBTI + Intergenerational playgroup.

The library partnered with the Perth Festival and Fremantle Press to host a panel discussion 'The Business of Being Writers' with eight authors speaking to an audience exceeding 200 members. External library activations were held at the George Street Festival, Headspace Day at the Esplanade, and White Ribbon Day coordinated by Fremantle Legal Centre.

The Meeting Place

During 2022–23, the Meeting Place continued its valuable service to the Fremantle and surrounding communities, delivering a wide variety of courses and workshops for all interests, including the ever-popular language classes and volunteer-run social groups. New social groups were also introduced, including a popular Bridge group.

Library Connect

Library Connect is provided through the library, providing an accessible, safe and welcoming space for library visitors who might not engage with, or be aware of, other community services, to access a qualified and experienced community worker.

Children's Programs

Over 172 early childhood programs (0-5) were held including Storytime, Rhyme Time, Buster and school holiday activation sessions, with 10,393 in attendance including parents, children and carers. The Gaming Zone proved increasingly popular with LibraryCraft, racking up 13,632 hours of play across the 36 local government libraries participating in the network.

Toy Library photo

The Toy Library received a 100 percent customer satisfaction rating in the *Voice of the Customer Survey* given the value-add to families and impact on sustainability. Membership grew with 363 memberships for the year, 145 new, and 17,990 loans. The Toy Library participated in National Family Week Celebration, Reconciliation Week and NAIDOC Week, with an attendance of 328 people collectively and established a Toy Library marquee in Walyalup Koort for three days during the school holidays, with over 450 families participating in pirate themed crafts, badge making, nature play and toys.

“Over the last year, 7,805 physical new items were added to the library with physical loaned items totalling 205,020 and digital items from online platforms, Borrow Box and Overdrive achieving 52,254.”



Fremantle Visitor Centre

- Serviced approximately 46,000 visitors, up 77% from 2021–22.
- Roving volunteer ambassadors continued to assist visitors at the Visitor Centre and across the City and Cruise Ship Ambassadors welcomed 33 cruise ships with 67,492 passengers on board in 2022–23.
- Commenced a bike hire service with 1226 bikes hired, the only Visitor Centre offering this service in WA.
- Visitor Centre aggregate social media score of 88.2% and 4.5star rating on Trip Advisor.
- Visit Fremantle website scoring 4.8/5 on Facebook and 4.4/5 on Google.

The Fremantle Visitor Centre in Walyalup Koort serviced approximately 46,000 visitors in 2022–23, up 77 percent from 2021–22. The Visitor Centre is universally accessible to persons with disability with the visitfremantle.com.au available in 10 languages.

Roving volunteer ambassadors continued to assist visitors at the Visitor Centre and across the City and Cruise Ship Ambassadors welcomed 33 cruise ships with 67,492 passengers on board in 2022–23. 24 lockers were installed in October 2022, with the City receiving commission from hire. The Visitor Centre commenced a bike hire service with 1226 bikes hired across 2022–23, the only Visitor Centre offering this service in WA.

The Visitor Centre received an aggregate social media score of 88.2 percent and a 4.5star rating on Trip Advisor with the Visit Fremantle website scoring 4.8/5 on Facebook and 4.4/5 on Google.

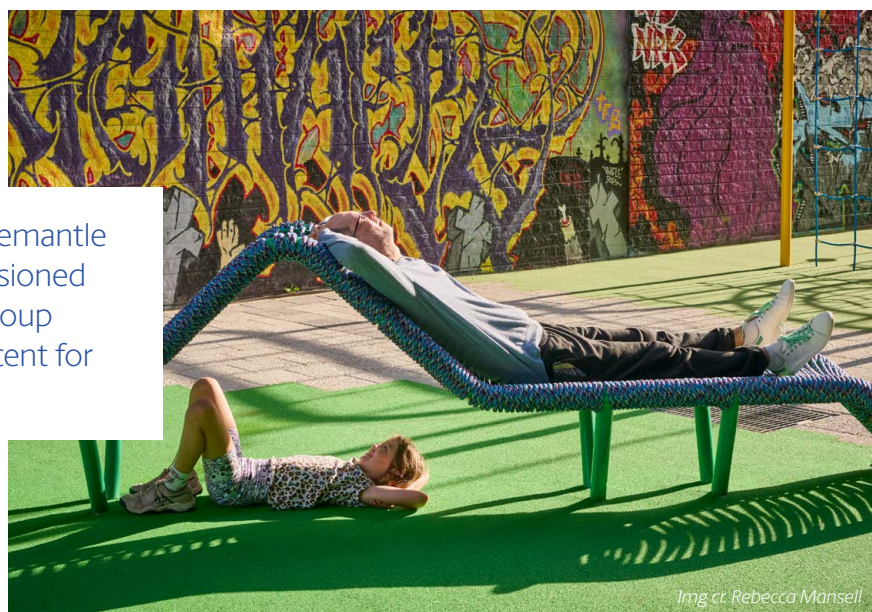
Fremantle History Centre

The Fremantle History Centre received 1,563 enquiries across the year on topics such as family history, research, oral history and collection donations. The Centre hosted two exhibitions including works from prominent Fremantle photographer Izzy Orloff and unique photographs from Andrew Pittway's research of World War I servicemen and women from Fremantle for Remembrance Day.

Several talks were hosted including on the book 'To Dwell in Unity' by Chris Berry, commemorating the 150th anniversary of local government in Western Australia, and monthly talks in partnership with the Fremantle History Society including a presentation by Joseph London on his film on the Orange People or Rajneeshees of Fremantle.

Multiple sessions were held with residents in Fremantle and East Fremantle to gauge interest in forming a group to shape local history, with approximately 70 people registering interest.

“Public artwork ‘It’s a Breeze’ by Fremantle artist David Spencer was commissioned and delivered by Yolk Property Group under the City of Fremantle’s Percent for Art Scheme.”



Arts and Culture

Arts and Culture are key to the quality of life, identity and liveability of the City of Fremantle. The City supports arts and culture through the Fremantle Arts Centre, open seven days per week; the Moores Building of Contemporary Art with hire space for artists; an artist studio program; renowned festivals; art grants; and public art.

Arts, Culture and Creative Strategy

Fremantle is a nationally recognised arts and culture hub, founded on generations of exceptional artists and cultural and creative workers that have called Fremantle home.

The City commenced consultations with the community in April 2023 to support development of a 10-year Arts, Culture and Creative Strategy. The engagement reached approximately 400 community members through a range of mechanisms including the Let’s Talk Freo campaign and was underpinned by thought provoking material, an invitation to contact directly and advertised drop-in sessions.

Public Art

Public artwork ‘It’s a Breeze’ by Fremantle artist David Spencer was commissioned and delivered by Yolk Property Group under the City of Fremantle’s Percent for Art Scheme at Little Lane, 52 Adelaide Street, Fremantle, designed to enhance the public interface of developments.

Conservation works on the City’s art collection included maintenance and cleaning of *Witness 2. 1915* (2015) by Tony Jones (Manjaree | Bathers Beach), and Susan Flavell’s, *Chimera* (2016) on loan from the collection of Kerry Harmanis (Pioneer Park).

The City received a cash in lieu contribution under the City’s Percent for Art Scheme from Zianni Pty Ltd for development of the Hilton Shopping Centre at 285 South Street, Hilton, to be applied to a future public art project in the neighbourhood.

Western Australian multidisciplinary artist Shavaun Hanson, worked with the Fremantle Youth Network to co-design new artwork on the two ping pong tables in Walyalup Koort. The inclusive design inspired by the colours of the pride flag acknowledges pride throughout the year.

The delivery of all FOMO Fremantle public artworks is now complete with the installation of ‘Absorbed by Light’ by British artist Gali May Lucas. Artworks were commissioned by Sirona Capital as part of the FOMO development under the City’s Percent for Art Scheme.

Art Acquisitions

The City received 104 generous donations of artwork in 2022–23 including three artworks from the collection of John Teschendorff and Annette Seeman; 56 artworks by Allan Vizents from his wife Patsy Vizents; and 45 artworks by Perth based Media Space 1979-1985 from artist Dr Paul Thomas, covering various mediums.

Art Exhibitions

The City hosted solo exhibition Pop Porn in October 2022 with Fremantle based artist Tania Ferrier, FAC Artist in Residence 2022. The exhibition reverently acknowledged and reimagined the representation of women in the commodity culture of the 1980s through Tania’s New York Angry Underwear wearable art, interpretive videos, digital prints and calendar series.

Since August 2022, a series of collection artworks have been displayed in the public concourse at the Walyalup Civic Centre.

Print Media

A series of illustrated articles were published in the *Weekend Australian Review*, *Public Works* column in 2022–23 covering the collection artworks on public display at the City by Fremantle artists, Deanna Hitti, Sharyn Egan, Harry Hummerston and Pippin Drysdale.



Fremantle Arts Centre

45

Concerts

13

Visual art exhibitions

529

Individual courses

47

Artists and collaborators were provided with studio space

161,697

Attendees to exhibitions, public programming, creative learning and other events

10

Exhibitions by WA Artists and Groups featured at The Moores Building

11

Artists in Residence at The Moores Building

3,400

People attended the Wardarnji Festival

80,000+

Followers across social media platforms

“Wardarnji showcased one of the world's oldest and richest cultures, with more than 100 dancers performing traditional and contemporary works from the 14 different clan groups across the Nyoongar nation.”



Overview

Fremantle Arts Centre (FAC) delivered an impressive array of multi-genre art experiences during 2022–23 attracting 161,697 people to exhibitions, public programming, creative learning and other events.

In line with celebrating diversity and inclusion, FAC delivered 10 south lawn concerts, 35 front lawn events, 13 visual art exhibitions and 529 individual courses.

Our audience

Despite FAC undergoing a roof replacement during the reporting period and the absence of a consistent on-site food and beverage service, 96 percent of respondents to FAC's Culture Counts annual survey reported having an excellent or good overall experience, with 74 percent of the audience attending from outside the City.

With social media platforms reflecting 80,000 plus followers, FAC now has the largest audience across visual artists in Western Australia.

Exhibition Program

Across four seasons FAC hosted 13 exhibitions predominantly by West Australian artists including Desmond Taylor, Mariaan Pugh, Tania Ferrier, Anna Louise Richardson, Abdul-Rahman Abdullah, Sally Bower, Tyrown Waigana, Atom Atem, Hayler Millar Baker. Curators included Andre Lipscombe, Glenn Iseger-Pilkington, Andrew Nichols and Emma Buswell.

Revealed 2023, a celebration of First Peoples of country, culture and community, exhibited 100 emerging Aboriginal artists and over 250 works, artist talks, demonstrations, and workshops. The Moores Building featured 10 exhibition by WA Artists and Groups.

Artist in Residence Program

The FAC and Incheon Art Platform (South Korea) Artist in Residence Reciprocal Exchange Program, saw Yunju Park as artist exchange, staying at the Moores Building whilst completing a multimedia work that was exhibited at FAC in April 2023.

Across the Arts Centre and Moores Building, 47 Artists and collaborators were provided with studio space to support creative development, 87 percent were West Australian with the remainder from across Australia and New Zealand. The Moores Building hosted 11 Artists in Residence from regional W.A Northern Territory, Victoria, Canberra, Korea and North America.

Sunday Music

From indie darlings to Aboriginal storytellers, queer electro pop to west coast rock royalty, FAC's Sunday Music 2022–23 program featured 20 Sundays of a culturally and musically diverse line-up. With an average audience of 800 each Sunday, highlights included Melbourne-based nine-piece band Ausecuma Beats, The Krui3ers and Nelson O'Reeri in association with Nannup Festival, and Australian rock and roll legends Rob Snarks and Lindy Morrison.

Special Events

The Arts Centre also entertained audiences with a range of local, national and international acts throughout the year. Sharon Van Etten, Kurt Vile and Emily Lubitz graced the front garden. The Pixies, David Gray and Khruangbin performed to sold-out shows on the South Lawn. FAC also hosted three whole-venue takeovers with a record 50 Bazaar Market stalls in December 2022, and Falls Festival (January) and Writers Weekend (March) in 2023 FAC Yeah! Community Choir also met fortnightly.

Wardarnji Festival

Wardarnji showcased one of the world's oldest and richest cultures, with more than 100 dancers performing traditional and contemporary works from the 14 different clan groups across the Nyoongar nation. Fires burned well into the night and an array of markets showcasing the talents of local Aboriginal makers. Over 3400 people enjoyed this free family friendly event directed by Karla Hart.





Festivals and Events

- Hosted 295,000 visitors.
- 109 events.
- Estimated economic impact of \$2.27 million for the local economy.
- A total of 47 events were directly supported through sponsorships (\$60,000) and in-kind support (\$170,000).
- An estimated 126,000 attendees to City sponsored events.

Fremantle International Street Arts Festival:

- Event attracted an estimated 100,000.
- Nearly 60,000 first time visitors.
- 96% surveyed likely to recommend visiting Fremantle.
- 97% said they had a positive experience overall.

Festivals enliven the City, encourage discovery and celebration of a range of creative endeavours and facilitate creative collaborations, including with businesses. They also support the City in achieving its Strategic Community Plan objectives for celebrating diversity, encouraging healthy interactions in public spaces and inclusion.

In 2022–23 the City hosted 295,000 visitors at 109 events with an estimated economic impact of \$2.27 million for the local economy. A total of 47 events were directly supported through sponsorships (\$60,000) and in-kind support (\$170,000) with an estimated 126,000 attendees to City sponsored events.

Fremantle International Street Arts Festival

The Fremantle International Street Arts Festival held 7–10 April 2023 transformed Fremantle's streets into an open-air theatre attracting amazing, weird and wacky Australian and international acts and Fremantle's café strip into alfresco dining.

The largest street arts festival in Australasia, the four-day festival hosted acts like Ketch Sketch from Japan, a slick mime that wowed crowds with magic, juggling and clowning; acrobats Zimboyz astonishing crowds with flexible, imaginative and muscle-bound acrobatics and Australian act Roya the Destroya, delivering spellbinding breakdancing.

Combining street theatre, roving musicians and performers to world famous musicians, the Fremantle International Street Arts Festival included 160 performances over four days incorporating 29 Acts and 86 local, national and international artists.

Despite some inclement weather, the event attracted an estimated 100,000, with nearly 60,000 first time visitors and 96 percent surveyed likely to recommend visiting Fremantle. and 97 percent said they had a positive experience overall.

A new guided behind the scenes walking tour gave participants a highly curated and unique experience of the festival.

Table 4: Fremantle International Street Arts Festival producers and partners

Artists, community and cultural presenters	86
Youth partnership organisations	1
Venue partnerships: sponsored use	8
Local suppliers: business organisations and industries	21+

Major sponsors:

Sail and Anchor, National Hotel, Old Courthouse, Little Creatures, Fremantle Prison, Fishing Boat Harbour, FOMO and The Esplanade Hotel.

Event partnerships: Total Containers and Bendigo Bank.

Table 5: Culture Counts Statistics Survey responses (210) across eight quality metrics

New Audience	59%
Enjoyed vibrancy and activity	98%
Had a positive experience overall (good/excellent)	97%
Recommend visiting Fremantle	96%



10 Nights in Port

Reflecting the flavour of Fremantle, 10 'Wintery' Nights in Port held 11–21 August 2022 was shaped around connection to place, stories and environment and arts and cultural experiences. The festival presented a range of genres including visual arts, theatre and dance plus community celebration, with 'Hidden Treasures,' the contemporary local music program at its core.

The event stretched from the coast to streetscapes and historic buildings to create incredible backdrops for performances. This included Frankensound's *Light Waves*, transforming the coast with cinematic projections and a sound display of natural wonders, contrasting with a fiery performance and installation that brought warmth and illumination to Walyalup Koort on opening night.

Historic Fremantle Town Hall hosted cultural performances over eight fantastic nights from an electric dance spectacular to a cultural bush tucker quiz, choral voices and cabaret. Several outdoor events encouraged exploration of place, set against the glow of open fires. For the adventurous, the event brought back the popular beachside bathing experience but introducing an icy twist, with a cold-water plunge.

Table 6: 10 Nights in Port producers and partners

Category	Producers/Partners
Artists/Community/Cultural Presenters	680+
Youth partnership organisations	7
Local collaborations: business and community	11+
Venue partnerships: sponsored use	10+
State organisations	3+
Local suppliers: business organisations and industries	32+

Creatives and community:

Circus WA, Walyalup Kannajil Choir, Fremantle PCYC, Hilton Harvest Community Garden, St Patrick's Primary School, Fremantle Primary School, Boss Arts Creative, Enliven, Department of Local Government, Sport and Cultural Industries, Lotterywest, Gelo, Bindi Bindi Dreaming, Water Force, Gage Roads, Fremantle Doctor, Kennards Hire, Budget, Fremantle Port, My Place, Three Gates Media, Fremantle College, Seton Catholic College, CBC Fremantle, the Studio School, Fremantle Christian School, Fremantle PA Hire, Sea Containers WA, Buffalo Club, Navy Club, Notre Dame, National Hotel, Detail, Media on Mars, Dockside Signs, Docu Print, Admiral Print, RTR, Mill Records, De Raw Nature, Old Customs House, Artsource, St John's Church and Ardiol Creative.

Major sponsors:

Department of Local Government, Sport and Cultural Industries and Lotterywest.

Program highlights:

Claiming Space, Lightwaves, Kaaal Koort-Ak-Fire in the Heart, Mantle Music Fireside Recordings, Hidden Treasures, The Mapping Exercise, FaBingo: Bush Tucker Bingo and Mobile Moments.

Heritage Festival

The City partnered in the Fremantle Heritage Festival during five weeks in April to May 2023, under the umbrella of the Australian Heritage Festival. Delivered through community producers and partners, the diverse program celebrated cultural exchanges, local people and industry, old crafts, historical buildings, cultural dance forms, songs, artforms and environment.



Community Development

- Fremantle Leisure Centre 37.5% increase in members and 20.2% increase in swim schools.
- Aboriginal Engagement Walyalup Reconciliation Action Plan 2019-2022 (RAP) Working Group achieved delivery of 19 actions and 106 deliverables.
- Youth Services facilitated 48 school holiday workshops with 930 people.
- The City funded Nyoongar Outreach Service engaged with 306 clients that were homeless or at risk of homelessness during 2022–23.
- Facilitated over 20 volunteers across Friday and Saturday evenings supporting those in need.
- Positive Ageing held 304 social activities and presentations comprising 1,117 participants and 4,432 hours.
- A total of 38 applications were managed under the Positive Ageing Assistance Fund which provides short-term or one-off support services and a Safety and Security Rebate for eligible seniors.
- 80 volunteers across city services.

Fremantle Leisure Centre and Samson Recreation Centre

Fremantle Leisure Centre evidenced growth in facility members from 1081 to 1486 and in participation in swim school students from 1342 to 1613, equating to growth of 37.5 percent and 20.2 percent respectively.

December 2022 saw the launch of the Les Mills group fitness classes with winter Department of Education lessons suspended due to roof replacement works over the 25-metre pool, with these since recommencing.

At Samson Recreation Centre, the City delivered a program of ladies netball, senior badminton, yoga and a social inclusion program to support persons with disability to access mainstream sport or recreation clubs. Space was also leased at the centre for various sports including basketball, tennis, table tennis, badminton and pickle ball.

Fremantle Community Legal Centre

The City-funded Fremantle Community Legal Centre (FCLC) assisted 922 clients and provided 1,517 advices, including face-to-face, over the phone and written legal advice and the FCLC Domestic Violence solicitor 397 advices. A total of 32 education sessions were delivered by the FCLC during 2022–23.

Compared to 2021–22, the City serviced 10 percent fewer clients; however, 15 percent of clients had more than three legal issues to address. The reporting period evidenced a 48 percent increase on duty lawyer services at the Fremantle Magistrates Court, demonstrating an increase in legal services for family and domestic violence matters.



Aboriginal Engagement

The City sponsored Walyalup Aboriginal Cultural Centre in Captains Lane offered courses including cultural awareness training, story time and art classes, cultural walks, and commemorations of key dates on the Aboriginal and Torres Strait Islander calendar.

The City continued to deliver its commitments under its *Walyalup Reconciliation Action Plan 2019–22* (WRAP) with the WRAP finalised and subsequently confirmed by Reconciliation Australia. The WRAP Working Group achieved delivery of 19 actions and 106 deliverables over the term of the WRAP with a new WRAP currently being developed to guide future reconciliation activities.

In January, the City hosted One Day 2023 to celebrate First Nations culture and community and included events such as a Welcome to Country smoking ceremony, keynote speech, dreamtime storytelling sessions, market stalls and a popup play area and painting workshops.

In May 2023, the City of Fremantle recognised National Reconciliation Week through delivery of activities aligned to the theme 'Be Brave. Make Change' including cultural awareness training, activity packs for children, and showcasing relevant items in the Library Collection.

May also saw around 90 people participate in a weaving workshop at the City's library and Sullivan Hall for the *Reclaim the Void* project. A cross-cultural project conceived by Kado Muir and Vivienne Robertson, it aimed to raise awareness of the spiritual and physical importance of country to Aboriginal people, through creating a giant circular themed artwork rug to cover a mining pit in the Western Desert.

In June 2023, the City hosted 'Disclosure: History is calling,' bringing together cultural ambassadors, academics and emerging leaders to discuss a Voice to Parliament with 300 people in attendance at the Fremantle Arts Centre.

Health and wellbeing

Bike Month 2022

Bike Month celebrates bike riding for transport, fun and a healthier lifestyle with the City hosting four great events over October 2022 with support provided by the Department of Transport and West Cycle. These included a community event at Bathers Beach, a staff ride to workday, and a Big Bike Film night at Luna on Essex with a 100 attending.

“During December 2022 to January 2023 and the April 2023 school holidays, the City collectively facilitated 48 workshops with 930 people, with circus, skate clinics, yoga, youth cooking classes, Parkour, speed cubing and various wheeled sports held.”



Youth Services

During 2022–23, the City began the development of a draft youth plan, with engagement with community and youth specific industries. A survey written by young people, a survey of parents and caregivers and information exchange sessions underpinned the development of the Plan. A draft youth plan has been prepared for Council's consideration.

The City participated in regular meetings with the Headspace Consortium, Youth Initiative – Imagine Futures and CMF (comprising the Cities of Cockburn, Melville and Fremantle) which facilitates interagency meetings with relevant organisations to connect and network on programs and initiatives happening for the local governments' communities. A range of youth projects were conducted with schools and relevant local organisations including rubbish collection and science workshops, arts programs, skateboarding workshops, a Pridemantle event and consultations for the strategic community plan.

During December 2022 to January 2023 and the April 2023 school holidays, the City collectively facilitated 48 workshops with 930 people, with circus, skate clinics, yoga, youth cooking classes, Parkour, speed cubing and various wheeled sports held.

Homelessness

The City continues to deliver outcomes under its *Homelessness Action Plan 2021–24*.

The City funded Nyoongar Outreach Service engaged with 306 clients that were homeless or at risk of homelessness during 2022–23 to support access to crisis and permanent rental accommodation, medical care, sanitary items and blankets when available, and transport to safe alternative accommodation.

Pursuant to the Department of Communities' Local Government Partnership Fund for Homelessness and City funding, the City engaged Homeless Healthcare in 2022–23 to employ a nurse practitioner to undertake mental health outreach in the city centre with a focus on people 'sleeping rough' or spending a lot of time on the streets. The program is supported by the Fremantle Street Chaplains with progressive rostering of over 20 volunteers across Friday and Saturday evenings supporting those in need.

The City continues to provide legal support through the Fremantle Community Legal Service Tenant Advocacy Service to people at risk of homelessness and contributed to the '20 Lives 20 Homes' program supporting people into accommodation.

Mental Health

The City hosted a stall at the Imagined Futures World Mental Health Day on 10 October 2022 on remaining active, along with other agencies and groups supporting mental health across the region. Depot staff participated in a barbecue breakfast with mental health awareness t-shirts distributed as a conversation starter for mental health. The City also engaged the sports community to deliver training courses to club volunteers and coaches including athlete mental health and welfare.

Positive Ageing

During 2022–23, the City held 304 social activities and presentations comprising 1,117 participants and 4,432 hours including financial planning and education and heritage and history with presentations also given by LiveUp, U3 Melville and Districts, Council of the Ageing and Dementia Australia. Volunteers delivered yoga and technical help sessions and facilitated a walking group, knitting and crochet circle, and craft and sewing sessions.

A total of 38 applications were managed under the Positive Ageing Assistance Fund which provides short-term or one-off support services and a Safety and Security Rebate for eligible seniors.



Volunteering

Fremantle relies significantly on the valuable contribution of volunteers for the delivery of some services. The City currently has over 80 volunteers that act as tourist ambassadors for the Fremantle Visitor Centre, French language conversationalists at The Meeting Place, recycling centre attendees at the City's Reuse Shop and which fill other vital roles such as program delivery, Justices of the Peace and Round House guides. Volunteers also provide 16 hours support each week to run programs at the City's library and provide technical advice.

On 5 December 2022, the City celebrated 'Thank a Volunteer Day' commending Ronelle Brossard for 46 years of volunteering at *The Meeting Place* and celebrated the 40-year anniversary of the Fremantle Justices of the Peace.

Access and Inclusion

The City continued implementation of its *Disability Access and Inclusion Plan 2021–25 (DAIP)* to facilitate equity of access to services and events, buildings and other facilities, and information.

While accessibility is included in event agreements, the City now requires compliance by event organisers with the City's Sustainable Events Policy and access and inclusion checklist. Auslan interpreters and online streaming options with captioning access for events have been introduced, with Auslan interpreters provided for the ANZAC Day Ceremony 2023, Samson Tree Festival and One Day 2023 activities and all terrain wheelchairs for the Samson Tree Festival. 'Between the Books,' an all-ages music concert held in the City's library included majority artists from the LGBTQIA+ community and afforded a low sensory environment, ensuring access for neurodivergent persons.

Physical access upgrades included installation of an access ramp to the creche at Fremantle Leisure Centre and construction of one of the trails at Booyeembara Park to accord with the Adaptive Mountain Bike Guidelines, along with improvements in parking, seating and pathways.

An accessible design schematic for the South Beach change room was delivered with funding support from the Department of Communities, informed through consultation with persons with disability and carers.

The City has committed to all new parks and reserves projects and upgrades meeting accessibility standards with current projects including accessibility improvements at Horrie Long and Plane Tree Parks, dog park improvements and Leighton Beach carpark upgrades.

The City built staff capability across website and document accessibility standards and created an accessible webpage on the Visit Fremantle website to facilitate a day out for people with disability and their families. Barriers to recruitment for persons with disability have been identified and improvements made.

"On 5 December 2022, the City celebrated 'Thank a Volunteer Day' commending Ronelle Brossard for 46 years of volunteering at *The Meeting Place* and celebrated the 40-year anniversary of the Fremantle Justices of the Peace."

\$2,000

Grants to small sporting club

\$5,700

To assist individuals to attend national sporting events

\$44,200

Arts grants

\$23,500

Community grants

\$79,800

Community sponsorship

Grants funding and support

The City delivers arts, community groups and sport and recreation grants that impact positively on the local community. Examples include connecting Aboriginal children in care with family, culture and community through cultural events, care packs and an Aboriginal meeting room at the Department of Communities. In the arts space, local Acrobatic artists Ben Kotovski and Simon Wood delivered 'Carnie Brewed', a family friendly five nights circus cabaret at Circus WA to 5000 audience attendees.

There were also small sporting club grants totalling \$2,000 and a number of \$300 grants to assist individuals to attend national sporting events. These totalled \$5,700.

Table 7: Grant funding, Community Development 2022–23

Granted recipient	Grant round	Amount
Wisdom Project Australia <i>wellbeing program for women over 65</i>	September 2022	\$4,288
Portcare <i>The CommUNITY Project supporting Fremantle families in need through Christmas hampers and celebrating volunteers on International Volunteer Day</i>		\$5,000
Fremantle Wesley Mission <i>Wesley Link food supplies and running costs to expand assistance at the drop-in centre</i>		\$2,500
East Fremantle Farm Community Garden <i>A Buzz in the Garden learning about and caring for bees</i>		\$950
The Rotary Club of Fremantle <i>Meals for homeless and children at risk</i>		\$1,000
Imagined Futures auspices by St Patrick's Community Support Centre <i>A local plan for connecting Aboriginal Children in Care with Family, community and culture</i>		\$5,000
Fremantle PCYC <i>School Holiday Program</i>	March 2023	\$2,800
Foodbank of Western Australia <i>Improving awareness, connection and access to Foodbank WA Healthy Eating Hub</i>		\$4,520
Friends of Cantonment Hill <i>Four schools revegetate Cantonment Hill – planting activity for local high schools</i>		\$2,505.02
Global Mission United <i>Beach Street Country Music and Games Nights</i>		\$4,000
Hazel Orme Kindergarten, <i>100-year Jubilee Fair and Book</i>		\$5,000
North Fremantle Social Farm, <i>Promoting the farm with a range of signage</i>		\$2,431
Fremantle Park Sport and Community Centre <i>Fremantle Fun and Games for Autumn Years in Spring – activities to improve health for older people</i>		\$5,000



Img cr. Marinus Schimmel

Table 8: Grants Funding: Arts

Granted recipient	Grant round	Amount
Rauf Rauker <i>Fremantle Industrial Arts Quarter Save our Stories Project</i>	September 2022	\$6,300
Acrobatch <i>Carnie Brewed Project</i>		\$5,700
Lance Simpson <i>Case Frames Artist Run Initiative Project</i>		\$7,200
The Literature Centre <i>Storytellers Festival</i>	March 2023	\$7,000
Stephen Brameld and Jay Staples <i>Mod Dogs Exhibition</i>		\$5,000
Kaleidoscope Multicultural Arts Management <i>Single Mic Sessions</i>		\$8,000
Penny Bovell <i>Underneath/Overlooked Project</i>		\$5,000

Table 9: Community development sponsorships

Sponsorship recipient	Amount paid
Fremantle Surf Lifesaving Club	\$8,500
St Patrick's Imagined Futures Funding Partnership	\$10,000
Fremantle Men's Shed	\$25,000
Fremantle Foundation	\$36,363.64



Place, Planning and Urban Development

The Directorate delivers a diverse range of services, initiatives and projects to external customers as well as providing in-house professional services. This ranges from maintaining high service levels in 'front-line' community safety and integrated patrols to statutory approvals and compliance functions of Council and strategic planning, urban design and advocacy for major City projects.

City Design

Recruitment for development of the City Plan and foundational research and analysis work has commenced, including building a digital 3D city model. This mapping technology will enhance the City's capacity to understand the potential outcomes of planning decisions and involve the community in urban planning.

A relocated bus interchange, redeveloped Station Forecourt, and improvements to the Phillimore/Cliff Street entrance to Victoria Quay are key elements to improving connectivity between the City and Victoria Quay.

Heritage Services

As recognised in the *Strategic Community Plan*, *heritage* is an integral part of the City's identity, culture and economy and requires protections. In March 2022, Council resolved to conduct a staged review of existing and potential heritage areas. A comprehensive resurvey of South Fremantle Heritage Area was completed to underpin community engagement, including defining the values the community holds for the area and identifying which places should be incorporated in the heritage area. Work has also commenced on White Gum Valley Heritage Area.

Sustainability

In line with the Strategic Community Plan's commitment to sustainable solutions, the City commenced development of a comprehensive Roadmap Towards Net Zero 2050 to align the City's sustainability policies and drive the City's activities and actions going forward. The City continued its certified gold waterwise status, with the Fremantle Leisure Centre also endorsed as a Waterwise Aquatic Centre.



Development Approvals

The number and complexity of applications was down on previous years, reflective of the broader challenges experienced in construction. Of the applications assessed by the City, either by delegation or before Council, approximately 99 percent were approved.

Table 10: 2022–23 development approval statistics

Development Approval Type	Number
Development Applications determined by the City	370
Development Applications determined by the Joint Development Assessment Panel	7
Application for extension of time of planning approvals	1
Applications for variations to previous planning approvals	27
Liquor Licence (Section 40) certificates	14
Subdivision applications referred to the City for comment	30
Building permits issued by the City	550

Of the above development approvals, 299 were deemed heritage development applications, down 25 from the previous year.

Significant developments that commenced and completed construction during 2022–23 included 11 Freeman Loop, North Fremantle (six storey multiple dwellings) and 52 Adelaide Street, Fremantle (Little Lane apartments). Significant developments issued with Planning Approval included 10 Henderson Street, Fremantle (\$30 million, 117 room hotel); 28 Cantonment Street, Fremantle (\$14 million supermarket, offices and childcare); and 15 McCabe Street, North Fremantle (\$46 million, 42 Multiple Dwellings).

Key strategic Initiatives

The Local Planning Strategy outlines the City's strategic framework for planning and development and provides the strategic basis for a new planning scheme. A draft local planning strategy was adopted by Council in September 2022 and is awaiting Western Australian Planning Commission approval to advertise.

City Design is also working on the development of the City Plan, Fremantle Oval redevelopment project, and a masterplan for the Cantonment Street precinct with a view to coordinating transport infrastructure and concept development for Princess May Park.



Field Services

Environmental Health

The City's Environmental Health team operates to ensure high environmental standards are maintained to prevent exposures that may have adverse environmental health impacts. Environmental Health administers legislation pertaining to public health, noise and food standards and educates the public and food businesses on public health.

During 2022–23, 495 health applications were processed to facilitate approval of businesses and activities relating to food businesses, mobile food trading, events and public assembly buildings, night works noise approvals and temporary accommodation. Slightly higher than the number of applications processed in 2021–22, this reflects a rising trend in the number of businesses and activities regulated.

Improvements in food safety compliance have been observed over the last couple of years and with a continued focus on hygiene and food safety compliance will likely improve further. A total of 236 water samples were tested as part of monitoring the water quality of recreational water bodies and aquatic facilities with a tender awarded to test groundwater at the South Fremantle Landfill site.

A total of 686 health compliance requests and enquiries were received during the year, up nearly 10 percent on 2021–22, with the majority relating to noise emissions (317), food safety (92) and quality and pollution (153).

Planning and Building Compliance

The City's Planning and Building Compliance team administers the *Building Act 2011* and the *Planning and Development Act 2005* to ensure compliance with relevant approvals, responds to complaints in relation to non-compliant development, and provides advice in relation to development and building compliance matters.

During 2022–23, 383 compliance enquiries were received, with 316 building compliance matters related to unauthorised structures and work affecting other land (up 23 percent from 2021–22). The remaining 67 related to planning compliance matters such as unauthorised development and compliance of new dwellings with planning conditions.

Community Safety

The City continues to achieve outcomes under its *Community Safety and Crime Prevention Plan 2019–24* and its Strategic Community Plan.

The City works with Western Australia Police in relation to local crime and anti-social behaviour and administers the *Dog Act 1976*, *Litter Act 1979* and the *Caravan Parks and Camping Grounds Act 1995*. In 2022–23, the City increased its focus on responsible dog ownership and application of the powers under the *Dog Act 1976*, working in partnership with the RSPCA to deliver dog behavioural classes at local parks. The City also conducted foot and bike patrols in the city centre and attended callouts to support community safety and engaged with law enforcement on illegal camping.

Monitoring and management of CCTV continued throughout the City, seven days per week with the City working collaboratively with Western Australia Police, providing CCTV intelligence for evidence gathering. The City also engaged with building owners in the city centre regarding installation and monitoring of CCTV.

In December 2022, through amendments to the *Liquor Control Act 1988*, the State Government established Protected Entertainment Precincts, including Fremantle. People who behave in an antisocial, violent or threatening manner may now be banned from entering licensed premises.

Parking compliance

Integrated Patrol Officers enforce laws that allow equitable, safe and fair access to parking in Fremantle in compliance with the *Local Government Act 1995*, the Parking Local Law and other Regulations through issuing infringements and cautions. They also ensure adherence to paid parking and time limits to ensure turnover of visitors to the city centre as well as issuing parking permits.

Integrated Patrol Officers investigated enquiries and complaints from residents and members of the public and responded via patrol requests to reports of vehicles obstructing driveways or parked dangerously or illegally. The Integrated Patrol Officers also investigated reports of abandoned vehicles and impounded vehicles on expiration of notice periods. Officers work closely with the Community Safety Team observing and reporting on anti-social and criminal behaviour.



Infrastructure and Project Delivery

The Directorate is responsible for planning and management of the City's diverse network of infrastructure to support the community's needs. The Directorate prioritises core services and projects that deliver key capital and operational programs including roads, footpaths and building renewals. The Directorate has a strong role in leading improvement initiatives such as sustainable design and progressing the City's goals towards net zero emissions.

Facilities and environmental management

The asbestos roof of the 1860s Fremantle Arts Centre was replaced with heritage galvanised steel to ensure durability and preservation of the building. As well, the pavilion structure at the Fremantle Leisure Centre was renewed with thermally insulated roof panels was installed.

The City partnered in a multi local government contestable energy tender for electrical suppliers for large Council owned facilities with an option secured for energy from wind farms in the south-west of Western Australia.

New maintenance contracts incorporate GPS tracking and geofencing to enable the City to better control site attendance, including for cleaning contracts.

Parks and Landscape

The design for Griffiths Park was developed in close consultation with the local community. Complete with flying fox and designed to deliver enriching sensory experiences, the project involved significant planting, supported by a water efficient hydrozone irrigation system.

The City is progressively transitioning its watering systems to hydrozone systems which irrigate based on requirements of the vegetation and use of the reserve, optimising plant health and conserving water.

Fleet Management

The City has prepared a 10-year fleet and plant program which establishes the framework for asset replacement and acquisition, including transition to electric vehicles in line with net zero targets.



Roads and Engineering

Engineering operations completed 1500 Customer Service Requests (CRMs) for footpath, drainage, lighting and road assets. Migration of the City's asset management data from a standalone system to an integrated system in line with upgrades to the City's Enterprise Resource Planning (ERP) software is expected to realise \$50,000 in savings.

The City adopted a new Parklet Policy to ensure high standards are retained for alfresco dining and a Narrow Streets Safe Access Policy to maximise the functionality of historic streets for emergency vehicles, pedestrians and cyclists. The City's Traffic Calming Policy was reviewed to incorporate consideration of other informing data for traffic calming infrastructure.

The City co-funded with the State Government, resurfacing of major distributor roads. This included \$655,872 in works for delivery of over 2,800sqm of road resurfacing collectively on Carrington Street, Winterfold Road and Lefroy Road applying a new sustainable road product.

The *Voice of the Customer Survey* results from August 2023 of 34 customers who lodged requests with the City's engineering team during the 2022–23 financial year evidenced significant improvements in customer service. A total of 78 percent of customers rated the service as either good or excellent with satisfaction with lodgement of requests by phone, in person or via email, rated at 100 percent. This was a major achievement for the team which faced staffing challenges during the reporting period due to competition for labour associated with the construction industry.

Depot Redevelopment

The City has engaged extensively with its staff and upskilled them at the Council Works Depot to inform decisions on the new operational centre requirements, planning and design, priority areas, alternative layouts, costing scenarios, and a business case. This is part of the City's commitment to renewing its aged assets by planning for the delivery of a modern, integrated, and sustainable facility that will meet the future operational needs of City depot staff and adequately support services to the Fremantle community.

“The City’s Waste Education Program, an integral component of the *Waste Management Action Plan 2020-2025*, reached over 2,000 participants in 2022–23 through 20 events, stalls and workshops. The largest event was a pre-loved clothing market at the Fremantle Town Hall, attended by 1,400 people.”



Waste Management

- The City’s Waste Education Program, reached over 2,000 participants through 20 events, stalls and workshops.
- The program also provided three waste minimisation rebates to over 35 residents, totalling nearly \$3,500.
- diverted approximately 46,000 disposable nappies from waste for the 23 cloth nappy rebate recipients.
- The Reuse Shop generated just over \$25,000 in income during the reporting period, diverting 25 tonnes of waste from landfill.

FOGO refuse converted to compost facilitated:

- 1.3 tonnes being applied to parks and gardens
- 14 tonnes provided through the Fremantle Recycling Centre,
- 11.8 tonnes applied to City household garden beds and vegetable patches.

The City’s high performance in waste management continued with significant progress made towards provision of a full Food Organics and Garden Organics (FOGO) bin system, with the concept of a three-bin system a commitment under the Strategic Community Plan. Better Bins Plus: Go FOGO funding from the State Government, which supports local government authorities in providing a better practice three-bin kerbside collection system, provided \$30,000 to educate the community on the three bin FOGO system and implement FOGO into multi-unit developments. The FOGO system has now been extended to 99 percent of residential properties.

During 2022–23, FOGO refuse converted to compost facilitated 1.3 tonnes being applied to parks and gardens and 14 tonnes provided through the Fremantle Recycling Centre, with 11.8 tonnes applied to City household garden beds and vegetable patches.

The City’s Waste Education Program, an integral component of the *Waste Management Action Plan 2020–25*, reached over 2,000 participants in 2022–23 through 20 events, stalls and workshops. The largest event was a pre-loved clothing market at the Fremantle Town Hall, attended by 1,400 people. The program also provided three waste minimisation rebates for home composting, reusable sanitary items and modern cloth nappies to over 35 residents, totalling nearly \$3,500. These have made reusable items more accessible to residents and has diverted approximately 46,000 disposable nappies from waste for the 23 cloth nappy rebate recipients.

Reuse Shop

The Reuse Shop generated just over \$25,000 in income during the reporting period, diverting 25 tonnes of waste from landfill.

Fremantle Recycling Centre

Summary

Table 11: Summary data waste services

Waste	276 tonnes
Recovered	739 tonnes
Recovery rate	73%
Diverted tonnes of household items to reuse	25 tonnes
Generated an income	\$25,030

Table 12: Waste streams by volume

Materials	Total tonnes
Batteries – Household	4.45
Batteries – Lead	14.67
Batteries - lithium	0.61
Cardboard	88.16
Clothing Bins	12.60
E-waste	44.53
Fire Extinguisher	1.05
Gas Bottles	1.73
Green waste	299.26
Light globes	0.54
Mattresses	15.48
Light gauge metal	78.82
Electrical cable	2.75
Motor Oil	16.55
Paint	40.45
Pallets (wooden)	1.50
Polystyrene	1.95
Recyclables (bottles, cans, etc)	16.92
Tyres	2.02
White goods	59.93
Reuse Shop	25.0
Tyres	2.02
Household Hazardous Waste (HHW)	9.62
Waste (landfill)	276
Total tonnes collected	1016.61
Total tonnes recovered	740.61
Recovery rate	73%

6.6m

Eligible containers returned

13.5%

Increase in previous year

\$477,000

Refunded to community

\$661,000

Grossed

Table 13: Fremantle Recycling Centre – monthly entries

Month	Entries
July 2022	1,715
August 2022	1,490
September 2022	1,635
October 2022	2,036
November 2022	1,708
December 2022	2,146
January 2023	1,899
February 2023	1,534
March 2023	1,687
April 2023	1,860
May 2023	1,517
June 2023	1,674
Total	20,901

Table 14: Utilisation rate by suburb

Materials	Percentage
Fremantle	27%
North Fremantle	8%
South Fremantle	8%
White Gum Valley	13%
Beaconsfield	14%
Hilton	9%
O'Connor	1%
Samson	3%
East Fremantle	19%

Containers for Change

During 2022–23, a record 6.6 million eligible containers were returned to the City's Containers for Change Refund Point at 83 Knutsford Street, Fremantle, a 13.5 percent increase from 2021–22. A total of \$477,000 was refunded to the community, including \$62,456.50 paid to schools, charities and community groups. The City's commercial collections for Containers for Change serviced 159 business customers, an increase of 69 on 2021–22. Containers for Change grossed \$661,000 with a net profit of approximately \$50,000, reflecting the Centre's high-level performance.

Peak periods were again experienced across Summer and Autumn with aluminium and glass constituting the highest tonnage Containers for Change collection volumes. A resident party bin hire service commenced to support Containers for Change collections at house parties and events. Containers for Change also partnered with large summer festivals and concerts including Summer Salt and the Fremantle Prison concert series, facilitating direct recycling of product from events but also encouraging recycling of Containers for Change products at home.

In September 2022, the City achieved a milestone of 10 million containers returned equating to \$1 million paid to depositors including charities and community groups, since commencement of the program in October 2021.

Table 16: Containers for Change collection volumes

Material	Volume	Tonnes
Aluminium	173,625	39.90
Glass	137,424	485.15
HDPE	2,705	1.35
LPB	9,371	2.59
PET Clear	71,311	31.63
PET Colour	8,919	4.32
Other	39	0.02
Steel	453	0.61
Total	403,847	565.58

Table 17: Eligible containers returned by month

Month	Containers Returned
July 2022	403,847
August 2022	444,815
September 2022	473,515
October 2022	576,263
November 2022	462,072
December 2022	670,686
January 2023	723,203
February 2023	615,567
March 2023	645,661
April 2023	573,607
May 2023	547,578
June 2023	478,002



Independent Auditor's Report



Auditor General

INDEPENDENT AUDITOR'S REPORT 2023 City of Fremantle

To the Council of the City of Fremantle

Opinion

I have audited the financial report of the City of Fremantle (City) which comprises:

- the Statement of Financial Position as at 30 June 2023, and the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Statement of Financial Activity for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial report is:

- based on proper accounts and records
- presents fairly, in all material respects, the results of the operations of the City for the year ended 30 June 2023 and its financial position at the end of that period
- in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section below.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter – Events Occurring After the End of the Reporting Period

I draw attention to Note 24 to the financial report, which states that, following the end of the financial year ended 30 June 2023, the two remaining member council participants including the City have resolved to withdraw from Resource Recovery Group effective from 1 July 2025. My opinion is not modified in respect of this matter.

Other information

The Chief Executive Officer (CEO) is responsible for the preparation and the Council for overseeing the other information. The other information is the information in the entity's annual report for the year ended 30 June 2023, but not the financial report and my auditor's report.

My opinion on the financial report does not cover the other information and accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to the CEO and Council and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Responsibilities of the Chief Executive Officer and Council for the financial report

The Chief Executive Officer (CEO) of the City is responsible for:

- keeping proper accounts and records
- preparation and fair presentation of the financial report in accordance with the requirements of the Act and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards
- managing internal control as required by the CEO to ensure the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for:

- assessing the City's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the State Government has made decisions affecting the continued existence of the City.

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

Auditor's responsibilities for the audit of the financial report

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial report. The objectives of my audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

My independence and quality management relating to the report on the financial report

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, the Office of the Auditor General maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters relating to the electronic publication of the audited financial report

This auditor's report relates to the financial report of the City of Fremantle for the year ended 30 June 2023 included in the annual report on the City's website. The City's management is responsible for the integrity of the City's website. This audit does not provide assurance on the integrity of the City's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to contact the City to confirm the information contained in the website version.



Sandra Labuschagne
Delegate of the Auditor General for Western Australia
Deputy Auditor General For Western Australia
Perth, Western Australia
12 December 2023



Annual Financial Statements

2022–23

CITY OF FREMANTLE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

TABLE OF CONTENTS

Statement by Chief Executive Officer	2
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Statement of Financial Activity	7
Index of Notes to the Financial Report	8
Independent Auditor's Report	53

The City of Fremantle conducts the operations of a local government with the following community vision:

Vision for the future:

Fremantle: A Destination City

- A city that is clever and creative, inspiring and inclusive;
- A city that welcomes and celebrates all people and cultures;
- A city that encourages innovation, prosperity and achievement;
- A compassionate city that cares for the wellbeing of our people and the environment we share; and
- A city that thrives on diversity, that dares to be different – and delivers on its promises.

Principal place of business:
Walyalup Civic Centre
151 High Street
Fremantle WA 6160

CITY OF FREMANTLE
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

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

STATEMENT BY CEO

The accompanying financial report of the City of Fremantle has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2023 and the financial position as at 30 June 2023.

At the date of signing this statement the particulars included in the financial report are not misleading or inaccurate.

Signed on the 11th day of December 2023



Chief Executive Officer

Glen Dougall

Name of Chief Executive Officer

**CITY OF FREMANTLE
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
Revenue				
Rates	2(a),27	53,404,655	52,775,534	50,251,586
Grants, subsidies and contributions	2(a)	4,528,026	3,040,536	4,469,485
Fees and charges	2(a)	25,427,410	23,484,541	22,469,455
Service charges	2(a)	1,199,188	1,271,375	8,804
Interest revenue	2(a)	1,961,718	729,450	624,763
Other revenue	2(a)	2,582,661	2,013,242	1,941,482
		89,103,658	83,314,678	79,765,575
Expenses				
Employee costs	2(b)	(40,834,395)	(42,088,062)	(37,972,312)
Materials and contracts		(31,544,352)	(29,252,636)	(27,648,316)
Utility charges		(1,827,064)	(2,129,142)	(1,862,201)
Depreciation		(12,405,282)	(11,353,843)	(10,678,971)
Finance costs	2(b)	(570,963)	(497,957)	(568,406)
Insurance		(1,014,402)	(1,062,250)	(959,378)
Other expenditure	2(b)	(1,428,039)	(1,959,693)	(1,498,736)
		(89,624,497)	(88,343,583)	(81,188,320)
		(520,839)	(5,028,905)	(1,422,745)
Capital grants, subsidies and contributions	2(a)	5,370,023	12,882,370	4,055,751
Profit on asset disposals		2,785	727,000	8,624
Loss on asset disposals		(12,183)	(10,846)	(6,827)
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	9,215	0	9,992
Fair value adjustments to investment property	12	46,467	0	0
Fair value adjustments to assets held for sale		303,299	0	0
Share of net profit of associates accounted for using the equity method	22	(1,521,880)	0	(533,753)
		4,197,726	13,598,524	3,533,787
Net result for the period	26(b)	3,676,887	8,569,619	2,111,042
Other comprehensive income for the period				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus	17	241,540,772	0	0
Share of other comprehensive income of associates accounted for using the equity method	17,22	(1,452,542)	0	0
Total other comprehensive income for the period	17	240,088,230	0	0
Total comprehensive income for the period		243,765,117	8,569,619	2,111,042

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



CITY OF FREMANTLE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	NOTE	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	3	10,811,503	6,613,248
Trade and other receivables	5	2,233,347	2,119,799
Other financial assets	4(a)	26,500,033	27,500,033
Inventories	6	149,691	186,122
Other assets	7	348,273	75,477
Assets classified as held for sale	7	4,546,299	4,243,000
TOTAL CURRENT ASSETS		44,589,146	40,737,679
NON-CURRENT ASSETS			
Trade and other receivables	5	1,059,699	617,324
Other financial assets	4(b)	203,724	194,509
Investment in associate	22	2,346,790	5,321,212
Property, plant and equipment	8	322,095,809	263,031,982
Infrastructure	9	338,652,659	157,987,695
Right-of-use assets	11(a)	2,499,930	1,407,491
Investment property	12	22,753,725	22,658,363
TOTAL NON-CURRENT ASSETS		689,612,336	451,218,576
TOTAL ASSETS		734,201,482	491,956,255
CURRENT LIABILITIES			
Trade and other payables	13	7,411,997	8,590,863
Other liabilities	14	5,251,597	4,886,736
Lease liabilities	11(b)	1,005,825	307,718
Borrowings	15	1,861,059	2,300,527
Employee related provisions	16	5,811,134	5,812,590
TOTAL CURRENT LIABILITIES		21,341,612	21,898,434
NON-CURRENT LIABILITIES			
Trade and other payables	13	29,494	42,458
Lease liabilities	11(b)	1,549,291	1,131,872
Borrowings	15	18,536,286	20,399,334
Employee related provisions	16	1,242,234	746,709
TOTAL NON-CURRENT LIABILITIES		21,357,305	22,320,373
TOTAL LIABILITIES		42,698,917	44,218,807
NET ASSETS		691,502,565	447,737,448
EQUITY			
Retained surplus		173,295,740	174,985,539
Reserve accounts	30	10,543,904	6,629,760
Revaluation surplus	17	507,662,921	266,122,149
TOTAL EQUITY		691,502,565	447,737,448

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



CITY OF FREMANTLE
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	RETAINED SURPLUS	RESERVE ACCOUNTS	REVALUATION SURPLUS	TOTAL EQUITY
		\$	\$	\$	\$
Balance as at 1 July 2021		166,872,638	12,631,619	266,122,149	445,626,406
Correction of error		0	0	0	0
Restated balance at the beginning of the financial year		166,872,638	12,631,619	266,122,149	445,626,406
Comprehensive income for the period					
Net result for the period		2,111,042	0	0	2,111,042
Other comprehensive income for the period	17	0	0	0	0
Total comprehensive income for the period		2,111,042	0	0	2,111,042
Transfers from reserve accounts	30	6,070,002	(6,070,002)	0	0
Transfers to reserve accounts	30	(68,143)	68,143	0	0
Balance as at 30 June 2022		174,985,539	6,629,760	266,122,149	447,737,448
Change in accounting policies		0	0	0	0
Correction of error		0	0	0	0
Restated balance at 1 July 2022		174,985,539	6,629,760	266,122,149	447,737,448
Comprehensive income for the period					
Net result for the period		3,676,887	0	0	3,676,887
Other comprehensive income for the period	17	(1,452,542)	0	241,540,772	240,088,230
Total comprehensive income for the period		2,224,345	0	241,540,772	243,765,117
Transfers from reserve accounts	30	1,520,447	(1,520,447)	0	0
Transfers to reserve accounts	30	(5,434,591)	5,434,591	0	0
Balance as at 30 June 2023		173,295,740	10,543,904	507,662,921	691,502,565

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



**CITY OF FREMANTLE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023**

	NOTE	2023 Actual \$	2022 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Rates		53,104,614	50,897,123
Grants, subsidies and contributions		3,776,772	2,938,802
Fees and charges		25,423,213	22,463,620
Service charges		1,199,188	8,804
Interest revenue		1,961,718	700,240
Goods and services tax received		4,730,845	4,376,616
Other revenue		2,582,661	1,928,518
		<u>92,779,011</u>	<u>83,313,723</u>
Payments			
Employee costs		(40,374,131)	(38,231,820)
Materials and contracts		(32,921,962)	(25,976,936)
Utility charges		(1,827,064)	(1,789,444)
Finance costs		(570,963)	(461,982)
Insurance paid		(1,014,402)	(959,378)
Goods and services tax paid		(4,575,418)	(4,368,821)
Other expenditure		(1,428,039)	(1,498,736)
		<u>(82,711,979)</u>	<u>(73,287,117)</u>
Net cash provided by (used in) operating activities	18(b)	10,067,032	10,026,606
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant & equipment	8(a)	(2,974,685)	(12,406,917)
Payments for construction of infrastructure	9(a)	(6,547,165)	(4,724,706)
Payments for investment property	12	(48,895)	
Capital grants, subsidies and contributions		6,056,922	4,055,751
Distributions from investments in associates		0	(93,166)
Proceeds for financial assets at amortised cost		1,000,000	(85,674)
Proceeds from sale of property, plant & equipment		22,050	46,504
Net cash provided by (used in) investing activities		(2,491,773)	(13,208,208)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings	29(a)	(2,302,516)	(2,526,304)
Payments for principal portion of lease liabilities	29(b)	(1,074,488)	(395,244)
Proceeds from new borrowings	29(a)	0	93,495
Net cash provided by (used in) financing activities		(3,377,004)	(2,828,053)
Net increase (decrease) in cash held		4,198,255	(6,009,655)
Cash at beginning of year		6,613,248	12,622,903
Cash and cash equivalents at the end of the year	18(a)	<u>10,811,503</u>	<u>6,613,248</u>

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



CITY OF FREMANTLE
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 Actual \$	2023 Budget \$	2022 Actual \$
OPERATING ACTIVITIES				
Revenue from operating activities				
Rates	27	53,404,655	52,775,534	50,251,586
Grants, subsidies and contributions		4,528,026	3,040,536	4,469,485
Fees and charges		25,427,410	23,484,541	22,469,455
Service charges		1,199,188	1,271,375	8,804
Interest revenue		1,961,718	729,450	624,763
Other revenue		2,582,661	2,013,242	1,941,482
Profit on asset disposals		2,785	727,000	8,624
Fair value adjustments to financial assets at fair value through profit or loss	4(b)	9,215	0	9,992
Fair value adjustments to investment property	12	46,467	0	0
Fair value adjustments to assets held for sale		303,299	0	0
Share of net profit of associates accounted for using the equity method	22	(2,974,422)	0	(533,753)
		86,491,002	84,041,678	79,250,438
Expenditure from operating activities				
Employee costs		(40,834,395)	(42,088,062)	(37,972,312)
Materials and contracts		(31,544,352)	(29,252,636)	(27,648,316)
Utility charges		(1,827,064)	(2,129,142)	(1,862,201)
Depreciation		(12,405,282)	(11,353,843)	(10,678,971)
Finance costs		(570,963)	(497,957)	(568,406)
Insurance		(1,014,402)	(1,062,250)	(959,378)
Other expenditure		(1,428,039)	(1,959,693)	(1,498,736)
Loss on asset disposals		(12,183)	(10,846)	(6,827)
		(89,636,680)	(88,354,429)	(81,195,147)
Non-cash amounts excluded from operating activities	28(a)	15,064,983	10,637,689	6,789,448
Amount attributable to operating activities		11,919,305	6,324,938	4,844,739
INVESTING ACTIVITIES				
Inflows from investing activities				
Capital grants, subsidies and contributions		5,370,023	12,882,370	4,055,751
Proceeds from disposal of assets		22,050	4,977,000	46,504
Proceeds from financial assets		0	0	617,324
Distributions from investments in associates	22	0	0	(93,166)
		5,392,073	17,859,370	4,626,413
Outflows from investing activities				
Purchase of property, plant and equipment	8(a)	(2,974,685)	(15,924,519)	(12,406,917)
Purchase and construction of infrastructure	9(a)	(6,547,165)	(11,402,373)	(4,724,709)
Purchase of investment property	12	(48,895)	0	0
		(9,570,745)	(27,326,892)	(17,131,626)
Amount attributable to investing activities		(4,178,672)	(9,467,522)	(12,505,213)
FINANCING ACTIVITIES				
Inflows from financing activities				
Proceeds from borrowings	29(a)	0	0	93,495
Transfers from reserve accounts	30	1,520,447	4,189,006	6,070,002
		1,520,447	4,189,006	6,163,497
Outflows from financing activities				
Repayment of borrowings	29(a)	(2,302,516)	(2,300,529)	(2,526,304)
Payments for principal portion of lease liabilities	29(b)	(1,074,488)	(298,353)	(395,244)
Transfers to reserve accounts	30	(5,434,591)	(7,304,272)	(68,143)
		(8,811,595)	(9,903,154)	(2,989,691)
Amount attributable to financing activities		(7,291,148)	(5,714,148)	3,173,806
MOVEMENT IN SURPLUS OR DEFICIT				
Surplus or deficit at the start of the financial year	28(b)	10,574,730	8,893,854	15,061,398
Amount attributable to operating activities		11,919,305	6,324,938	4,844,739
Amount attributable to investing activities		(4,178,672)	(9,467,522)	(12,505,213)
Amount attributable to financing activities		(7,291,148)	(5,714,148)	3,173,806
Surplus or deficit after imposition of general rates	28(b)	11,024,215	37,122	10,574,730

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



**CITY OF FREMANTLE
FOR THE YEAR ENDED 30 JUNE 2023
INDEX OF NOTES TO THE FINANCIAL REPORT**

Note 1	Basis of Preparation	9
Note 2	Revenue and Expenses	10
Note 3	Cash and Cash Equivalents	12
Note 4	Other Financial Assets	12
Note 5	Trade and Other Receivables	13
Note 6	Inventories	14
Note 7	Other Assets	15
Note 8	Property, Plant and Equipment	16
Note 9	Infrastructure	18
Note 10	Fixed Assets	20
Note 11	Leases	23
Note 12	Investment Property	24
Note 13	Trade and Other Payables	25
Note 14	Other Liabilities	26
Note 15	Borrowings	27
Note 16	Employee Related Provisions	28
Note 17	Revaluation Surplus	29
Note 18	Notes to the Statement of Cash Flows	30
Note 19	Contingent Liabilities	31
Note 20	Capital Commitments	31
Note 21	Related Party Transactions	32
Note 22	Investment in Associates	34
Note 23	Financial Risk Management	36
Note 24	Events Occurring After the End of the Reporting Period	40
Note 25	Other Significant Accounting Policies	41
Note 26	Function and Activity	42
Note 27	Rating Information	44
Note 28	Determination of Surplus or Deficit	45
Note 29	Borrowing and Lease Liabilities	46
Note 30	Reserve accounts	50
Note 31	Trust Funds	52

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

1. BASIS OF PREPARATION

The financial report comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

Local Government Act 1995 requirements

Section 6.4(2) of the *Local Government Act 1995* read with the *Local Government (Financial Management) Regulations 1996* prescribe that the financial report be prepared in accordance with the *Local Government Act 1995* and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards. The Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and Interpretations of the Australian Accounting Standards Board were applied where no inconsistencies exist.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost, and is considered a zero cost concessionary lease. All right-of-use assets under zero cost concessionary leases are measured at zero cost rather than at fair value, except for vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the City to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this financial report have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the financial report has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The local government reporting entity

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 31 of the financial report.

Judgements and estimates

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

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- impairment of financial assets
- estimation of fair values of land and buildings, infrastructure and investment property
- estimation uncertainties made in relation to lease accounting

Initial application of accounting standards

During the current year, the following new or revised Australian Accounting Standards and Interpretations were applied for the first time.

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date
- AASB 2021-7a Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [general editorials]
- AASB 2022-3 Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit Entities accompanying AASB 15

These amendments have no material impact on the current annual financial report

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies or Definition of Accounting Estimates
- This standard will result in a terminology change for significant accounting policies
- AASB 2021-7c Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-7 Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards
- AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

Except as described above these amendments are not expected to have any material impact on the financial report on initial application.

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

2. REVENUE AND EXPENSES

(a) Revenue

Contracts with customers

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Timing of revenue recognition
Grants, subsidies and contributions	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations
Fees and charges - licences, registrations, approvals	Building, planning, development and animal management.	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility

Consideration from contracts with customers is included in the transaction price.

Revenue Recognition

Revenue recognised during the year under each basis of recognition by nature of goods or services is provided in the table below:

For the year ended 30 June 2023

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	53,404,655	0	53,404,655
Grants, subsidies and contributions	0	0	0	4,528,026	4,528,026
Fees and charges	25,427,410	0	0	0	25,427,410
Service charges	0	0	1,199,188	0	1,199,188
Interest revenue	0	0	422,938	1,538,780	1,961,718
Other revenue	0	0	0	2,582,661	2,582,661
Capital grants, subsidies and contributions	0	5,370,023	0	0	5,370,023
Total	25,427,410	5,370,023	55,026,781	8,649,467	94,473,681

For the year ended 30 June 2022

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	50,251,586	0	50,251,586
Grants, subsidies and contributions	2,827,650	0	0	1,641,835	4,469,485
Fees and charges	19,085,255	0	3,384,200	0	22,469,455
Service charges	0	0	8,804	0	8,804
Interest revenue	0	0	406,917	217,846	624,763
Other revenue	0	0	0	1,941,482	1,941,482
Capital grants, subsidies and contributions	0	4,055,751	0	0	4,055,751
Total	21,912,905	4,055,751	54,051,507	3,801,163	83,821,326

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Note	2023 Actual	2022 Actual
	\$	\$
Interest revenue		
Interest on reserve account funds	370,451	42,392
Rates instalment and penalty interest	422,938	406,917
Other interest revenue	1,168,329	175,454
	<u>1,961,718</u>	<u>624,763</u>
The 2023 original budget estimate in relation to: Rates instalment and penalty interest was \$418,500.		
Fees and charges relating to rates receivable		
Charges on instalment plan	121,830	121,557
The 2023 original budget estimate in relation to: Charges on instalment plan was \$130,000.		

(b) Expenses

Auditors remuneration		
- Audit of the Annual Financial Report	254,640	90,000
- Other services – grant acquittals	47,345	31,723
	<u>301,985</u>	<u>121,723</u>
Employee Costs		
Employee benefit costs	9,045,041	8,355,770
Other employee costs	31,789,354	29,616,542
	<u>40,834,395</u>	<u>37,972,312</u>
Finance costs		
Borrowings	455,803	526,528
Lease liabilities	115,160	41,878
	<u>570,963</u>	<u>568,406</u>
Other expenditure		
Sundry expenses	1,428,039	1,498,736
	<u>1,428,039</u>	<u>1,498,736</u>

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

3. CASH AND CASH EQUIVALENTS

	Note	2023 \$	2022 \$
Cash at bank and on hand		7,639,294	2,558,657
Term deposits		3,172,209	4,054,591
Total cash and cash equivalents	18(a)	10,811,503	6,613,248
Held as			
- Unrestricted cash and cash equivalents		4,544,316	394,726
- Restricted cash and cash equivalents	18(a)	6,267,187	6,218,522
		10,811,503	6,613,248

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

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

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest.

Restricted financial assets

Restricted financial asset balances are not available for general use by the local government due to externally imposed restrictions. Restrictions are specified in an agreement, contract or legislation. This applies to reserve accounts, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement and for which no liability has been recognised.

4. OTHER FINANCIAL ASSETS

		2023 \$	2022 \$
(a) Current assets			
Financial assets at amortised cost		26,500,033	27,500,033
		26,500,033	27,500,033
Other financial assets at amortised cost			
Term deposits - Restricted Reserves	28(b)	10,543,904	6,629,760
Term deposits - Unrestricted		15,956,129	20,870,273
		26,500,033	27,500,033
Held as			
- Unrestricted other financial assets at amortised cost		15,956,129	20,870,273
- Restricted other financial assets at amortised cost	18(a)	10,543,904	6,629,760
		26,500,033	27,500,033
(b) Non-current assets			
Financial assets at fair value through profit or loss		203,724	194,509
		203,724	194,509
Financial assets at fair value through profit or loss			
Units in Local Government House Trust - opening balance		194,509	184,517
Movement attributable to fair value increment		9,215	9,992
Units in Local Government House Trust - closing balance		203,724	194,509

Fair value of financial assets at fair value through profit or loss is determined from the net asset value of the units held in the Trust at balance date as compiled by WALGA.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets is either close to current market rates or the assets are of a short term nature. Non-current financial assets at amortised cost fair values are based on discounted cash flows using a current market rates. They are classified as level 2 fair values in the fair value hierarchy (see Note 25 (i)) due to the observable market rates).

Interest received is presented under cashflows from operating activities in the Statement of Cash Flows where it is earned from financial assets that are held for cash management purposes.

Financial assets at fair value through profit or loss

The City has elected to classify the following financial assets at fair value through profit or loss:

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

Impairment and risk

Information regarding impairment and exposure to risk can be found at Note 23.

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

5. TRADE AND OTHER RECEIVABLES

	Note	2023 \$	2022 \$
Current			
Rates and statutory receivables		1,029,038	760,964
Trade receivables		918,287	825,170
GST receivable		186,648	342,075
Receivables for employee related provisions	16	171,911	311,770
Allowance for credit losses of trade receivables	23(b)	(160,938)	(165,134)
Prepayments		88,401	44,954
		<u>2,233,347</u>	<u>2,119,799</u>
Non-current			
Rates and statutory receivables		627,187	617,324
Receiv NC Deferred Debtors General		367,192	0
Receivables for employee related provisions - Non current		65,320	0
		<u>1,059,699</u>	<u>617,324</u>

Disclosure of opening and closing balances related to contracts with customers

	Note	30 June 2023 Actual \$	30 June 2022 Actual \$	1 July 2021 Actual \$
Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:				
Trade and other receivables from contracts with customers		918,287	825,170	689,864
Allowance for credit losses of trade receivables	5	(160,938)	(165,134)	(170,969)
Total trade and other receivables from contracts with customers		<u>757,349</u>	<u>660,036</u>	<u>518,895</u>

SIGNIFICANT ACCOUNTING POLICIES

Rates and statutory receivables

Rates and statutory receivables are non-contractual receivables arising from statutory requirements and include amounts due from ratepayers for unpaid rates and service charges and other statutory charges or fines.

Rates and statutory receivables are recognised when the taxable event has occurred and can be measured reliably.

Trade receivables

Trade receivables are amounts receivable from contractual arrangements with customers for goods sold, services performed or grants or contributions with sufficiently specific performance obligations as part of the ordinary course of business.

Other receivables

Other receivables are amounts receivable from contractual arrangements with third parties other than contracts with customers including grants for the construction of recognisable non financial assets.

Measurement

Trade and other receivables are recognised initially at the amount of the transaction price, unless they contain a significant financing component, and are to be recognised at fair value.

Classification and subsequent measurement

Receivables which are generally due for settlement within 30 days except rates receivables which are expected to be collected within 12 months are classified as current assets. All other receivables such as, deferred pensioner rates receivable after the end of the reporting period are classified as non-current assets.

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

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

Impairment and risk exposure

Information about the impairment of trade receivables and their exposure to credit risk and interest rate risk can be found in Note 23.

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

6. INVENTORIES

	Note	2023	2022
Current		\$	\$
Fuel and materials		28,878	79,197
Visitor centre stock		120,813	106,925
		<u>149,691</u>	<u>186,122</u>

The following movements in inventories occurred during the year:

Balance at beginning of year	186,122	133,134
Inventories expensed during the year	(441,461)	(297,073)
Additions to inventory	<u>405,030</u>	<u>350,061</u>
Balance at end of year	149,691	186,122

SIGNIFICANT ACCOUNTING POLICIES

General

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

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

Land held for resale

Land held for development and resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development.

Land held for resale (Continued)

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

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

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

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

7. OTHER ASSETS

	2023	2022
	\$	\$
Other assets - current		
Accrued income	348,273	75,477
	<u>348,273</u>	<u>75,477</u>
Non-current assets held for sale		
Land	4,546,299	4,243,000
	<u>4,546,299</u>	<u>4,243,000</u>

Land classified as held for sale

During the year council elected to dispose of land and building on Parry Street. The property is currently being marketed for sale, with a number of parties having already shown an interest in the property.

SIGNIFICANT ACCOUNTING POLICIES

Other current assets

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Non-current assets held for sale

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

Contract assets

Contract assets primarily relate to the City's right to consideration for work completed but not billed at the end of the period.

Impairment of assets associated with contracts with customers are detailed at Note 2(b).

Non-current assets held for sale (Continued)

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

The fair value of land and buildings was determined using the sales comparison approach using comparable properties in the area. This is a level 2 measurement as per the fair value hierarchy set out in Note 25(i).

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

8. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Balances

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

	Land \$	Buildings - non- specialised \$	Total land and buildings	Furniture and equipment \$	Plant and equipment \$	Buildings - work in progress \$	Total property, plant and equipment \$
Balance at 1 July 2021	74,562,510	119,237,383	193,799,893	5,650,499	4,220,178	52,153,472	255,824,042
Additions	0	11,240,704	11,240,704	62,411	0	1,103,802	12,406,917
Disposals	0	0	0	0	(44,709)	0	(44,709)
Depreciation	0	(4,560,477)	(4,560,477)	(159,135)	(434,656)	0	(5,154,268)
Transfers	0	51,788,929	51,788,929	0	0	(51,788,929)	0
Balance at 30 June 2022	74,562,510	177,706,539	252,269,049	5,553,775	3,740,813	1,468,345	263,031,982
Comprises:							
Gross balance amount at 30 June 2022	74,562,510	293,151,853	367,714,363	7,686,226	10,790,123	1,468,345	387,659,057
Accumulated depreciation at 30 June 2022	0	(115,445,314)	(115,445,314)	(2,132,451)	(7,049,310)	0	(124,627,075)
Balance at 30 June 2022	74,562,510	177,706,539	252,269,049	5,553,775	3,740,813	1,468,345	263,031,982
Change in accounting policy							0
Restated balance at 1 July 2022	74,562,510	177,706,539	252,269,049	5,553,775	3,740,813	1,468,345	263,031,982
Additions	0	2,925,932	2,925,932	24,916	23,837	0	2,974,685
Disposals	0	0	0	0	(31,447)	0	(31,447)
Revaluation increments / (decrements) transferred to revaluation surplus	6,826,237	55,129,839	61,956,076	0	0	0	61,956,076
Depreciation	0	(5,237,782)	(5,237,782)	(158,720)	(429,685)	0	(5,826,187)
Transfers to/from WIP	0	350,166	350,166	7,827	503,406	(870,699)	(9,300)
Balance at 30 June 2023	81,388,747	230,874,694	312,263,441	5,427,798	3,806,924	597,646	322,095,809
Comprises:							
Gross balance amount at 30 June 2023	81,388,747	389,151,807	470,540,554	7,709,068	11,238,912	597,646	490,086,180
Accumulated depreciation at 30 June 2023	0	(158,277,113)	(158,277,113)	(2,281,270)	(7,431,988)	0	(167,990,371)
Balance at 30 June 2023	81,388,747	230,874,694	312,263,441	5,427,798	3,806,924	597,646	322,095,809

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

8. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Carrying Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value					
Land and buildings					
Land	Level 2/3	Market approach using recent observable market data for similar properties	Independent registered valuers / Management valuation	June 2023	Price per hectare
Land	Level 2/3	Market approach using estimated data for similar properties	Independent registered valuers / Management valuation	June 2023	Estimated price per hectare
Buildings - non-specialised	Level 2/3	Market approach using recent observable data for similar properties or cost approach using depreciated replacement cost.	Independent registered valuers / Management valuation	June 2023	Average cost of construction by component (Level 2), current condition, residual values and remaining useful life assessment (Level 3) inputs.
Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.					
During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.					
(ii) Cost					
Furniture and equipment	N/A	N/A	Cost	Not applicable	N/A
Plant and equipment	N/A	N/A	Cost	Not applicable	N/A
Buildings - work in progress	N/A	N/A	Cost	Not applicable	N/A

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. INFRASTRUCTURE

(a) Movements in Balances

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

	Infrastructure - roads	Infrastructure - Paths	Infrastructure - Drainage	Infrastructure - Parks	Infrastructure - Other	Other infrastructure-WIP	Total Infrastructure
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2021	75,870,810	28,807,622	31,219,617	9,670,227	6,549,098	6,267,681	158,385,055
Additions	306,482	21,477	12,292	0	62,471	4,934,724	5,337,446
Depreciation	(2,092,737)	(907,550)	(563,425)	(1,283,078)	(275,279)	0	(5,122,069)
Transfers	38,450			1,534,669		(2,185,856)	(612,737)
Balance at 30 June 2022	74,123,005	27,921,549	30,668,484	9,921,818	6,336,290	9,016,549	157,987,695
Comprises:							
Gross balance at 30 June 2022	120,220,802	47,115,887	51,704,800	23,964,735	13,343,678	9,016,549	265,366,451
Accumulated depreciation at 30 June 2022	(46,097,797)	(19,194,338)	(21,036,316)	(14,042,917)	(7,007,388)	0	(107,378,756)
Balance at 30 June 2022	74,123,005	27,921,549	30,668,484	9,921,818	6,336,290	9,016,549	157,987,695
Change in accounting policy							
Restated balance at 1 July 2022	74,123,005	27,921,549	30,668,484	9,921,818	6,336,290	9,016,549	157,987,695
Additions	1,237,635	178,743	138,420	2,792,920	2,199,447	0	6,547,165
Revaluation increments / (decrements) transferred to revaluation surplus	91,056,435	15,261,678	17,265,249	54,353,465	1,647,879	0	179,584,696
Depreciation	(2,147,470)	(908,484)	(562,100)	(1,582,387)	(275,757)	0	(5,476,198)
Transfers	1,897,022	596,803	(25,286)	4,272,963	1,222,532	(7,954,733)	9,301
Balance at 30 June 2023	166,166,627	43,050,289	47,484,767	69,758,769	11,130,391	1,061,816	338,652,659
Comprises:							
Gross balance at 30 June 2023	264,631,210	102,887,598	72,932,096	146,106,185	30,412,624	1,061,816	618,031,529
Accumulated depreciation at 30 June 2023	(98,464,583)	(59,837,309)	(25,447,329)	(76,347,416)	(19,282,233)	0	(279,378,870)
Balance at 30 June 2023	166,166,627	43,050,289	47,484,767	69,758,769	11,130,391	1,061,816	338,652,659

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

9. INFRASTRUCTURE (Continued)

(b) Carrying Value Measurements

(i) Fair Value		Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(ii) Current Replacement Cost	Infrastructure - roads - WIP	Infrastructure - roads	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Paths	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Drainage	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Parks	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Other	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Other - WIP	N/A	N/A	Cost	Not applicable	N/A
(ii) Current Replacement Cost	Infrastructure - roads - WIP	Infrastructure - roads	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Paths	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Drainage	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Parks	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Other	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2023	The unit rates (Level 2), asset condition, residual values, pattern of consumption and remaining useful life assessments (Level 3) inputs.
		Infrastructure - Other - WIP	N/A	N/A	Cost	Not applicable	N/A

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

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

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

10. FIXED ASSETS

(a) Depreciation

Depreciation rates

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

Asset Class	Useful life
Land - freehold land	Not depreciated
Buildings - non-specialised	0 - 100
Furniture and equipment	7 - 50
Plant and equipment	5 - 40
Infrastructure - roads	20 - 90
Infrastructure - Paths	20 - 80
Infrastructure - Drainage	80 - 100
Infrastructure - Parks	10 - 80
Infrastructure - Other	10 - 90

(b) Temporarily Idle or retired from use assets

The carrying value of assets held by the City which are temporarily idle or retired from active use and not classified as held for sale are shown in the table below.

	2023	2022
	\$	\$
Buildings - non-specialised	1,240,576	0
	<u>1,240,576</u>	<u>0</u>

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

10. FIXED ASSETS (Continued)

SIGNIFICANT ACCOUNTING POLICIES

Fixed assets

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

Initial recognition and measurement for assets held at cost

Plant and equipment including furniture and equipment is recognised at cost on acquisition in accordance with *Financial Management Regulation 17A*. Where acquired at no cost, the asset is initially recognised at fair value. Assets held at cost are depreciated and assessed for indicators of impairment annually.

Initial recognition and measurement between mandatory revaluation dates for assets held at fair value

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

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

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

Individual assets that are land, buildings, infrastructure and investment properties acquired between scheduled revaluation dates of the asset class in accordance with the City's revaluation policy, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair. They are subject to subsequent revaluation at the next revaluation date consistent with *Financial Management Regulation 17A(4)*.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on vested land acquired by the City.

At the end of each period, the carrying amount for each asset class is reviewed and, where appropriate, the fair value is updated to reflect current market conditions consistent with *Financial Management Regulation 17A(2)* which requires land, buildings infrastructure, investment properties and vested improvements to be shown at fair value.

Revaluation (continued)

For property, plant and equipment and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss. Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

Depreciation

The depreciable amount of all property, plant and equipment and infrastructure, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

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

Depreciation on revaluation

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

- (i) The gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset.
- (ii) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

Amortisation

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

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

Impairment

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

Gains or losses on disposal

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

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

11. LEASES

(a) Right-of-Use Assets

Movement in the balance of each class of right-of-use asset between the beginning and the end of the current financial year.	Note	Right-of-use assets - land and buildings	Right-of-use assets - plant and equipment	Right-of-use assets Total
		\$	\$	\$
Balance at 1 July 2021		1,108,588	682,102	1,790,690
Additions		0	19,435	19,435
Depreciation		(156,612)	(246,022)	(402,634)
Balance at 30 June 2022		951,976	455,515	1,407,491
Gross balance amount at 30 June 2022		1,475,043	1,520,493	2,995,536
Accumulated depreciation at 30 June 2022		(523,067)	(1,064,978)	(1,588,045)
Balance at 30 June 2022		951,976	455,515	1,407,491
Additions		0	2,190,015	2,190,015
Prior Year Adjustment		0	5,321	5,321
Depreciation		(139,571)	(963,326)	(1,102,897)
Balance at 30 June 2023		812,405	1,687,525	2,499,930
Gross balance amount at 30 June 2023		1,475,043	3,715,829	5,190,872
Accumulated depreciation at 30 June 2023		(662,638)	(2,028,304)	(2,690,942)
Balance at 30 June 2023		812,405	1,687,525	2,499,930
The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:		2023 Actual		2022 Actual
		\$		\$
Depreciation on right-of-use assets		(1,102,897)		(402,634)
Finance charge on lease liabilities	29(b)	(115,160)		(41,878)
Short-term lease payments recognised as expense		(33,497)		(88,059)
Expenses for variable lease payment not recognised as a liability		(29,331)		(140,846)
Total amount recognised in the statement of comprehensive income		(1,280,885)		(673,417)
Total cash outflow from leases		(1,189,648)		(437,122)
(b) Lease Liabilities				
Current		1,005,825		307,718
Non-current		1,549,291		1,131,872
	29(b)	2,555,116		1,439,590

The City has 7 leases relating to plant and equipment and 4 leases related to land and buildings. The lease term is normally between 2 years to 10 years. Refer to Note 29(b) for details of lease liabilities.

Secured liabilities and assets pledged as security

Lease liabilities are effectively secured, as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.

SIGNIFICANT ACCOUNTING POLICIES

Leases

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

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

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

Details of individual lease liabilities required by regulations are provided at Note 29(b).

Right-of-use assets - measurement

Right-of-use assets are measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not recognised in the Statement of Financial Position). The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which are reported at fair value.

Right-of-use assets - depreciation

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

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

11. LEASES (Continued)

(c) Lessor - Property, Plant and Equipment Subject to Lease

	2023 Actual	2022 Actual
	\$	\$
The table below represents a maturity analysis of the undiscounted lease payments to be received after the reporting date.		
Less than 1 year	3,189,013	2,198,712
1 to 2 years	2,821,793	2,136,668
2 to 3 years	2,400,424	1,756,770
3 to 4 years	1,697,354	1,390,196
4 to 5 years	1,380,097	1,371,281
> 5 years	6,473,762	7,444,008
	17,962,443	16,297,635

Amounts recognised in profit or loss for Property, Plant and Equipment Subject to Lease

Rental income	2,923,030	2,652,154
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The City leases commercial properties to tenants with rentals payable monthly. These leases are classified as operating leases as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets to the lessee.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the City is exposed to changes in the residual value at the end of the current leases, the City typically enters into new operating leases and therefore will not immediately realise any reduction in the residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

Refer to note 12 for details of leased investment property.

SIGNIFICANT ACCOUNTING POLICIES

The City as Lessor

Upon entering into each contract as a lessor, the City assesses if the lease is a finance or operating lease.

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases. Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (eg legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

When a contract is determined to include lease and non-lease components, the City applies AASB 15 to allocate the consideration under the contract to each component.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

12. INVESTMENT PROPERTY

	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$
Non-current assets - at fair value			
Carrying balance at 1 July	22,658,363		22,658,363
Acquisitions	48,895		0
Net gain/(loss) from fair value adjustment	46,467		0
Closing balance at 30 June	22,753,725		22,658,363
Amounts recognised in profit or loss for investment properties			
Rental income	745,198	776,270	851,957
Reimbursement Income	8,467	12,700	12,669
Direct operating expenses from property that generated rental income	8,492	12,700	(10,455)
Fair value gain recognised in profit or loss	46,467	0	0
	808,624	801,670	854,171
Leasing arrangements			
Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:			
Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:			
Less than 1 year	863,451		788,970
1 to 2 years	876,403		800,805
2 to 3 years	889,549		812,817
3 to 4 years	902,892		825,009
4 to 5 years	916,435		837,384
> 5 years	1,874,317		1,712,639
	6,323,047		5,777,624

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the City is a lessor is recognised in income on a straightline basis over the lease term.

Lease payments for some contracts include CPI increases, but there are no other variable lease payments that depend on an index or rate. Although the City is exposed to changes in the residual value at the end of the current leases, the City group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the properties.

Refer to note 11 for details of leased property, plant and equipment not classified as investment property

SIGNIFICANT ACCOUNTING POLICIES

Investment properties

Investment properties are principally freehold buildings, held for long-term rental yields and not occupied by the City. Investment properties are carried at fair value in accordance with the significant accounting policies disclosed at note 10.

Fair value of investment properties

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

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

13. TRADE AND OTHER PAYABLES

	2023	2022
	\$	\$
Current		
Sundry creditors	2,407,171	3,178,180
Accrued interest on debentures	84,320	106,424
Accrued payroll liabilities	931,439	789,765
Accrued Expenses	2,124,345	2,299,822
Receipts in advance	202,157	183,625
Deferred Income	12,964	12,964
Prepaid rates	634,011	688,297
Bonds and deposits held	1,015,590	1,331,786
	<u>7,411,997</u>	<u>8,590,863</u>
Non-current		
Deferred Income	29,494	42,458
	<u>29,494</u>	<u>42,458</u>

SIGNIFICANT ACCOUNTING POLICIES

Financial liabilities

Financial liabilities are initially recognised at fair value when the City becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and any consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Prepaid rates

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

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

14. OTHER LIABILITIES

	2023	2022
	\$	\$
Current		
Contract liabilities	549,539	890,975
Capital grant/contributions liabilities	4,702,058	3,995,761
	<u>5,251,597</u>	<u>4,886,736</u>
Reconciliation of changes in contract liabilities		
Opening balance	890,975	1,018,543
Additions	549,539	890,975
Revenue from contracts with customers included as a contract liability at the start of the period	(890,975)	(1,018,543)
	<u>549,539</u>	<u>890,975</u>
The aggregate amount of the performance obligations unsatisfied (or partially unsatisfied) in relation to these contract liabilities was \$5,251,597 (2022: \$4,886,736)		
The City expects to satisfy the performance obligations, from contracts with customers unsatisfied at the end of the reporting period, within the next 12 months.		
Reconciliation of changes in capital grant/contribution liabilities		
Opening balance	3,995,761	5,062,932
Additions	706,297	3,995,761
Revenue from capital grant/contributions held as a liability at the start of the period	0	(5,062,932)
	<u>4,702,058</u>	<u>3,995,761</u>
Expected satisfaction of capital grant/contribution liabilities		
Less than 1 year	4,702,058	3,995,761
	<u>4,702,058</u>	<u>3,995,761</u>

Performance obligations in relation to capital grant/contribution liabilities are satisfied as project milestones are met or completion of construction or acquisition of the asset.

SIGNIFICANT ACCOUNTING POLICIES

Contract liabilities

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

Contract liabilities represent obligations which are not yet satisfied. Contract liabilities are recognised as revenue when the performance obligations in the contract are satisfied.

Capital grant/contribution liabilities

Capital grant/contribution liabilities represent the City's obligations to construct recognisable non-financial assets to identified specifications to be controlled by the City which are yet to be satisfied. Capital grant/contribution liabilities are recognised as income when the obligations in the contract are satisfied.

Fair values for non-current capital grant/contribution liabilities, not expected to be extinguished within 12 months, are based on discounted cash flows of expected cashflows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

15. BORROWINGS

		2023			2022		
	Note	Current	Non-current	Total	Current	Non-current	Total
Secured		\$	\$	\$	\$	\$	\$
Debentures		1,842,566	18,160,049	20,002,615	1,909,327	20,002,614	21,911,941
Loans- Associates Funded		18,493	376,237	394,730	391,200	396,720	787,920
Total secured borrowings	29(a)	1,861,059	18,536,286	20,397,345	2,300,527	20,399,334	22,699,861

Secured liabilities and assets pledged as security

Debentures, bank overdrafts and bank loans are secured by a floating charge over the assets of the City of Fremantle. Other loans relate to transferred receivables. Refer to Note 5.

The City of Fremantle has complied with the financial covenants of its borrowing facilities during the 2023 and 2022 years.

SIGNIFICANT ACCOUNTING POLICIES

Borrowing costs

The City has elected to recognise borrowing costs as an expense when incurred regardless of how the borrowings are applied.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short term nature.

Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 25(i)) due to the unobservable inputs, including own credit risk.

Risk

Information regarding exposure to risk can be found at Note 23.

Details of individual borrowings required by regulations are provided at Note 29(a).

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

16. EMPLOYEE RELATED PROVISIONS

Employee Related Provisions

	2023	2022
	\$	\$
Current provisions		
Employee benefit provisions		
Annual leave	2,667,093	2,871,591
Long service leave	3,144,041	2,940,999
	<u>5,811,134</u>	<u>5,812,590</u>
Non-current provisions		
Employee benefit provisions		
Long service leave	1,242,234	746,709
	<u>1,242,234</u>	<u>746,709</u>
Total employee related provisions	<u>7,053,368</u>	<u>6,559,299</u>

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave and associated on costs for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

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

	Note	2023	2022
		\$	\$
Amounts are expected to be settled on the following basis:			
Less than 12 months after the reporting date		5,811,134	5,812,590
More than 12 months from reporting date		1,242,234	746,709
		<u>7,053,368</u>	<u>6,559,299</u>

Expected reimbursements of employee related provisions from other WA local governments included within other receivables	5	237,231	311,770
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SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

The City's obligations for employees' annual leave, long service leave and other employee leave entitlements are recognised as employee related provisions in the Statement of Financial Position.

Short-term employee benefits

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

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

Other long-term employee benefits

Long-term employee benefits provisions are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

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

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

17. REVALUATION SURPLUS

	2023 Opening Balance	Total Movement on Revaluation	2023 Closing Balance	2022 Opening Balance	2022 Closing Balance
	\$	\$	\$	\$	\$
Revaluation surplus - Land - freehold land	83,244,847	6,826,237	90,071,084	83,244,847	83,244,847
Revaluation surplus - Buildings - non-specialised	91,694,109	55,129,839	146,823,948	91,694,109	91,694,109
Revaluation surplus - Infrastructure - Roads	49,110,388	91,056,435	140,166,823	49,110,388	49,110,388
Revaluation surplus - Infrastructure - Paths	10,533,151	15,261,678	25,794,829	10,533,151	10,533,151
Revaluation surplus - Infrastructure - Drainage	24,401,607	17,265,249	41,666,856	24,401,607	24,401,607
Revaluation surplus - Infrastructure - Parks	826,391	54,353,455	55,179,846	826,391	826,391
Revaluation surplus - Infrastructure - Other	6,311,656	1,647,879	7,959,535	6,311,656	6,311,656
	266,122,149	241,540,772	507,662,921	266,122,149	266,122,149

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

18. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	Note	2023 Actual \$	2022 Actual \$
Cash and cash equivalents	3	10,811,503	6,613,248

Restrictions

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

- Cash and cash equivalents	3	6,267,187	6,218,522
- Financial assets at amortised cost	4	10,543,904	6,629,760
		16,811,091	12,848,282

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

Restricted reserve accounts	30	10,543,904	6,629,760
Contract liabilities	14	549,539	890,975
Capital grant liabilities	14	4,702,058	3,995,761
Bonds and Deposits Held		1,015,590	1,331,786
Total restricted financial assets		16,811,091	12,848,282

**(b) Reconciliation of Net Result to Net Cash Provided
By Operating Activities**

Net result		3,676,887	2,111,042
Non-cash items:			
Adjustments to fair value of financial assets at fair value through profit or loss		(9,215)	(9,992)
Adjustments to fair value of investment property		(46,467)	0
Adjustments to fair value of assets held for sale		(303,299)	0
Depreciation/amortisation		12,405,282	10,678,971
(Profit)/loss on sale of asset		9,398	(1,797)
Share of profits of associates		1,521,880	533,753
Changes in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(555,923)	465,623
(Increase)/decrease in other assets		(278,117)	(47,013)
(Increase)/decrease in inventories		36,431	(52,988)
Increase/(decrease) in trade and other payables		(1,191,830)	2,089,527
Increase/(decrease) in employee related provisions		494,069	(477,066)
Increase/(decrease) in other liabilities		364,858	(1,207,703)
Capital grants, subsidies and contributions		(6,056,922)	(4,055,751)
Net cash provided by/(used in) operating activities		10,067,032	10,026,606

(c) Undrawn Borrowing Facilities

Credit Standby Arrangements

Credit card limit	450,000	450,000
Credit card balance at balance date	0	(13,273)
Total amount of credit unused	450,000	436,727

Loan facilities

Loan facilities - current	1,861,059	2,300,527
Loan facilities - non-current	18,536,286	20,399,334
Total facilities in use at balance date	20,397,345	22,699,861

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

19. CONTINGENT LIABILITIES

In compliance with the *Contaminated Sites Act 2003*, the City has identified possible sites of contamination

Until the City conducts an investigation to determine the presence and scope of contamination, assesses risk and agrees with the Department of Water and Environmental Regulation on the need and criteria for remediation, the City is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Water and Environment Regulation guidelines.

20. CAPITAL COMMITMENTS

	2023	2022
	\$	\$
Contracted for:		
- capital expenditure projects	2,004,886	2,615,081
	2,004,886	2,615,081
Payable:		
- not later than one year	2,004,886	2,615,081

The capital expenditure projects outstanding at the end of the current reporting period mainly represents:

Project Description	\$
(i) Design and construct-Port Beach coastal adaptation	441,464
(ii) Design and construct - Arts Centre - Roof	325,425
(iii) Design & construct-South Beach-Changerooms	255,068
(iv) Design and construct - North Fremantle Bowling Club	148,575
(v) John Street Riverwall Replacement Works	145,064
(vi) Design and construct - Hilton Bowling Club - Green	106,058
(vii) Install - William St – Trees	93,874
(viii) Footpath - Hampton Rd	77,032

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

21. RELATED PARTY TRANSACTIONS

(a) Elected Member Remuneration

Fees, expenses and allowances to be paid or reimbursed to elected council members.

Note	2023 Actual	2023 Budget	2022 Actual
	\$	\$	\$
Mayor's annual allowance	89,753	91,997	77,336
Mayor's meeting attendance fees	48,704	48,704	58,128
Mayor's child care expenses	0	0	503
Mayor's annual allowance for ICT expenses	3,500	3,500	3,676
Mayor's travel and accommodation expenses	1,757	0	9
	143,714	144,201	139,652
Deputy Mayor's annual allowance	22,999	22,999	11,761
Deputy Mayor's meeting attendance fees	32,470	32,470	19,674
Deputy Mayor's annual allowance for ICT expenses	3,500	3,500	2,174
	58,969	58,969	33,609
All other council member's meeting attendance fees	351,759	357,170	353,394
All other council member's All other council member expenses	759	0	2,454
All other council member's annual allowance for ICT expenses	38,500	38,500	39,236
All other council member's travel and accommodation expenses	477	0	0
	391,495	395,670	395,276
21(b)	594,178	598,840	568,537

(b) Key Management Personnel (KMP) Compensation

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

Note	2023 Actual	2022 Actual
	\$	\$
Short-term employee benefits	1,152,598	1,195,560
Post-employment benefits	111,999	117,007
Employee - other long-term benefits	44,900	35,929
Employee - termination benefits	0	73,171
Council member costs	594,178	568,537
	1,903,676	1,990,204

Short-term employee benefits

These amounts include all salary and fringe benefits awarded to KMP except for details in respect to fees and benefits paid to council members which may be separately found in the table above.

Post-employment benefits

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

Other long-term benefits

These amounts represent annual leave and long service leave entitlements accruing during the year.

Termination benefits

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

Council member costs

These amounts represent payments of member fees, expenses, allowances and reimbursements during the year.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

21. RELATED PARTY TRANSACTIONS

Transactions with related parties

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

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

In addition to KMP compensation above the following transactions occurred with related parties:

	2023 Actual	2022 Actual
	\$	\$
Sale of goods and services	0	2,788
Purchase of goods and services	0	1,030

Related Parties

The City's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any council member, are considered key management personnel and are detailed in Notes 21(a) and 21(b)

ii. Other Related Parties

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

Any entity that is controlled by or over which KMP, or close family members of KMP, have authority and responsibility for planning, directing and controlling the activity of the entity, directly or indirectly, are considered related parties in relation to the City.

Outside of normal citizen type transactions with the City, there were no other related party transactions involving key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

iii. Entities subject to significant influence by the City

There were no such entities requiring disclosure during the current or previous year.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

22. INVESTMENT IN ASSOCIATES

Investment in associates

Set out in the table below are the associates of the City. All associates are measured using the equity method. Western Australia is the principal place of business for all associates.

Name of entity	% of ownership interest		2023	2022
	2023	2022	Actual	Actual
			\$	\$
Southern Metropolitan Regional Council (SMRC) [known now as Resource Recovery Group (RRG)]				
	20.99%	20.92%	2,346,790	5,321,212
SMRC Existing Undertakings Proportional Equity Share:	20.99%	20.92%		
Office Accommodation Project Proportional Equity Share:	21.29%	21.17%		
RRRC Project Proportional Equity Share:	20.86%	20.80%	0	0
Total equity-accounted investments			2,346,790	5,321,212

The SMRC is a statutory local government authority established in 1991 by the local governments of Canning, Cockburn, East Fremantle, Fremantle, Kwinana, Melville, and Rockingham.

The SMRC is responsible for developing environmentally sustainable waste management solutions for the communities of the Participants.

The member local governments have jointly agreed to establish SMRC under an Establishment Agreement and each participant may participate in regional projects that are governed by a Participants' Project Agreement.

There are two core projects, being:

1. The Regional Resource Recovery Centre (RRRC) Project and;
2. The Office Accommodation Project.

Both the projects were established through separate project participants' agreements. The City of Kwinana are not participants in the RRRC project. In addition to the above two projects, the support activities of SMRC such as Administrative activities, Education and Marketing and Research and Development, are referred to as Existing Undertakings.

Over the period the following local governments have since withdrawn from the Regional Council: City of Canning in June 2010, City of Rockingham in June 2012 and City of Cockburn in June 2019.

The Town of East Fremantle, at its Ordinary Council Meeting held on 20 June 2023 resolved to withdraw from the RRG and all associated projects, effective 1 July 2024. The City at its Ordinary Council Meeting held on 22 November 2023 resolved to withdraw from the RRG and all associated projects, effective 1 July 2025. See Note 24 Events occurring after the end of the reporting year.

(a) Existing Undertakings

The historical annual contributions made by Participants to the Existing Undertakings are used to determine the proportional contribution percentage of each Participant to the Existing Undertakings. The Council's share as at 30 June 2023:

SMRC Existing Undertakings Proportional Equity Share: **20.99%**

(b) Regional Resource Recovery Centre (RRRC) Project

RRRC Project Participants shall make an annual contribution towards the acquisition of any asset of a capital nature required by the Project, plus pay gate fees for each tonne of waste they deliver to the facility to cover the operating costs.

The annual contribution shall be an amount which bears the same proportion to the cost of the acquisition disclosed in the Project Budget for the financial year as the Population of the Project Participant bears to the total of the Populations of all Project Participants.

The capital costs for each participating Local Government member is based on the Australian Bureau of Statistics population statistics. Each project participant will develop equity in the project equal to the relevant proportion of the total capital loan repayments made by that project participant.

The Council's share as at 30 June 2023:

RRRC Project Proportional Equity Share: **20.86%**

RRRC - Lending Facility

The capital construction of the RRRC facility was funded by borrowings from Western Australian Treasury Corporation (WATC). The lending facility will be fully repaid on the 30 June 2023.

The SMRC administer the borrowings with the project participants making quarterly contributions equal to the repayment costs of these borrowings.

The Council guaranteed by way of agreement to its share of the loan liability to the SMRC and the WATC. The Council's estimated share of the project funding is based on population percentages as derived from the Australian Bureau of Statistics census. These are revised yearly over the life of the lending facility.

As at 30 June 2023, the Regional Resource Recovery Centre Loan has been fully repaid. T

he balance outstanding against the lending facility stood at:

0

With the Council's share of this liability being:

0

Using the current cost/profit sharing percentage of:

12.11%

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

22. INVESTMENT IN ASSOCIATES (Continued)

(c) Office Accommodation Project

The Office Project pertains to SMRC's office located at 9 Aldous Place, Booragoon, Western Australia.

The Council's equity share of the project is based on their proportional populations.

The Council's share as at 30 June 2023:

Office Accommodation Project Proportional Equity Share: **21.29%**

Office Accommodation - Lending Facility

As a SMRC participant, Council has guaranteed by way of security to the Western Australian Treasury Corporation, a charge over its general funds for its share of any outstanding debenture borrowings provided for the SMRC administration building at 9 Aldous Place Booragoon. This facility has a limit of \$2 million.

As at 30 June 2023, the balance outstanding against the lending facility stood at: **1,800,000**
 with the Council's share of this liability being: **400,860**
 using the current cost/profit sharing percentage of: **22.27%**

Resource Recovery Group (RRG)

Note	2023 Actual \$	2022 Actual \$
Current Assets	14,083,253	20,401,202
Non-Current Assets	19,091,744	30,332,453
Current Liabilities	(4,376,444)	(8,373,725)
Non-Current Liabilities	(12,358,062)	(9,436,836)
Net Assets (100%)	16,440,491	32,923,094
Revenue	16,752,088	18,191,425
Depreciation on Non-Current Assets	(4,740,647)	(4,613,629)
Finance costs	(414,999)	(43,876)
Net Result for the period	(9,519,311)	(3,327,051)
Impairment of RRRC WCF Assets through other comprehensive income	(6,963,290)	0
Total comprehensive income (100%)	(16,482,601)	(3,327,051)
City of Fremantle Share in Investment in Resource Recovery Group (RRG)		
Cash and cash equivalents	994,949	378,762
Other current assets	1,947,016	3,201,612
Total current assets	2,941,965	3,580,374
Non-current assets	2,921,861	5,177,103
Total assets	5,863,826	8,757,477
Current financial liabilities		
Other current liabilities	914,763	1,076,702
Total current liabilities	914,763	1,076,702
Non-current financial liabilities		
Other non-current liabilities	2,602,273	2,359,563
Total non-current liabilities	2,602,273	2,359,563
Total liabilities	3,517,036	3,436,265
Net assets	2,346,790	5,321,212
Reconciliation to carrying amounts		
Opening net assets 1 July	5,321,212	5,761,799
Changes in members contributions		93,166
Profit/(Loss) for the period	(1,521,880)	(533,753)
Other comprehensive income	(1,452,542)	0
Closing net asset 1 July	2,346,790	5,321,212
Carrying amount at 1 July	5,321,212	5,761,799
- Share of associates net profit/(loss) for the period	(1,521,880)	(533,753)
- Share of associates other comprehensive income arising during the period	(1,452,542)	0
- Distribution of equity by associate	0	93,166
Carrying amount at 30 June (Refer to Note 22)	2,346,790	5,321,212

SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the City has significant influence, that is it has the power to participate in the financial and operating policy decisions of the investee but not control or joint control of those policies.

Investments in associates are accounted for using the equity method. The equity method of accounting, is whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associate. In addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

23. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

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

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

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$	\$	\$	\$
2023					
Cash and cash equivalents	0.54%	10,811,503	3,172,209	7,639,294	0
Financial assets at amortised cost - term deposits	3.25%	26,500,033	26,500,033		
2022					
Cash and cash equivalents	0.04%	6,613,248	4,054,591	2,509,149	49,508
Financial assets at amortised cost - term deposits	0.71%	27,500,033	27,500,033		
Financial assets at amortised cost - Treasury bonds					

Sensitivity

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

	2023	2022
	\$	\$
Impact of a 1% movement in interest rates on profit or loss and equity*	76,393	25,091

* Holding all other variables constant

Borrowings

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 29(a).

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The City's major trade and other receivables comprise contractual non-statutory user fees and charges, grants, contributions and reimbursements. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies.

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

The City applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade and other receivables. To measure the expected credit losses, receivables from grants, contributions and reimbursements are separated from other trade receivables due to the difference in payment terms and security.

The expected loss rates are based on the payment profiles of trade and other receivables over a period of 36 months before 1 July 2022 or 1 July 2023 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of users to settle the receivables.

The loss allowance as at 30 June 2023 and 30 June 2022 was determined as follows for trade and other receivables.

	Current	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
30 June 2023					
Trade receivables					
Expected credit loss	2.72%	5.33%	14.85%	40.33%	
Gross carrying amount	628,202	14,904	31,540	343,016	1,017,662
Loss allowance	17,117	794	4,684	138,343	160,938
30 June 2022					
Trade receivables					
Expected credit loss	2.72%	5.33%	14.85%	23.29%	
Gross carrying amount	361,754	88,741	39,811	620,901	1,111,207
Loss allowance	9,857	4,730	5,912	144,635	165,134

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

23. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

The loss allowances for trade, other receivables and contract assets as at 30 June reconcile to the opening loss allowances as follows:

	Trade receivables		Other receivables		Contract Assets	
	2023	2022	2023	2022	2023	2022
	Actual	Actual	Actual	Actual	Actual	Actual
Opening loss allowance as at 1 July	\$ 165,134	\$ 170,969	\$ 0	\$ 0	\$ 0	\$ 0
Receivables written off during the year as uncollectible	(4,197)	(5,835)	0	0	0	0
Closing loss allowance at 30 June	160,937	165,134	0	0	0	0

Trade, other receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the City, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on rates and statutory receivables, trade, other receivables and contract assets are presented as net impairment losses within other expenditure. Subsequent recoveries of amounts previously written off are credited against the same line item.

Contract Assets

The City's contract assets represent work completed, which have not been invoiced at year end. This is due to the City not having met all the performance obligations in the contract which give an unconditional right to receive consideration. The City applies the simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all contract assets. To measure the expected credit losses, contract assets have been grouped based on shared credit risk characteristics and the days past due. Contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The City has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

23. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables and borrowings

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 18(c).

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

	Due within 1 year	Due between 1 & 5 years	Due after 5 years	Total contractual cash flows	Carrying values
<u>2023</u>	\$	\$	\$	\$	\$
Trade and other payables	7,411,997	29,494	0	7,441,491	7,411,997
Borrowings	1,863,049	5,460,684	13,079,742	20,403,475	20,397,345
Lease liabilities	267,630	671,904	187,820	1,127,354	2,555,116
	9,542,676	6,162,082	13,267,562	28,972,320	30,364,458
<u>2022</u>					
Trade and other payables	8,590,865	0	0	8,590,865	8,590,865
Borrowings	1,909,330	6,922,872	13,867,659	22,699,861	22,699,861
Lease liabilities	307,718	939,533	192,339	1,439,590	1,439,590
	10,807,913	7,862,405	14,059,998	32,730,316	32,730,316

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

24. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Following the end of the financial year ended 30 June 2023, the City at its Ordinary Council Meeting held on 22 November 2023 resolved to withdraw from the Resource Recovery Group (RRG, formerly SMRC) and all associated projects, effective 1 July 2025.

The other remaining participant of the RRG, City of Melville, also resolved at its Ordinary Council Meeting held on 21 November 2023 to withdraw from the RRG and all associated projects, effective from 1 July 2025.

These events occurred after the reporting period, and prior to issue of the City's financial report. Any financial impact to the City is unable to be estimated at the time of issue of the financial report.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

25. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

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

c) Rounding off figures

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

d) Comparative figures

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

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

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Interest revenue

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

i) Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

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

j) Impairment of assets

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

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

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

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

26. FUNCTION AND ACTIVITY

(a) Service objectives and descriptions

City operations as disclosed in this financial report encompass the following service orientated functions and activities.

Objective	Description
Governance To provide a decision making process for the efficient allocation of resources.	Includes the activities of members of the Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific Council services.
General purpose funding To collect revenue to allow the provision of services.	Rates, general purpose government grants and interest revenue.
Law, order, public safety To provide services to ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
Health To provide services to disadvantaged persons, the elderly, children and youth.	Inspection of food outlets and their control, provision of noise control and waste disposal compliance.
Education and welfare To provide services to disadvantaged persons, the elderly, children and youth.	Elderly person's activities and support, community services planning, disabled persons services, youth services, indigenous issues, meals on wheels centre, pre-schools and other welfare and voluntary persons.
Housing To provide and maintain elderly residence housing.	Provision and maintenance of elderly residence housing.
Community amenities To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban stormwater drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
Recreation and culture To establish and effectively manage infrastructure and resources which will help the social well-being of the community.	Maintenance of halls, recreation and cultural facilities, including sportsgrounds, parks, gardens, reserves, playgrounds and foreshore amenities. Maintenance of townscapes, and operation of libraries, leisure centres and art galleries.
Transport To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, drainage, single and dual use paths, bridges and traffic signs. Maintenance of road verges, strategic planning for transport and traffic flows, street lighting and street cleaning, parking control and parking operations.
Economic services To help promote the city and its economic well-being.	Tourism and area promotion, operation of the Visitor Centre, sister cities expenses, City marketing and economic development, implementation of building control.
Other property and services To monitor and control council's overhead operating accounts.	Private works operation, plant repair, public works overheads, land acquisition and disposal.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

26. FUNCTION AND ACTIVITY (Continued)

(b) Income and expenses

	2023 Actual \$	2022 Actual \$
Income excluding grants, subsidies and contributions and capital grants, subsidies and contributions		
Governance	667,339	322,719
General purpose funding	55,392,562	50,917,128
Law, order, public safety	2,493,942	2,860,086
Health	661,844	701,914
Education and welfare	348,150	317,996
Community amenities	2,892,411	2,720,477
Recreation and culture	7,634,195	6,083,165
Transport	12,352,500	9,580,987
Economic services	932,841	115,219
Other property and services	1,211,845	1,161,262
	84,587,629	74,780,953
Grants, subsidies and contributions		
Governance	0	196,487
General purpose funding	1,624,784	1,461,455
Health	6,415	0
Education and welfare	1,197,666	1,039,401
Community amenities	77,918	187,148
Recreation and culture	5,859,908	3,883,274
Transport	1,096,627	1,648,307
Economic services	11,886	83,714
Other property and services	372,614	25,450
	10,247,818	8,525,236
Total Income	94,835,447	83,306,189
Expenses		
Governance	(10,074,818)	(7,873,542)
General purpose funding	(1,125,215)	(828,996)
Law, order, public safety	(4,549,922)	(4,781,739)
Health	(733,773)	(659,441)
Education and welfare	(3,153,218)	(3,008,513)
Housing	(398,944)	(275,875)
Community amenities	(14,571,567)	(12,879,522)
Recreation and culture	(30,057,928)	(27,174,042)
Transport	(18,722,125)	(15,260,594)
Economic services	(2,651,116)	(2,339,337)
Other property and services	(5,119,934)	(6,113,546)
Total expenses	(91,158,560)	(81,195,147)
Net result for the period	3,676,887	2,111,042
(c) Total Assets		
Governance	124,365,966	101,648,903
General purpose funding	39,671,114	36,925,880
Law, order, public safety	1,917,997	2,128,521
Health	11,173	0
Education and welfare	8,925,411	8,140,052
Housing	0	6,146,186
Community amenities	6,719,102	112,248,475
Recreation and culture	215,553,627	149,756,096
Transport	272,572,354	0
Economic services	256,529	0
Other property and services	103,033,547	74,962,142
	734,201,482	491,956,255

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

27. RATING INFORMATION

(a) General Rates

RATE TYPE	Basis of valuation	Rate in \$	Number of Properties	2022/23 Actual Rateable Value*	2022/23 Actual Rate	2022/23 Actual Reassessed Rates	2022/23 Actual Total Revenue	2022/23 Budget Rate	2022/23 Budget Total Revenue	2021/22 Actual Total Revenue
Residential Improved	Gross rental valuation	0.090585	9,952	247,043,374	22,378,376	482,427	22,860,803	22,578,376	22,578,376	20,863,230
Commercial & Industrial General	Gross rental valuation	0.095174	1,431	148,830,092	14,313,578	18,006	14,331,584	14,313,578	14,313,578	13,603,367
City Centre Commercial	Gross rental valuation	0.095241	347	82,074,461	8,063,075	225,558	8,288,633	8,063,075	8,063,075	8,017,574
Residential Short Term Accommodation	Gross rental valuation	0.101024	128	2,871,970	290,127	8,946	299,073	290,127	290,127	256,449
Nightclubs		0	0	0	0	0	0	0	0	215,814
Vacant Residential Land	Gross rental valuation	0.135413	138	4,066,850	562,904	33,557	596,461	562,904	562,904	607,832
Vacant Commercial & Industrial	Gross rental valuation	0.171962	41	2,105,800	362,160	51,749	413,909	362,160	362,160	375,470
Total general rates			12,037	486,992,447	45,970,220	820,243	46,790,463	46,170,220	46,170,220	43,739,736
Minimum Payment										
Residential improved		\$								
Commercial & Industrial General	Gross rental valuation	1,481	3,847	54,410,969	5,697,407	0	5,697,407	5,697,407	5,697,407	5,829,681
City Centre Commercial	Gross rental valuation	1,481	330	3,566,548	488,730	0	488,730	488,730	488,730	462,407
Residential Short Term Accommodation	Gross rental valuation	1,481	76	820,325	112,556	0	112,556	112,556	112,556	81,026
Nightclubs		0	0	0	0	0	0	0	0	0
Vacant Residential Land	Gross rental valuation	1,434	129	1,049,625	184,986	0	184,986	184,986	184,986	64,262
Vacant Commercial & Industrial	Gross rental valuation	1,481	10	53,940	14,810	0	14,810	14,810	14,810	13,970
Total minimum payments			4,448	60,613,495	6,551,425	0	6,551,425	6,551,425	6,551,425	6,846,178
GenExmPart - Residential Improved										(83,238)
Total general rates and minimum payments			16,485	547,605,942	52,551,645	820,243	53,371,888	52,751,645	52,751,645	50,302,676
Specified Area Rates										
CB0 Security Levy		0.001289			123,141		123,141	121,802	121,802	115,940
Leighton Maintenance		0.005533			62,899		62,899	62,897	62,897	59,339
Total amount raised from rates (excluding general rates)					186,040		186,040	184,699	184,699	175,279
Concessions							(153,273)		(180,810)	(226,369)
Total Rates							53,404,655		52,775,534	50,251,586
Rate instalment interest							311,739			
Rate overdue interest							111,199			

The rate revenue was recognised from the rate record as soon as practicable after the City resolved to impose rates in the financial year as well as when the rate record was amended to ensure the information in the record was current and correct.

The entire balance of rates revenue has been recognised at a point in time in accordance with AASB 1058 Income for not-for-profit entities.

*Rateable Value at time of raising of rate.

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

28. DETERMINATION OF SURPLUS OR DEFICIT

		2022/23 Budget	2022/23	2021/22
	(30 June 2023 Carried Forward)	(30 June 2023 Carried Forward)	(1 July 2022 Brought Forward)	(30 June 2022 Carried Forward)
Note	\$	\$	\$	\$
(a) Non-cash amounts excluded from operating activities				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
Adjustments to operating activities				
Less: Profit on asset disposals	(2,785)	(727,000)	(8,624)	(8,624)
Less: Movement in liabilities associated with restricted cash	0	0	7,082	7,082
Less: Fair value adjustments to financial assets at fair value through profit or loss	(9,215)	0	(9,992)	(9,992)
Less: Share of net profit of associates and joint ventures accounted for using the equity method	2,974,422	0	533,753	533,753
Add: Loss on disposal of assets	12,183	10,846	6,827	6,827
Add: Depreciation	10(a) 12,405,282	11,353,843	10,678,971	10,678,971
Non-cash movements in non-current assets and liabilities:				
Investment property	12 (46,467)	0	0	0
Pensioner deferred rates	(377,055)	0	14,786	14,786
Leased Assets	(5,324)	0	0	0
Assets held for sale	7 (303,299)	0	(4,243,000)	(4,243,000)
Employee benefit provisions	430,205	0	(177,391)	(177,391)
Other provisions	(12,964)	0	(12,964)	(12,964)
Non-cash amounts excluded from operating activities	15,064,983	10,637,689	6,789,448	6,789,448
(b) Surplus or deficit after imposition of general rates				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
Adjustments to net current assets				
Less: Reserve accounts	30 (10,543,904)	(9,599,025)	(6,629,760)	(6,629,760)
Less: Current assets not expected to be received at end of year				
- Land held for resale	7 (4,546,299)	0	(4,243,000)	(4,243,000)
Add: Current liabilities not expected to be cleared at end of year				
- Current portion of borrowings	15 1,861,059	1,909,325	2,300,527	2,300,527
- Current portion of lease liabilities	11(b) 1,005,825	310,332	307,718	307,718
Total adjustments to net current assets	(12,223,319)	(7,379,368)	(8,264,515)	(8,264,515)
Net current assets used in the Statement of Financial Activity				
Total current assets	44,589,146	31,770,803	40,737,679	40,737,679
Less: Total current liabilities	(21,341,612)	(24,354,313)	(21,898,434)	(21,898,434)
Less: Total adjustments to net current assets	(12,223,319)	(7,379,368)	(8,264,515)	(8,264,515)
Surplus or deficit after imposition of general rates	11,024,215	37,122	10,574,730	10,574,730

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

29. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Purpose	Note	Actual				Budget			
		Principal at 1 July 2021	New Loans During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Loans During 2022-23	Principal Repayments During 2022-23	Principal at 1 July 2022	Principal at 30 June 2023
		\$	\$	\$	\$	\$	\$	\$	\$
Particulars									
Governance									
307 Walyalup Civic Centre and Library		19,174,355		(841,905)	18,332,450		(858,486)	18,332,449	17,473,963
Recreation and culture									
298 Leighton Beach Kiosk & Changerooms		665,226		(147,927)	517,299		(153,081)	517,300	364,218
301 Leighton Beach Kiosk		205,662		(36,607)	169,055		(37,774)	169,055	131,281
303 Fremantle Boys School		443,673		(68,779)	374,894		(70,767)	374,894	304,127
308 Arthur Head - Waili stabilisation		500,000		(46,442)	453,558		(47,199)	453,558	406,359
Transport									
232 Streets Ahead Programme (2)		22,339		(22,339)	0		0	0	0
236 Streets Ahead Programme (3)		86,476		(68,604)	17,872		(17,872)	17,872	0
277 Road Asset Program		32,325		(32,325)	0		0	0	0
278 Footpath Asset Program		15,855		(15,855)	0		0	0	0
280 Road Rehabilitation & Improvement prog		88,477		(70,435)	18,042		(18,042)	18,043	0
281 Footpath Replacement Program		51,547		(41,035)	10,512		(10,512)	10,512	0
284 Road Asset Program		169,745		(73,564)	96,181		(76,559)	96,181	19,622
289 Road Asset Program		652,097		(191,761)	460,336		(199,527)	460,338	260,811
290 Footpath Asset Program		131,532		(38,678)	92,854		(40,245)	92,853	52,608
291 Drainage Asset Program		111,153		(32,687)	78,466		(34,010)	78,467	44,457
295 Road Asset Program		421,029		(93,626)	327,403		(96,887)	327,405	230,518
296 Footpath Asset Program		120,709		(26,843)	93,866		(27,777)	93,867	66,090
297 Drainage Asset Program		140,344		(31,208)	109,136		(32,296)	109,136	76,840
300 Road Asset Program		477,431		(84,981)	392,450		(87,689)	392,450	304,761
294B Acquisition 73 Hampton Road		124,288		(36,532)	87,756		(38,027)	75,160	37,133
305 Heavy Vehicles		316,909		(49,128)	267,781		(50,548)	280,377	229,829
Economic services									
279 Fremantle Markets Upgrade		16,162		(16,162)	0		0	0	0
283 Fremantle Markets Upgrade		58,985		(46,956)	12,030		(12,030)	12,030	0
Share of SMRC* Loans		1,106,350	93,495	(411,925)	787,920		(393,190)	694,425	303,225
Total		25,132,670	93,495	(2,526,304)	22,699,861	0	(2,302,516)	22,606,372	20,305,843

CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023

29. BORROWING AND LEASE LIABILITIES (Continued)

Borrowing Finance Cost Payments

Purpose	Note	Loan Number	Institution	Interest Rate	Date final payment is due	Actual for year ending 30 June 2023 \$	Budget for year ending 30 June 2023 \$	Actual for year ending 30 June 2022 \$
Particulars								
Governance								
307 Waiyalup Civic Centre and Library		307	WATC	1.96	19/06/2040	(355,094)	(355,094)	(371,674)
Recreation and culture								
298 Leighton Beach Kiosk & Changerooms		298	WATC	3.00	1/07/2025	(14,518)	(14,518)	(19,717)
301 Leighton Beach Kiosk		301	WATC	3.15	1/07/2026	(4,584)	(4,584)	(5,761)
303 Fremantle Boys School		303	WATC	2.86	28/06/2027	(9,967)	(9,967)	(11,956)
308 Arthur Head - Wall stabilisation		308	WATC	1.5	1/04/2031	(7,170)	(7,170)	(7,926)
Transport								
236 Streets Ahead Programme (3)		236	WATC	6.67	1/07/2022	0	0	(2,885)
280 Road Rehabilitation & Improvement prog		280	WATC	3.93	1/07/2022	0	0	(1,756)
281 Footpath Replacement Program		281	WATC	3.93	1/07/2022	0	0	(1,023)
284 Road Asset Program		284	WATC	4.01	1/07/2023	(1,948)	(1,948)	(4,972)
289 Road Asset Program		289	WATC	3.99	1/07/2024	(13,416)	(13,416)	(21,264)
290 Footpath Asset Program		290	WATC	3.99	1/07/2024	(2,706)	(2,706)	(4,288)
291 Drainage Asset Program		291	WATC	3.99	1/07/2024	(2,287)	(2,287)	(3,624)
295 Road Asset Program		295	WATC	3.00	1/07/2025	(9,189)	(9,189)	(12,481)
296 Footpath Asset Program		296	WATC	3.00	1/07/2025	(2,634)	(2,634)	(3,578)
297 Drainage Asset Program		297	WATC	3.00	1/07/2025	(3,063)	(3,063)	(4,161)
300 Road Asset Program		300	WATC	3.15	1/07/2026	(10,643)	(10,643)	(13,374)
294B Acquisition 73 Hampton Road		294	WATC	4.03	1/07/2024	(2,584)	(2,584)	(4,094)
305 Heavy Vehicles		305	WATC	2.86	28/06/2027	(7,120)	(7,120)	(8,541)
Economic services								
283 Fremantle Markets Upgrade		283	WATC	3.93	1/07/2022	0	0	(1,171)
Share of SMRC* Loans		Sha	SMRC	4.12**	30/06/2028	(8,880)	(8,044)	(22,282)
Total						(455,803)	(454,967)	(526,528)
Total Finance Cost Payments						(455,803)	(454,967)	(526,528)

* WA Treasury Corporation

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

29. BORROWING AND LEASE LIABILITIES (Continued)

(b) Lease Liabilities

Purpose	Note	Actual				Budget			
		Principal at 1 July 2021	New Leases During 2021-22	Principal Repayments During 2021-22	Principal at 30 June 2022	New Leases During 2022-23	Principal Repayments During 2022-23	Principal at 30 June 2023	
		\$	\$	\$	\$	\$	\$	\$	
Governance									
Lease - 02 CRT & MIS		90,222	0	(20,221)	70,001	0	(14,906)	55,095	0
Lease - 05 MS Surface		0	0	0	0	981,292	(316,800)	664,492	49,173
Lease - 10 Data Centre		8,281	0	(8,281)	0	0	0	0	0
Lease - 13 IT Server		513,545	0	(112,994)	400,551	641,368	(365,457)	676,462	0
Lease - 15 IT Equipment		0	0	0	0	43,297	(6,879)	36,418	323,596
Lease - 16 Computer Equipment		0	0	0	0	314,079	(126,343)	187,736	0
Law, order, public safety									
Lease - 09 Legal Centre		23,110	0	(23,110)	0	0	0	0	0
Recreation and culture									
Lease - 06 Pool Cleaner		6,806	19,435	(8,183)	17,858	0	(9,621)	8,237	(11,198)
Lease - 07 Gym Equipment		48,371	0	(23,829)	24,542	9,603	(25,333)	8,812	0
Lease - 08 Restaurant - Salt		126,004	0	(32,550)	93,454	0	(23,205)	70,249	64,863
Lease - 11 Car Park 12 A+B		85,898	0	(66,459)	19,439	0	(19,439)	0	0
Lease - 12 Car Park 19		849,017	0	(86,300)	762,717	0	(88,889)	673,828	673,829
Lease - 14 RFID - Library		64,345	0	(13,317)	51,028	200,375	(77,616)	173,787	37,168
Total Lease Liabilities	11(b)	1,815,399	19,435	(395,244)	1,439,590	2,190,014	(1,074,488)	2,555,116	1,137,431

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

29. BORROWING AND LEASE LIABILITIES (Continued)

(b) Lease Liabilities

Lease Finance Cost Payments

Purpose	Note	Lease Number	Institution	Date final payment is due	Actual for year ending 30 June 2023	Budget for year ending 30 June 2023	Actual for year ending 30 June 2022	Lease Term	Interest Rate
					\$	\$	\$		
Governance									
Lease - 02 CRT & MIS		02	C D SA (WA) Pty Ltd	1/10/2025	(1,981)	(1,792)	(2,399)	60 months	3.00%
Lease - 05 MS Surface		05	Capital Finance	30/06/2025	(23,886)	0	0	36 months	3.00%
Lease - 10 Data Centre		10	Rosecrown Investments T/as Professionals Fremantle		0	0	(50)	60 months	3.00%
Lease - 13 IT Server		13	Vestone Capital Pty Ltd	1/04/2025	(41,513)	(15,287)	(6,940)	60 months	4.66%
Lease - 15 IT Equipment		15	Vestone Capital Pty Ltd	1/01/2026	(763)	0	0	59 months	4.08%
Lease - 16 Computer Equipment		16	Vestone Capital Pty Ltd	2/01/2026	(12,290)	(1,739)	0	60 months	4.08%
Law, order, public safety									
Lease - 09 Legal Centre		09	Rosecrown Investments T/as Professionals Fremantle		0	0	(222)	60 months	3.00%
Recreation and culture									
Lease - 06 Pool Cleaner		06	John Shenton Pumps	30/04/2024	(399)	(399)	(167)	24 months	3.00%
Lease - 07 Gym Equipment		07	Capital Finance	24/06/2024	(414)	(397)	(1,112)	48 months	3.00%
Lease - 08 Restaurant - Salt		08	Department of Planning, Lands and Heritage	30/06/2025	(2,402)	(2,218)	(3,450)	120 months	3.00%
Lease - 11 Car Park 12 A+B		11	Burgess Rawson	31/08/2022	(43)	(47)	(1,556)	120 months	3.00%
Lease - 12 Car Park 19		12	Burgess Rawson	31/03/2030	(21,110)	(21,111)	(23,700)	120 months	3.00%
Lease - 14 RFID - Library		14	Macquarie Bank -Vestone Capital Pty Ltd	31/12/2025	(10,359)	(1,739)	(2,282)	60 months	3.96%
Total Finance Cost Payments					(115,180)	(44,729)	(41,878)		

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

30. RESERVE ACCOUNTS

	2023 Actual Opening Balance	2023 Actual Transfer to	2023 Actual Transfer (from)	2023 Actual Closing Balance	2023 Budget Opening Balance	2023 Budget Transfer to	2023 Budget Transfer (from)	2023 Budget Closing Balance	2022 Actual Opening Balance	2022 Actual Transfer to	2022 Actual Transfer (from)	2022 Actual Closing Balance
Restricted by legislation/agreement												
(a) Cash-in-lieu of public open space reserve	624,404	0	(3,000)	621,404	624,404	0	0	624,404	624,404.00	0	0	624,404
(b) Specified area rate reserve - Leighton Precinct	211,419	62,897	(52,643)	221,673	211,419	62,897	(65,439)	188,877	193,502.00	59,339	(41,422)	211,419
(c) Service charge reserve - White Gum Valley F	24,479	8,804	(2,169)	31,114	24,479	8,804	(8,804)	24,479	15,675.00	8,804	0	24,479
	860,302	71,701	(57,812)	874,191	860,302	71,701	(94,243)	837,760	833,581.00	68,143	(41,422)	860,302
Restricted by council												
(d) Cantonment Hill Master Plan Reserve	117,868	0	0	117,868	117,868	0	0	117,868	117,868.00	0	0	117,868
(e) Community Care Programs Reserve (Previous)	6,386	0	0	6,386	6,386	0	0	6,386	6,386.00	0	0	6,386
(f) Fleet Reserve	0	500,000	0	500,000	0	0	0	0	0.00	0	0	0
(g) Fremantle Markets Conservation Reserve	70,132	0	0	70,132	70,132	0	0	70,132	78,032.00	0	(7,900)	70,132
(h) Fremantle Oval Reserve	42,230	0	(11,880)	30,350	67,542	0	(70,198)	(2,656)	238,375.00	0	(196,145)	42,230
(i) Hilton Park Sports Reserve	0	2,000,000	0	2,000,000	0	1,000,000	0	1,000,000	0.00	0	0	0
(j) Investment Fund Reserve	0	1,172,506	(404,489)	768,017	13,806	4,970,000	(1,088,160)	3,895,646	4,921,372.00	0	(4,921,372)	0
(k) Leisure Centre Upgrade Reserve	33,599	0	0	33,599	(151,635)	0	0	(151,635)	70,159.00	0	(36,560)	33,599
(l) Parking Dividend Equalisation Reserve	5,341,962	1,190,384	(1,048,266)	5,486,080	5,342,077	1,262,571	(2,904,896)	3,699,753	6,208,565.00	0	(866,603)	5,341,962
(m) Parks Recreation and Facilities Reserve	97,771	0	0	97,771	97,771	0	0	97,771	97,771.00	0	0	97,771
(n) Sustainability Investment Reserve (Previous)	59,510	0	0	59,510	59,510	0	(31,510)	28,000	59,510.00	0	0	59,510
(o) South Beach Reserve	0	500,000	0	500,000	0	0	0	0	0.00	0	0	0
	5,769,458	5,362,890	(1,462,636)	9,669,713	5,623,457	7,232,571	(4,094,763)	8,761,265	11,798,038	0	(6,028,580)	5,769,458
	6,629,760	5,434,591	(1,520,447)	10,543,904	6,483,759	7,304,272	(4,189,006)	9,599,025	12,631,619	68,143	(6,070,002)	6,629,760

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserve accounts.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

30. RESERVE ACCOUNTS (Continued)

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

	Name of reserve account Restricted by legislation/agreement	Purpose of the reserve account
(a)	Cash-in-lieu of public open space reserve	To hold any monies received as contribution for cash in lieu of public open space.
(b)	Specified area rate reserve - Leighton Precinct Maintenance Reserve	To hold any specified area rate income raised during the financial year that were unspent at 30 June in relation to Leighton Precinct maintenance. To fund the above normal costs associated with maintaining the higher standard of the landscaping of the Leighton residential area.
(c)	Service charge reserve - White Gum Valley Precinct Community Bore Reserve	To fund the associated costs required to maintain the community bore within the WGV development.
(d)	Restricted by council Cantonment Hill Master Plan Reserve	To fund capital works at Cantonment Hill in accordance with the Cantonment Hill Master Plan.
(e)	Community Care Programs Reserve (Previously HACCC)	To fund Community Care Programs.
(f)	Fleet Reserve	To replace City's vehicles fleet when required.
(g)	Fremantle Markets Conservation Reserve	To fund conservation works to the Fremantle Markets.
(h)	Fremantle Oval Reserve	To fund capital and business planning costs associated with the redevelopment of the Fremantle Oval precinct.
(i)	Hilton Park Sports Reserve	To fund sporting, infrastructure and facility improvements in and around Hilton Park Sports Reserve.
(j)	Investment Fund Reserve	Funds will not be withdrawn from the reserve to subsidise operating or recurrent expenditure, nor shall funds be withdrawn for the purpose of providing community facilities that do not provide a commercial rate of return, unless specifically decided otherwise by the Council.
(k)	Leisure Centre Upgrade Reserve	To provide funds for major upgrading and refurbishment works at the Fremantle Leisure Centre.
(l)	Parking Dividend Equalisation Reserve	To provide a smoothing out of revenue contributions to municipal operations from commercial parking activities. That is to be achieved as follows (a) by transferring net profits in excess of budget to the reserve and (b) if required, when there is a material (i.e. plus 1%) net loss, transferring funds from the reserve to municipal fund to compensate the loss. Fund commercial parking capital equipment and facilities or parking infringement capital equipment and facilities to the extent the funds available in the reserve exceed 2.5% of budgeted gross parking revenue. Provide temporary funding to the City for its initial contribution to the Hilton Underground Power project. This funding will be returned to the Reserve annually via a service levy on residential consumers within the Hilton Underground Power project.
(m)	Parks Recreation and Facilities Reserve Sustainability Investment Reserve (Previously Renewable Energy Investment Reserve)	To fund improvements within the South Fremantle Tip Site Reserve. To finance improvements within the Kings Square Reserve. To finance tourism projects within the City. To finance facilities for sporting clubs on a self supporting loan basis in accordance with Council guidelines for such advances to clubs. To finance improvements within the Port and Leighton Beach Reserve. To finance capital works and improvements at Fremantle Oval. To finance improvements or major refurbishments to other parks and recreation facilities within the municipality.
(n)		Invest in projects that promote positive sustainability and renewable energy related outcomes or projects and programs that support net zero outcomes or develop options for net zero. If no sustainability or renewable energy related projects can be identified, the fund will accumulate that year's contribution.
(o)	South Beach Reserve	To fund infrastructure and facilities improvement.

**CITY OF FREMANTLE
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

31. TRUST FUNDS

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

	1 July 2022	Amounts Received	Amounts Paid	30 June 2023
	\$	\$	\$	\$
Cash In Lieu of Parking	469,360	0	0	469,360
Cash In Lieu of Public Open Space				
37 Strang Street subdivision	85,673	0	0	85,673
Bequests				
Gweneth Ewens	29,101	2,800	0	31,901
John Francis Boyd	2,700	0	0	2,700
Victor Felstead	11,305	0	0	11,305
Unclaimed Funds - Debtors	4,441	0	0	4,441
Unclaimed Funds - Stale Cheques	44,608	3,994	0	48,602
Miscellaneous	750,689	0	(460,513)	290,176
Trust Interest	56,146	0	0	56,146
	<u>1,454,023</u>	<u>6,794</u>	<u>(460,513)</u>	<u>1,000,304</u>



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