





The Town of Port Hedland would like to acknowledge the Kariyarra, Ngarla, and Nyamal people as the Traditional Custodians of the Town of Port Hedland lands. We recognise their strength and resilience and pay our respects to their Elders past and present.

We extend that respect to all Aboriginal & Torres Strait Islander people of the local community and recognise their rich cultures and their continuing connection to land and waters.

Advice

This document may contain images of Aboriginal and Torres Strait Islander people who have passed away.



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Port Hedland Profile

Port Hedland is a dynamic town in Western Australia's Pilbara region, located approximately 1,800km north of Perth.



Port Hedland is a dynamic town in Western Australia's Pilbara region, located approximately 1.800km north of Perth.

We are home to approximately 15,000 people from diverse cultural backgrounds and cover 18,467 square kilometres. Our Traditional Custodians, the Kariyarra people, call Port Hedland Marapikurrinya for the hand shaped formation of the tidal creeks coming off the natural harbour.

Our relaxed lifestyle on the ocean provides for a variety of leisure activities. Our two main residential centres, Port and South Hedland, offer a range of community services including cultural, recreation and shopping facilities. The majority of our residents are in South Hedland, which includes a vibrant shopping district. The Wedgefield Industrial Area contains a variety of light and service industry premises; the iron ore crushing and shipping facilities are features synonymous with our rugged landscape, along with the expanded port facilities.

We are also home to the Boodarie Strategic Industrial Area, which is ideally positioned to accommodate downstream resource processing industries related to the iron ore and gas resources of

the region. The Kingsford Smith Business Park provides an important mix of uses and form an important part of Hedland's continued growth into the future.

We are proud to be Australia's largest bulk export port. The Pilbara Ports Authority recorded a record annual tonnage of over 717.2 million tonnes in 2019/20 with 538.2 million tonnes from Port Hedland.

Our role is well established on the national and international stage, attracting internationally prominent resource companies and contributing at a nationally recognised level to the broader Australian economy. Port Hedland International Airport provides a welcoming gateway to the Pilbara, the North West of Australia and a direct link to the world's largest bulk tonnage export port.





"I'd like to thank the Hedland community for welcoming me during my tenure."

Commissioner's Message

Although my tenure as Commissioner has concluded. I would like to contribute a few words to the Town's 2019/20 Annual Report. I served as the Town's Commissioner from August 2019 until October 2020, a position which resulted from the State Government's decision to suspend the Town's Mayor and Elected Members in July 2019. During my tenure, I had the pleasure of getting to know the Port Hedland community, work through complicated and at times contentious issues, and lead Council in adopting a number of significant items with long term ramifications for the town's future. Reflecting on my time in Hedland, I'm pleased I played a central role in shaping key strategic issues and laying the groundwork for a brighter future for generations to come.

Firstly, I'd like to commend the Town for its response to COVID-19, joining local governments around Australia in delivering impactful public health advice and evolving traditional notions of government service delivery. I can say with confidence that the Town's leadership responded effectively and with purpose to a challenging, unprecedented situation which tested the role of government in everyone's lives. The State Government provided timely updates to restrictions on trading, gatherings and travel throughout 2020, information which was adapted by the Town for a local audience across traditional and digital media. The Town's staff did a fantastic job in keeping up a high standard of sanitation and cleaning throughout the pandemic, keeping publically accessible spaces safe. Due to everyone heading the health advice from the get go, the Pilbara was able to keep the virus at bay and enjoy a vibrant communal lifestyle, enviable to other parts of the country. I think this period was a case study example of how local government can support national objectives through regional action.

In August 2019, the Town gained certainty on the long held issue of dust mitigation, with the Western Australian Planning Commission recommending that the West End district be subject to Improvement Plan 50. Following approval from the Minister for Planning and the Governor, this guaranteed that future land use planning and development west of McGregor St and Lukis Street would come under the jurisdiction of the Planning Commission, rather than the Town. The issue of dust in the West End has been ongoing for years, with all stakeholders recognising the need to minimise its impacts on households. Another key State Government decision was the allocation of \$85 million in the 2019/20 state budget for the Spoilbank Marina development, set to create a new standard of seafarer amenity on the Hedland coast. This development has been highly anticipated by the community and is set to create 221 locally based jobs during its two year construction period. The development will include a marina waterbody with long term capacity for up to 80 boat pens, a four lane boat ramp, recreation spaces and space for trading, further boosting the local economy.

Perhaps the most significant point of progress this year was the endorsement of the Hedland Recreation Hubs Masterplans, the biggest infrastructure projects Hedland has seen in decades. In the 2020/21 annual budget, the Town allocated a record \$76.3 million to the delivery of a record capital works program which will lay the site groundwork for the long term construction of the Hubs. We listened to community groups, businesses and residents who indicated a preference to invest in Hedland's core infrastructure assets for the future. With Hedland's projected population increases in the years ahead, it was vital for the Town to ensure public amenities are developed to a high standard. I'd like to commend the work of the Town's Infrastructure Services Teams for making the Hubs a reality by working in partnership with the community.

This year, the Town continued to take steps to address the risks of coastal erosion and inundation, phenomena exacerbated by climate change. In March 2019, Tropical Cyclone Veronica reminded us all that local government must play an active role in securing valuable coastal assets from stronger storm surges and wind gusts. This Cyclone inflicted significant damage around Cemetery Beach, destroying pathways and surrounding infrastructure. In March 2020, Council endorsed the design and construction of seawalls along the coastline to reduce the incidents of destruction like this in the future. I'm pleased the Town has now joined

other coastal WA local governments in planning for the future impacts of climate change.

A highlight of my tenure was welcoming Governor Beazley to Hedland to officially rededicate Gratwick Hall back to the community in July 2019. This much loved facility had undergone extensive refurbishment works, including improved accessibility, usability and a modern design celebrating the Hall's history and view of the port. Due to the Town's commitment to the Hall's longevity, a new generation of recitals, rehearsals and training sessions will take place there. A well-attended Civic Reception was held to celebrate the occasion, bringing together local residents to reflect on the Hall's community value and significance.

Finally, I'd like to say what a privilege it was to be involved with the Town's Citizenship Ceremonies, welcoming new residents to town from countries all over the world. The uniqueness of Hedland is its transient nature and multi-cultural social tapestry, weaved by those who choose to call this place home. Hedland's multiculturalism is strengthened by the culture of the Kariyarra people, Hedland's traditional owners, whose connection to the land and waters should be respected and cherished by all.

Once again, I'd like to thank the Hedland community for welcoming me during my tenure. With continued strong growth projected in the mining and resources sector, key infrastructure investment by all levels of government, an enthusiastic community and a Town leadership team with a long term vision, Hedland has a bright future ahead.

Kind Regards,

Hon. Fred Riebeling AM JP

Fmr. Town of Port Hedland Commissioner



"We have adopted tight fiscal measures and focused on building stronger relationships."

Mayor's Message

As Mayor of the Town of Port Hedland, it is with great pleasure that I present our Annual Report for 2019/20.

Looking at the local economy and challenges – it's quite clear that Hedland is forging ahead with some significant environmental and development opportunities.

We have adopted tight fiscal measures and focused on building stronger relationships, improving efficiencies and increasing our community consultation.

We are strategically positioned for future growth – don't forget we are the world's largest bulk tonnage export port and we must remind ourselves of the potential and abundance that we have – right here on our doorstep.

As a Town, we are beginning to see a coordinated approach across the three levels of government in planning our future direction. Since my election to Council, I have been working to strengthen the relationships with State and Federal Government, to ensure our voices are heard. Tackling real issues impacting our community and championing change when necessary, will always remain at the forefront.

There has been an extensive change in leadership over the past twelve months which has provided a fresh opportunity to review our strategic direction. This past year reflects these changes as we look to consolidate our internal processes and the way we do business with the community.

Our new organisational direction is demonstrating this and proving accountability, real development outcomes and a focus on addressing and solving the real issues facing Hedland. Effective fiscal management, improved efficiencies, innovation and solid leadership, are essential as we return to core business for the community.

We need structure, stability and new ways of doing things - and of course, a community that is engaged, informed and entirely connected.

My priorities for Hedland are to maintain a fair and equitable rating strategy, invest in the town's core infrastructure assets, foster a vibrant and liveable community and build strong partnerships.

Being the Mayor of the Town of Port Hedland is about being part of a great team that is working hard and is totally committed. The success of the past year would not be possible without the support of The Commissioner, the Town's Chief Executive Officer, Executive Team, employees, the community and, of course, the volunteers who contributed every day to the combined success of 2019/20.

Kind Regards,

Peter Carter

Town of Port Hedland Mayor

Petert Carter



CEO's Report



On behalf of the Town's administration, I'm proud to present the Hedland community with the 2019/20 annual report. This is the first annual report I have presented since beginning my tenure as CEO in February 2020, and I'd like to thank the community for their hospitable welcome to my family and I since our arrival. It's been a pleasure to work alongside the Town's Executive Team, staff, businesses, community groups and residents in delivering positive outcomes for our town.

I'd like to thank the Hon. Commissioner Riebeling, who served as the Town's Commissioner from July 2019 until October 2020. He worked constructively with the administration to deliver a number of key items: of particular note was the endorsement of the Hedland Recreation Hub masterplans, representing some of the biggest public infrastructure projects in our town's history. I'd like to thank him for his service and wish him well into the future.

Clearly, COVID-19 changed how local government was delivered across the country. None of us could have foreseen the rapid changes which began in March: event cancellations, facility closures, travel restrictions and an unprecedented focus on public health. We recognised that our proximity and familiarity with the local community placed us in a trusted position to reinforce state and federal government advice and restrictions. We provided up to date information on our website. in news items and on social media, keeping locals up to date with developments. Our facilities teams acted quickly, launching free virtual workouts, a homebound library delivery service and delivering youth programming from alternative venues. Council adopted \$3.1 million worth of economic assistance measures, establishing a \$360,000 community group assisted fund and a \$625,000 support local small business fund. We also froze increases to fees, charges and the rate in the dollar, and reduced our creditor payment terms from 30 days to 15 days. It's been incredibly tough for large sectors of the economy, particularly hospitality, retail and tourism, so we sought to ease the hardship where we could. On a personal level, it's been challenging for us all to pause travel plans interstate and be away from friends and family. As WA continues on its recovery pathway. I'm confident regional communities like ours can foster job creation and prosperity through our resilient and hardy spirit.

A major change to the Town's administration occurred in early 2019, with the establishment of the Regulatory Services and Community Services directorates. This change sought to streamline the Town's operations and recognised the transition of Port Hedland Leisure to in-house management. We also established a Corporate Affairs function, which reports to the Office of the CEO and is tasked with communications, economic development and tourism functions, and building partnerships with industry. We believe our region's significant contribution to the state and national economies warrants world class infrastructure and enviable amenity: we're seeking to partner with organisations more significantly to deliver positive community outcomes. I'm also enthusiastic about refocussing on tourism and economic development into the future, telling the Hedland story nationally and internationally.

In February 2020, Council endorsed retrospective rating on select landholdings, representing a fundamental shift to the Town's rates revenue. This decision has yielded a projected \$10 million increase to the Town's revenue, vital funds to support the Town's infrastructure investment program. The decision imposed 25% of the total retrospective rates cost to the ratepayers, waiving the remaining 75%. This percentage sought to strike a fair balance between obtaining additional revenue the Town was entitled to, without placing too great an imposition on ratepayers. For decades, landholdings of significant value across the mining and industrial rating categories in Hedland went unrated; I'm pleased we've moved towards a more equitable and fair rating strategy which doesn't overburden households.

A major development this year was the progress we made on delivering the Hedland Recreation Hubs, which represent the biggest public infrastructure projects in Hedland in decades. The Town administration's focus is targeting rate payer's money towards reinvesting in our core infrastructure assets, improving public amenity and liveability. The South Hedland Integrated Sports Hub (SHISH), JD Hardie Youth & Community Hub (JDYCH) and Port Hedland Sports & Community Hub (PHSCH will transform sport and recreation for the future. In July 2019, we adopted the site masterplan for the JDYCH, and in June 2020 awarded local construction company MJW Building with a \$7 million contract to complete new roofing works, structural modifications. HVAC installation and demolitions at the site. Detailed design of the SHISH and PHSCH is underway, and I look forward to these projects being shovel ready in 2021. In June 2020, I was pleased to help deliver the first annual budget since my tenure began: this included a record capital works program worth \$76.3 million, laying the groundwork for the delivery of the Hedland Recreation Hubs.

This financial year, the Town took a number of important steps in addressing the chronic shortage of child care placements working families face. In August 2019, Council endorsed the conversion of the Dempster Street Port Hedland Library site into space for the delivery of child care, now administered by One Tree Len Taplin. In November 2019, Council awarded the tender for South Hedland TAFE refurbishment works, with local grassroots impact organisation Hedland Collective funding the works. These two sites will drastically cut down on the estimated 400 waitlisted child care placements in Hedland, contributing to our strategic goal of being an attractive destination for local families to call home.

We've made significant investments in Hedland's road and pathway network this year, building on the strong focus on core infrastructure renewal spearheaded in recent years. In 2019/20, we installed 10,912 metres of kerb, laid 2,683 tonnes of asphalt over 17 streets and car parks, installed 5,314 metres of concrete footpaths in 14 locations, installed 1,850 metres of asphalt at North Circular Road and installed 800 square metres of concrete floodway through Yule Rive Crossing. Due to our community's proximity to industry, it's important that we continue to maintain a strong and robust road network to support heavy vehicles, particularly through the Wedgefield Estate. Projected increases in port activity over the next decade will also benefit from the road upgrades.

Council endorsed a number of key strategic documents and actions that will impact how our Town allocates resources in the years ahead. In May 2019, we launched the Creative Hedland consultation process to garner insights for the development of the Arts and Culture Strategy 2019-2022, which was endorsed in July 2019. Key insights included establishing unique 'points of pride' in our town and identifying ways of amplifying local participation and engagement in the arts. This strategy has successfully brought local stakeholders onto the same page, providing new and novel opportunities for people to get involved with the arts, particularly at the West End's Courthouse Gallery+ Studio. In November 2019, we launched Shaping Hedland's Future, giving the community a chance to have a say on the next 10 to 20 years of land use planning and development. This feedback informed the preparation of the draft Local Planning Scheme 7, which once adopted will determine how land in our LGA is lawfully used and developed. In January 2020, Council endorsed my predecessor, David Pentz, to begin investigating funding opportunities to implement stage one of the Coastal Hazard Risk Management and Adaptation Plan (CHRMAP).

This Plan, adopted in May 2019, serves as the Town's framework for mitigating the risks of erosion and inundation into the future. We're committed to delivering the key recommendations of the Plan, which include the construction of sea walls located along Sutherland Street between Crawford Street and Moseley Street, northern Goode Street foreshore to the east of Barker court and in the West End precinct along Marapikurrinya Park.

To conclude, I'd like to comment on the fantastic community events which ran this year. In September 2019, we launched the Sunset Food Markets in Marapikurrinya Park, bringing together local vendors for a celebration of diverse cuisines. Locals could come and enjoy a bite to eat under ambient festoon lighting, accompanied by live entertainment and family activities. These had to be cancelled in March 2020 due to COVID-19 restrictions, but we brought them back in September 2020. We also held a number of Twilight Movie screenings in the Civic Centre Gardens, giving families the chance to enjoy a relaxing evening of

cinema. Amy Shark headlined the August 2019 Northwest Festival, the Pilbara's premier music event and a key driver of regional tourism and economic activity. Spinifex Spree kicked off on the Turf Club oval in July 2019, providing locals with a big carnival experience featuring fairy floss, rides and show bags. Despite COVID-19 compelling us to cancel the 2020 dates, we look forward to bringing back these much loved community events.

Once again, I'd like to thank the community for continuing to work with me to deliver a brighter future for Hedland.

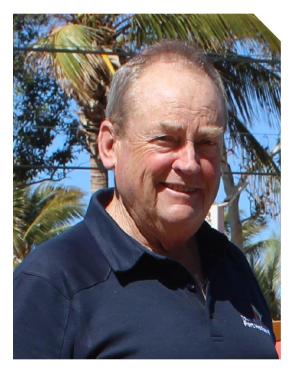
Regards,

Carl Askew

Town of Port Hedland CEO

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Elected Members 2019/20



Commissioner

Hon. Fredrick Riebeling AM JP
2019 - 2020

Meeting Attendance

	Ordinary Council Meetings		Special Council Meetings		Elector Meetings		Total	
	# held during term of office	# attended during term of office	# held during term of office	# attended during term of office	# held during term of office	# attended during term of office	# held during term of office	# attended during term of office
Commissioner Riebeling	17	17	3	3	0	0	20	20



Executive Team

Chief Executive Officer

David Pentz July 2019 to January 2020

Carl Askew February 2020 to present

The Chief Executive Officer leads the Town of Port Hedland and is responsible for the overall management of the administration. This includes providing timely advice to Council, ensuring Council decisions are implemented, overseeing the daily management of operations and ensuring resources are effectively and efficiently managed.

The Office of the CEO delivers high quality services to the community and organisation through the following teams:

- Corporate Affairs
- Human Resources
- Workplace Health and Safety

Deputy CEO Director Corporate Services

Anthea Bird

The Corporate Services directorate delivers high quality services to the community and organisation through the following teams:

- Financial Services
- Governance
- Procurement
- Legal Services
- Corporate Planning
- Information Communications
 Technology
- Records



Director Infrastructure Services

Peter Chandler (Acting – July 2019) Lee Furness – November 2019 to present

The Towns Infrastructure directorate delivers high quality services to the community and organisation through the following teams:

- Property Management and Maintenance
- Engineering Operations
- Infrastructure Development
- Technical Services
- Project Management
- Waste Operations
- Fleet Operations
- Parks and Gardens

Director Regulatory Services

Craig Watts - November 2019 to present

The Regulatory Services directorate delivers high quality services to the community and organisation through the following teams:

- Environmental Heath
- Rangers Services
- Community Safety
- Waste Operations
- Building
- Planning
- Development

Director Community Services

Josephine Bianchi - November 2019 to present

The Community Services directorate delivers high quality services to the community and organisation through the following teams:

- Sports and Recreation Facilities
- Libraries
- Youth Services
- Community Development
- Events
- Arts & Culture
- Community Engagement
- Aquatics
- Leisure

2019/20 Highlights



4,533Tonnes of ashphalt for road renewal



18,467 Total land area in square km



10,776 Internal correspondences



10,912 Metres of kerbs renewed



8,330 Electors



4 Live shows and movies



5,314Meters of concrete footpaths



5 Citizenship ceremonies 133 New citizens



15 Events held



7,667Residential dwellings



275
Engineering Technical Enquiries



14 Aquatic facilities regulated



15,144 Town of Port Hedland population



5,284Outgoing correspondence



Health inspections on food premises



800 Meters of concrete Yule River crossing



43
Inspections
carried out on
beauty salons
and hairdressers



23 Inspections carried out on public buildings





306 Aquatic samples taken



38,674 Visits to Port and South Hedland Library



145 Licenced food premises



51,500 Tonnes of solid waste



3,492 Ranger jobs



161 Building permits issued within timeframe



499,671 Squared metres of turf mowed in Port and South Hedland / fortnight



19,400 Tonnes of liquid waste



148 Cats registered



110 environmental health public complaints; investigated and answered enquiries



17 Licenced mobile food vendors



495Dogs registered



2,471Active library members



19 Fires attended by the Ranger Services Team



1,554
Total dogs
registerd in
the district



22,212 Library items borrowed



42No. of fires attended by the Bush Fire Brigade



Registrations caravan parks and camping



4,781No. of library event and activity attendees



4 No. of joint attendance of fires by the Ranger Services Team and Bush Fire Brigade



The Town of Port Hedland's 2018-2028 Strategic Community Plan's Vision states:

"To be Australia's leading Port Town embracing community, culture and environment."







The Town of Port Hedland's 2018-2028 Strategic Community Plan's Vision states: "To be Australia's leading Port Town embracing community, culture and environment."

Central to this vision are four themes and outcomes:

- Our Community: we honour our people and our cultural heritage- ensuring wellbeing, diversity, creativity and a strong civic dialogue.
- Our Economy: We build prosperity for all enabling sustained economic growth.
- Our Built and Natural Environment: We treasure and protect our natural environmental and provide sustainable and resilient infrastructure and built form.
- Our Leadership: We are united in our actions to connect, listen, support and advocate thereby leveraging the potential of our people, places and resources.

The subsequent pages reflect the successes that the Town has achieved under these themes throughout the 2019/20 financial year.



Building a Unified & Vibrant Community

"We honour our people and our cultural heritage - ensuring wellbeing, diversity, creativity and a strong civic dialogue."



The development of well utilised and valued community facilities and services is a key objective in achieving the Town's vision, to be Australia's leading Port Town embracing community, culture and environment.

The Town are working to provide the people of Hedland with three new facilities, combining sport, youth and community orientated activities and attractions. The Hedland Recreation Hubs include the JD Hardie Youth and Community Hub (JDHYCH), South Hedland Integrated Sports Hub (SHISH), and Port Hedland Sports and community Hub (PHSCH).

These sites will radically upscale Hedland's sporting and recreation amenity for the future. Wanangkura Stadium will be expanded and new sports courts will be constructed on the site, as well as a permanent off leash Dog Park for residents' canine companions. The Turf Club site will be transformed into a two story community centre, containing function and communal spaces, commercial kitchens, decks and outdoor areas. The JD Hardie site, which recently underwent roof and HVAC replacement works, will continue on its course of upgrades with the construction of new courts, shaded areas and new parking.

Our local sporting clubs, organisations and community members have informed these masterplans, which lay the foundations for the most significant upgrade to our sporting capabilities in decades. The 2020/21 Town budget includes a record \$76 million capital works program to support the delivering of the masterplans.

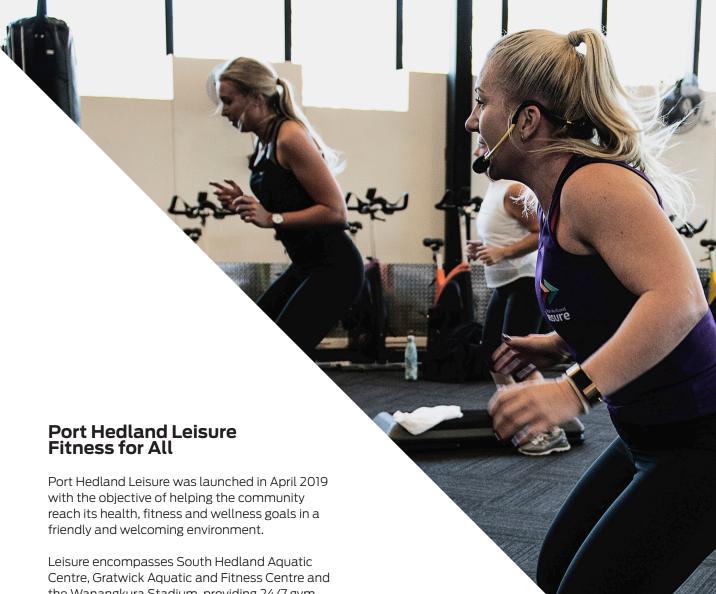


JD Hardie Youth Zone

In 2019 and 2020, the JD Hardie Youth Zone continued to be the premier venue for youth services in the Hedland community. The venue was temporarily closed from June to October 2020 with the refurbishment, as part of the facility's master plan, however activities were still implemented across Hedland. Throughout the school term and school holidays, staff at the JD facilitated a cross section of activities for young people to enjoy. Activities rostered on included Box Fit, Skate & Chill, The Splash, SLAM Basketball, Kids Club, Youth Lounge and much more. Further, a number of local community groups have a presence at the JD, including Headspace Pilbara, WA Police and EPIC. During 2019 and 2020, Town staff began to utilise the JD more for office space to have a greater presence in South Hedland.







the Wanangkura Stadium, providing 24/7 gym access, swimming lessons, community sport and space for hiring.

Throughout this year, the Wanangkura Stadium gym served the community as the Town's premier fitness facility. Members have a high quality section of cardio equipment, weights, weights equipment, squash courts, group fitness classes and more to choose from. Leisure's dedicated group fitness instructors provide a range of classes, including the delivery of the Les Mills suite of classes, Strong, TeenFit, MetaFit, Yoga and more. Members are encouraged to approach the friendly trainers and seek advice, guidance and support along their health and fitness journey.

Extensive renovations of the Gratwick Aquatic and Fitness Centre occurred in the first half of 2020, including the heightening of ceilings. improved accessibility, new signage, the installation of state of the art cardio and strength equipment, the construction of more shaded areas, re-tiling pools and more. The Town acted on long held sentiment that the site should be upgraded, with longevity and amenability in mind. The refurbished site reopened to the community in September 2020. COVID-19 presented Port Hedland Leisure with a unique opportunity to expand its service delivery. With gyms and pools needing to shut, the team came together and decided to offer free virtual workouts which anyone could access from any device. The friendly faces of Port Hedland Leisure recorded cardio sessions, strength workouts, yoga classes and more, delivering daily updates into people's news feeds. A testament to a dedicated and passionate team, the virtual gym built the Leisure brand and further strengthened its reputation for inclusive, accessible fitness in any circumstance. Each video was viewed thousands of time, reflecting the initiative's popularity in the community.

Citizenship Ceremonies

The Town of Port Hedland held five Citizenship Ceremonies, where 133 new Australian Citizens were welcomed to the community from many corners of the globe including:

- Bangladesh
- Britain
- Canada
- China
- Egypt
- · Fiji
- France
- India
- Indonesia
- Iran
- Ireland
- Kenya
- Myanmar
- New Zealand
- Philippines
- Papua New
 - Guinea
- Seychelles
- Scotland
- Sweden
- South Africa
- Thailand
- United Kingdom
- Vietnam
- Zimbabwe







Australia Day

Australia Day festivities returned in 2020, with the Town hosting three community events. The event-filled day commenced with an Australia Day Breakfast for Community Citizen of the Year nominees and the Citizenship Ceremony in the morning.

This was followed by the free BHP Community Pool Party at the South Hedland Aquatic Centre and the Pilbara Ports Authority Fireworks Spectacular at the Kevin Scott Oval, including food trucks and live entertainment.

Hedland Sports Stars Celebrated

Talent, sportsmanship and athleticism were celebrated and awarded in November 2019 at the Hedland Community Sports Awards. The Town was proud to host Former Australian Cricketer and Lifeline WA Ambassador, Brad Hogg, as the Ceremony's special guest. A number of the award recipients had been involved in Hedland's sporting community for years, giving countless volunteer hours to strengthening local clubs. Recipients were awarded across the categories of Junior Sportswoman of the Year, Junior Sportsman of the Year, Sportswoman of the Year, Sportsman of the Year, Volunteer of the Year and Club of the Year. The Awards delivered on the Town's Strategic Community Plan's commitments to foster an inclusive and involved community, with well utilised and valued facilities.







Some of the initiatives supported this year include:

- Royal Lifesaving Society WA Access & Equity Project
- New club uniforms for Illusions Netball Club
- Out of the Flames Bushfire Benefit Concert
- Race Track Improvement.

The Town launched the COVID-19 Community Assistance Grant in May 2020, to specifically target Hedland based community organisations and businesses experiencing economic hardship as a direct result of the pandemic. The Town allocated \$625,000 to a support local business fund and \$360,000 to a community group assistance fund. The organisations who were successful in obtaining funding from this initiative will be notified in late 2020.

Town of Port Hedland Libraries

The Libraries have continued their delivery of high quality services to the community and with the additional challenges of COVID-19, engaging a cross section of local residents with a range of unique initiatives. Some of the highlights for this year included:

- The new Port Hedland Library at the Port Boulevard opened in May 2020. It has already proven to be significantly more popular than the old Port Library location
- Hundreds of Rhyme Time, Story Time, Lego Club, and outreach to day care centre sessions were held throughout the year. In addition, Older Wiser Library Sessions (OWLS) has successfully continued as well as the number of one-off events including involvement in Indigenous Literacy Day
- The Town was fortunate to receive a Children's Book Council WA grant to continue running Children's Book Week in August 2019. The guest author was Rebecca Laffar-Smith and 1,253 children attended sessions from schools across Port Hedland, Strelley and East Pilbara

- The implementation of a new library management system has provided the community with easy access to all our print and online resources via our library catalogue. This has been particularly useful during COVID-19
- A range of new services was implemented during the COVID-19 shutdown. These included the introduction of a homebound library service for our older, more vulnerable community members, a Click & Collect Service, and an online membership registration. In addition, the libraries organised mystery bags of books for the community which were available outside grocery stores in both Port and South Hedland
- A project to add historical photos to the library catalogue was initiated to make the Local History collection more accessible to the community.
- New signage utilising the Libraries' new branding gave South Hedland Library a fresh look and street appeal.



Improved Public Art Increasing Hedland's Cultural Value

In 2019, the Town embarked on a period of engagement to inform the development of the Public Art Strategy. The Strategy provides a vision for a future public art program which is cohesive, engaging innovative and authentic to Hedland. Importantly, the Strategy emphasises the talents and contributions of local creatives, fostering pride and community spirit.

The community contributed to the Public Art Strategy through a series of workshops, surveys and polls. These invaluable insights have helped develop the Strategy, grounded in key actions which stakeholders can work towards.

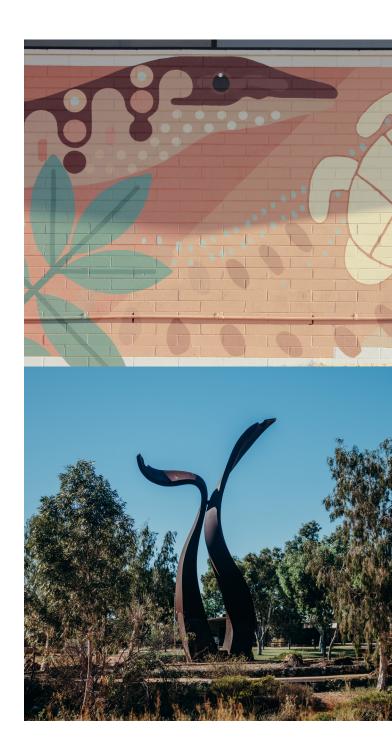
Public art is a highly visible indicator of a community's creativity, expressing the vision of local creatives and telling unique place based stories. Public art educates people, promotes cultures and traditions and builds connections.

The Strategy covers the collection, conservation and care, procurement, management, access, development and funding of public art in Hedland.

The Strategy is grounded in a number of tangible objectives, including to improve and beautify public spaces, celebrate cultural identity and heritage, boost tourism and visitor attraction and support the local creative community.

Public art plays a central role in our broader strategic goals of attracting tourists and investment to the Town.

The final Public art strategy will be considered by Council for adoption in late 2020.



Virtual Events

COVID-19 placed a hold on traditional events, including the 2020 Spinifex Spree and Northwest Festival. However, the events and communications teams came together and utilised digital technology to keep events at the forefront of the Town's operations in an unprecedented year. Welcome to Hedland Digital transitioned the South Hedland Community Expo into the online space, allowing local businesses and community groups the opportunity to create a free online 'stall', accessible to anyone in the world. In the first two days of the digital event, the online platform garnered over 3,000 page hits. Delivering new standards of sponsorship value, digital ads across Pilbara News and the North West Telegraph websites were delivered 41,667 times. The feedback on the new format was overwhelmingly positive, with digital stallholders remarking on the ability to send the online profiles to family and friends interstate or overseas.

Mother's Day Classic Virtual was spearheaded by a national committee, with the Town's events team championing local involvement. Residents and businesses could still raise money for breast cancer research by registering online and racking up steps throughout the campaign, in place of a one day physical event. Digital ads encouraging involvement were booked via Seven West, delivering ads to 18,246 devices throughout the campaign and garnering 28 clicks to the national Mother's Day Classic website. Video played a central role in raising awareness of the event, with interviews r ecorded with Commissioner Riebeling and the Well Women's Centre published via the Town's social media channels. These online events demonstrate the diversity of event delivery and serve as a blueprint for the future.



Matt Dann Theatre and Cinema

The Matt Dann Theatre and Cinema continued to be Hedland's premier movie and live entertainment venue, showing a selection of blockbuster movies, diverse live shows and providing space for hirers to utilise.

Movie screenings continue to be the most popular entertainment at the facility; however, the team remains committed to delivering diversity and novelty through live stage performances. From magic to dance and everything in between, offerings appeal to diverse cross sections of the Hedland community and tourists alike.

In July 2019, WA's Magician of the Year, Pierre Ulric, put on two magic stage shows for children and adults. His Confessions of a Magician show gave attendees a look behind the scenes of the magic, sharing the secrets of some of the world's favourite tricks. In Wacky Magic and Mad Science, Pierre entertained children with a sci-fi show incorporating storytelling, visual illusions, strong moments of magic, educational science and more.

In November 2019, A Night Out! By Natalie Allen and collaborators gave people the chance to learn dance moves on stage and get involved with the production. From the Charleston to Hip Hop, the audience was treated to a moving history of dance and discovery. This production aligned with the Town's goals of providing more participatory and interactive art experiences.

COVID-19 put a hold on screenings and shows from March 2020; however, the facility is set to be back to normal operations for the dance season, in line with COVID-19 public health advice.



Sunset Food Markets

In a new initiative combining food and community, the Town of Port Hedland introduced the Sunset Food Markets at Marapikurrinya Park in September 2019.

The monthly family-friendly event hosts a range of local food vendors, in addition to kids' activities and live music.

Set under ambient festoon lighting, the Markets highlight the improved accessibility and usability of Marapikurrinya Park following its recent refurbishment.

Highlights of the refurbished park include improved accessibility, refined landscaping, better seating and more open space for people.





Town Delivers on Child Care Commitment

Additional child care services are now being delivered from the previous Port Hedland Library site by One Tree Community Services, delivering on the Town's commitment to improving access to child care in Hedland.

This refurbished site is an extension of the existing One Tree Len Taplin Children's Service, provides more placements for local families. The site has undergone a refurbishment stemming from the August 2019 Council endorsement of the site's conversion from a library to a child care facility.

Local contractors refurbished the internal and external features of the site, ensuring it is fit for child care service delivery.

Numerous rounds of community engagement exercises, including the annual perception survey, uncovered a shortage of child care placements which hindered the liveability of local families.

Facilitating a site for child care service delivery aligns with a number of the Town's strategic goals, such as the Town planning for and developing future facilities that meet community need.



Supporting a strong economy

"We build prosperity for all - enabling sustained economic growth."





Our Response to COVID-19

The Town stepped up to rapidly adapt to the new reality of COVID-19 throughout 2020. From the beginning, the Town played an active role in reinforcing public health advice and restrictions released by the state and federal government. Despite the challenges, the situation presented the Town with unique opportunities to evolve and expand service delivery by utilising digital technology. Broadly, residents across regional WA communities have been satisfied with how local governments have responded to the pandemic. According to the Local Government Professional's Community Resilience Scorecard, respondents in the Pilbara gave the sector's response a score of 75/100, with 73% using social media as their primary medium for keeping up to date and 71% indicating the amount of COVID-19 content from local government was 'just right.'

In April 2020, the Town adopted \$3.1 million worth of measures to ease the economic hardship faced by local businesses and community organisations. The Town recognised the severe financial hardship faced by small businesses, particularly in the hospitality, tourism and entertainment sectors, many of which had to shut up shop. Key support measures included the establishment of a \$360,000 community group assistance fund, as well as a \$625,000 support local small business fund. The Town also committed to a 0% increase on existing Town fees and charges in 2020/21, as well as a rate in the dollar freeze and a commitment to a temporary reduction in creditor payment terms from 30 to 15 days. Community engagement sessions were held to allow Hedland based organisations the opportunity to learn more about the Town's support measures.

The Town released over 40 news items dedicated to important COVID-19 community updates, published social media posts amassing a cumulative reach of 300,000 and delivered five targeted campaigns. This included the Stop Coronavirus in Your Mob campaign, which featured the voices of Aboriginal Elders speaking in traditional language about the importance of remote communities heeding public health advice. Broadcast on GWN7, the campaign reached a cumulative audience of 800.000 and was shared via the Town's online channels. To serve as a central point of trusted information, a dedicated webpage was established on the Town's website, which was accessed and viewed thousands of times.

Traditional event delivery transitioned to digital events. Welcome to Hedland Digital swapped the South Hedland Town Square for the screen, allowing local businesses and community organisations to upload a free profile to introduce their services to a bigger online audience. These online profiles were accessible to anyone in the world, sharing Hedland's story to a new audience and showcasing the town to prospective residents and tourists. Mother's Day Classic Virtual gave locals the chance to keep up their steps while raising money for vital breast cancer research, giving participants access to a range of online resources.



The Town's community facilities stepped up to the challenge of changing their operations, which in some weeks was on a daily basis. The Port Hedland Leisure gym staff delivered free digital at-home workouts, giving members the chance to work out with their favourite trainers from home. The Libraries launched a click and collect service and a homebound delivery service, reaching out to vulnerable members of the community and connecting them to friendly faces. The youth services team were still able to engage Hedland's young people through programming held in outdoor locations with social distancing. All of the changes implemented by the Town's facilities were communicated across the Town's website, social media channels, the North West Telegraph and on the radio.

Although WA continues along its recovery path, the Town recognises that large sectors of the economy will feel the economic impact of COVID-19 for years to come. By building partnerships, administering community grants, supporting promotional needs and listening to the community, the Town intends to ease the burden felt by local community groups and small businesses moving forward. A record capital works program will engage local building contractors in the years ahead, providing a boost to local job creation.

Commercial Property Upgrades

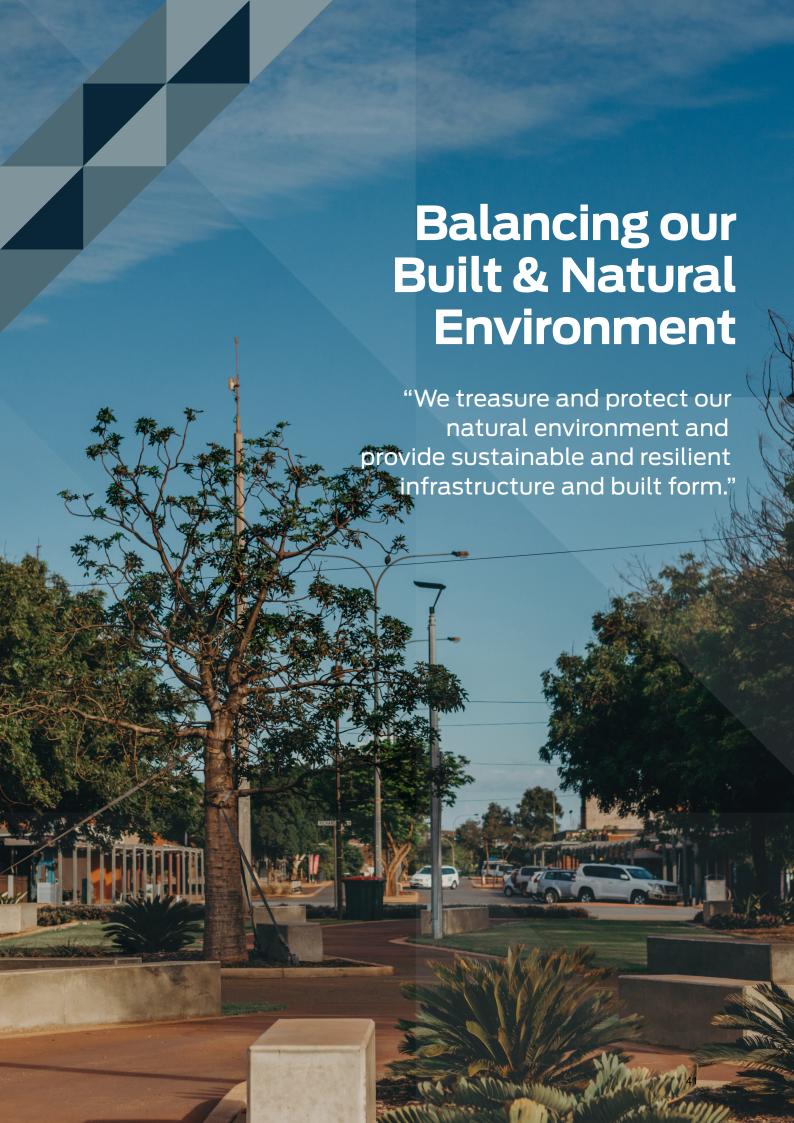
The Town of Port Hedland has a diverse property portfolio which spans across commercial facilities, residential housing for staff and land assets. These assets are located throughout the Port Hedland area including the three major suburbs – Port Hedland, South Hedland and Wedgefield. Key developments over the last year include extensions and upgrades to the Gratwick Aquatic and Fitness Centre; Civic Centre; new Ablutions at Yikara Park; Port Hedland Library and South Hedland TAFE refurbishments to incorporate One Tree Child Care Centres.

Business Breakfast Series

The Town continued to foster its strong relationship with the Port Hedland Chamber of Commerce Incorporated through the Business Breakfast Series. This series seeks to support Hedland's business community by providing an opportunity to network, collaborate and be inspired. These well-attended sessions attract expert speakers/panellists and strong representation from business; industry; and government leaders.

In September 2019, the series welcomed former Fremantle Dockers player, Heath Black, as the special guest speaker. Heath discussed his battles both on and off the field, overcoming anxiety associated with fear of failure and a battle with depression. Heath explained the parallels between the business world and the world of competitive sports, commenting on the importance of teamwork and leadership.









The Town delivered a \$1.2 million playground replacement program, incorporating Crime Prevention through Environmental Design

Playground renewal at Cemetery Beach Park and Shay Gap Park

In late 2019 and early 2020, new playgrounds were constructed at Cemetery Beach Park and Shay Gap Memorial Park, works were part of the Town's \$1.2 million playground replacement

program in the capital works budget. Yurra Pty Ltd were awarded a contract valued at \$824,945 to rebuild the Shay Gap Park playground and Active Discovery were awarded a contract valued at \$406,554 to rebuild the Cemetery Beach Park playground following the damage incurred by Tropical Cyclone Veronica. A key feature of the playgrounds' design was the inclusion of Crime Prevention through Environmental Design (CPTED), seeking to reduce incidents of anti-social behaviour in parks and public spaces by creating more open space and reducing hiding. Both playground designs provided more open space, more features for children to explore and aesthetics which complement the natural environment. The new Cemetery Beach playground was officially opened by Commissioner Riebeling, with a ribbon cutting, cake and family friendly activities to cap off the day.



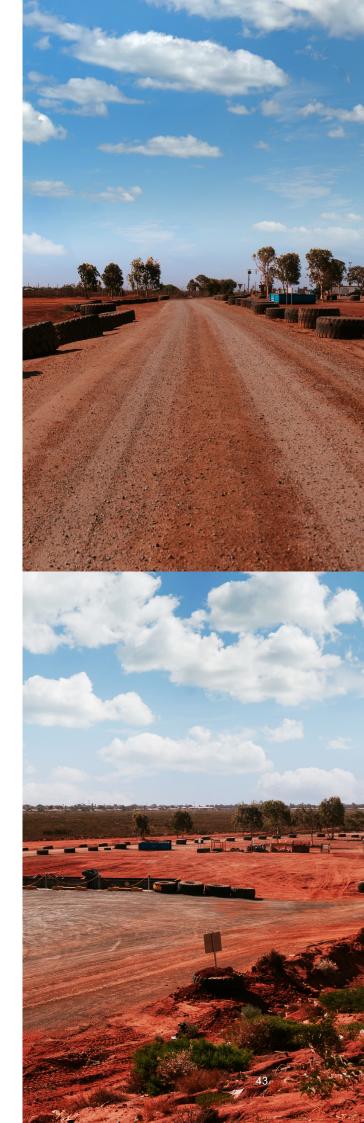
Continuation of the Town of Port Hedland Waste Strategy

Council is continuing to progress its commitment to sustainability, in line with the Town of Port Hedland Waste Strategy adopted in 2018.

The proposed Town of Port Hedland Waste Local Law 2020 includes provisions relating to kerbside recycling, helping the Town meet its sustainability goals. Following public consultation, the Town intends to rescind the 2018 Law and replace it with this updated version to reflect implementation of the new collection service.

The Town has procured Cleanaway to provide a kerbside waste and recycling service. The recycling service is intended to commence once a suitable transfer station and recyclables receival facility is constructed. Once kerbside recycling is a reality, Port Hedland will join the majority of Australian local governments in offering the service to rate payers.

Recycling is a core component of waste services in a majority of Australian Councils, with local government at the forefront of creating sustainable communities. The Town's consultation process for the Strategic Community Plan 2018-2028 revealed 93% of locals desired kerbside recycling. The strategy's recommendations also included a Community Recycling Centre and a Container Deposit Scheme drop-off point, which are being planned for inclusion at the South Hedland landfill.



New Ablution at Yikara Park

Works commenced in December 2019 to install new ablutions at Yikara Park. Contractors MJW Building completed the work, which included the installation of an accessible toilet, baby change station and external hand basin for park patrons. The new ablutions were in line with the Town's DAIP, which seeks to provide better accessibility at public facilities.

Planning Highlights

The Building team issued 168 building permits, with a total value of \$52.9 million. All permits were issued within the statutory timeframes. One development had an estimated value of \$15 million and over. There were 91 development applications determined with an average processing time of 29 days, 14 planning compliance matters, 47 crown land matters, and 3 subdivision matters that were responded to.

The Planning team led the finalisation of the following strategic plans and policies:

- Spoilbank Marina Masterplan approved and detailed design finalised for Stage 1 works
- Shaping Hedland's Future Local Planning Strategy and Local Planning Scheme review project substantially progressed, set to be considered at the September Council meeting.
- Athol Street and Stables Structure Plans progressed in collaboration with Development WA
- Commenced preparation of a Coastal Foreshore Management Plan
- Updated the local planning policy framework on workforce accommodation facilities and social impact assessment.



Spoilbank Marina

Following an announcement of the 2019 WA State Government to commit funding to the Spoilbank Marina Development Project, the Town has been working with the Department of Transport, Pilbara Development Commission, Development WA and the Pilbara Ports Authority in the delivery of the \$121.5 million Spoilbank Marina Project. An expert consultant team has been formed to engage with key stakeholders and the community, undertake detailed design work and secure necessary approvals.

The Town was integral in driving the Spoilbank Community Reference Group, which provided a user perspective in relation to the design functionality of the Marina. Community and stakeholder involvement has been critical to ensure the creation of a vibrant waterfront destination which will deliver maximum economic and social benefits for the town, region and local community.

The detailed design phase of the Spoilbank Marina project is nearing completion which will mark a major milestone for the muchanticipated community project. Significant work has been undertaken to reach this stage, including technical studies, data analysis and modelling and design work. The project aims to transform Port Hedland's waterfront into an attractive and popular destination for locals and visitors.



Shaping Hedland's Future

Under the branding 'Shaping Hedland's Future' the Town's review of its Local Planning Strategy and Local Planning Scheme has substantially progressed during the year.

Shaping Hedland's Future – Community and Stakeholder Engagement Outcomes Report informed the preparation of the Local Planning Strategy and Local Planning Scheme No. 7. These documents will guide the next 10 to 20 years of land use planning and development within the Town of Port Hedland, having long term implications for the future of development in Hedland.

The Local Planning Strategy is a blueprint which guides the development of the Town towards its vision to be Australia's leading port town. It seeks to contain more realistic goals for population, economic growth and land use aspirations in Hedland, revising down the estimates which were used to inform the Pilbara's Port City Growth Plan. The previous strategy was prepared in the height of the mining boom, when significantly high population targets were projected.

The Local Planning Strategy sets out the long term planning direction for the Town of Port Hedland and provides the rationale for any zoning or classification of land under the Local Planning Scheme No. 7.

Athol Street and Stables Structure Plans

Athol Street and Stables Structure Plans progressed in collaboration with Development WA. Element (the applicant), on behalf of Development WA, prepared the Athol Street and Stables Structure Plans which when combined, covers an area of approximately 76 hectares and is bound by Athol Street, Cooke Point Road, Styles Road and Pretty Pool Creek.

The Structure Plans consider previous work undertaken for this land in 2015, with review and engagement with key stakeholders identifying Pretty Pool Creek, heritage and coastal processes as key environmental attributes which have resulted in revised Structure Plans that more appropriately balance planning, heritage and environmental matters.

The Structure Plans provide a planning framework for future land use comprised of predominantly residential zoned land of low (R20) medium (R40) and high (R60) residential densities, a limited tourism/hospitality coastal node, public open space and an environmental conservation reserve (foreshore reserve). Support for both structure plans will facilitate de-constraining land in the east end of Port Hedland and support future growth in the locality.

Local Policy Framework -Social Impact Assessment and Workforce Accommodation Facilities

Fostering Understanding of the Workforce Accommodation Policy

A Position Statement has been prepared by the Town to assist users understanding the Town's policy position and rationale concerning approval, construction and management of workforce accommodation facilities ("workforce accommodation"). The Statement covers: demand-driven, proximity, design standard, location, and social impact, ensuring developments realise sustainable community value and maximum social benefits for industry workforces and the local community.

The Position Statement is founded on the principles of corporate social responsibility, collaboration, genuine community engagement, transparency and honesty, community development and cultural respect and enhancement.

The purpose of the Position Statement is to:

- Outline the Town's rationale when responding to development applications or referrals for workforce accommodation
- Provide underlying principles for the community, industry and stakeholders to consider when proposing workforce accommodation
- Support the formulation of Local Planning Policies relating to Workforce Accommodation and Social Impact Assessment.



Social Impact Assessment

Proposed planning developments often impact broad cross sections of the community. A Social Impact Assessment (SIA) seeks to manage how a proposed plan may impact the community in a positive or negative capacity, across factors such as way of life, culture, community, political systems, environment, health and wellbeing, personal and property rights and people's fears and aspirations. It is important for individuals or organisations who submit planning proposals to consider the broader social land communal implications of developments.

The Town's Strategic Community Plan seeks to build Australia's leading port town embracing community, culture and environment. At times, these elements may present the Town with conflicting priorities or complex issues. SIA's encourage developers to take a more holistic view of developments, recognising that actions may have wide ranging ramifications.

The Town's SIA policy describes when a SIA is required for a planning proposal, what it should address and the ongoing management and implementation of a Social Impact Management Plan (SIMP). The policy assists applicants, the community and industry to identify and address the potential social impacts of certain developments and supports the Town making informed decision. The objectives of the Town's SIA policy are:

- To encourage early identification and assessment of positive and negative social impacts of a planning proposal, through development of a Social Impact Assessment and Social Impact Management Plan to mitigate adverse impacts and maximise positive social outcomes for the impacted community.
- To outline the Town's expectations concerning the key elements of a Social Impact Assessment, including genuine engagement with stakeholders.
- To support informed decisionmaking through the incorporation of quality, evidence-based information, and management measures monitored through Key Performance Indicators.

Organisations have a degree of social responsibility not only for the economic consequences of their activities, but also for the social and environmental implications. The development of meaningful partnerships between all levels of government, industry and community is required in realising the strategic vision for Port Hedland.

Workforce Accommodation Policy

The mining and resources industry forms the backbone of the Port Hedland economy, requiring adequate workforce accommodation to support its labour needs. The Town's Workforce Accommodation Policy outlines the planning and development requirements for this type of accommodation in the Hedland LGA. The Policy relates to three types of workforce accommodation: short-term workforce, intermittent workforce and long-term workforce accommodation. The objectives of the Policy are to:

- Integrate workforce accommodation into the fabric of town centres and residential areas
- Ensure a design that can perform longer-term functions, rather than be demolished after a short life
- Encourage urban based workforce accommodation that is located close to commercial centres, to serve multi-purpose functions within the Hedland community
- Achieve integration of aesthetically designed built form with the local environment
- Improve building, landscaping, street and town appeal
- Provide high-quality, aesthetically pleasing and locally appropriate design that reflects a neighbourhood-like environment.

How is the Policy Applied?

The Workforce Accommodation Policy should be read in conjunction with the Town's Local Planning Scheme No. 7 and the Planning and Development (Local Planning Schemes) Regulations 2015. The Town recognises that the policy positions within the Position Statement cannot be unilaterally imposed on workforce accommodation approved pursuant to State Agreements which are ratified by Acts of Parliament or the Mining Act 1978. It is acknowledged that such proposals are exempt to the extent that the provisions of those Acts override the *Planning and Development Act* 2005 and the Town's Local Planning Scheme.



"We provide strong leadership and are focused on strengthening our community. Our organisation is governed in ethically responsible manner and meets all of its legislative and community obligations in accordance with defined service levels."



Civic Centre Upgrades

Civic Centres welcome communities into the process of Local Government. Serving both symbolic and operational functions, it is often the first building that visitors to Hedland will enter. As well as delivering the administrative and leadership functions of government, it should also be a modern and confident architectural statement which imparts confidence to those passing through its doors.

A new Civic Centre, inclusive of an Administrative Centre for the Town, is a once in a 30 year opportunity to make a statement about Port Hedland and to underpin the vision, strategies and objectives of the Town Strategic Community Plan. The current Civic Centre was opened in the 1970s, and underwent extensive renovations in 2019 to improve amenity for staff and visitors. However, due to projected increases to staffing levels in the years ahead, a site with larger floor space will be required.

The opportunity for a new Civic Centre is being embraced by leadership, with options being explored that ensures funds are invested for the long-term benefit of the Town. This will creates lasting value, rather than short term fixes.



Visiting Dignitaries

Date	Visit
9 July 2019	Liza Harvey MLA Leader of Opposition – WA Government, Ken Baston MLC, Jim Chown MLC and Ian Blayney MLA
22 July 2019	Civic Reception in celebration of the visit of His Excellency the Honourable Kim Beazley AC Governor of WA
23 July 2019	Town Briefing Honourable Kim Beazley AC Governor of WA
30 July 2019	Commissioner meeting with Hon. Alannah MacTiernan
6 August 2019	Commissioner & CEO meeting with Premier Mark McGowan (Perth)
6 August 2019	Commissioner & CEO meeting with Minister MacTiernan (Perth)
6 August 2019	Commissioner & CEO meeting with Minister Saffioti (Perth)
6 August 2019	Commissioner & CEO meeting with Minister Templeman (Perth)
8 August 2019	Commissioner & CEO meeting with Minister Tinley (Perth)
8 August 2019	Commissioner & CEO meeting with Minister Wyatt (Perth)
26 August 2019	Commissioner meeting with Indonesian Consul General of WA – Mrs. Dewi Gustina Tobing
30 August 2019	Commissioner meeting with Hon. Melissa Price
13 September 2019	Commissioner meeting with Minister Logan (Perth)
14 November 2019	Minister MacTiernan – Regional Development Grants announcement
14 November	Commissioner meeting with Minister MacTiernan
20 December 2020	Commissioner & CEO meeting with Minister Papalia
5 May 2020	Commissioner meeting with Minister MacTiernan (Perth)
6 May 2020	Commissioner meeting with Minister Templeman (Perth)
6 May 2020	Commissioner meeting with Minister Ellery (Perth)
12 June 2020	Commissioner meeting with Minister MacTiernan

Advocacy

During the 2019/20 financial year, the Town has provided many coordinated responses in relation to a number of State, Federal and local issues, including submissions for:

- Northern Australia Insurance Inquiry (teleconference)
- Regional Capitals Australia (Policy Feedback Survey)
- Education in Remote and Complex
 Environments Parliamentary Enquiry
- Mobile Black Spot Program
- Royal Commission into National Natural Disaster Arrangements opportunity to comment
- DFES Recovery Survey
- Waste Reform Consultation
- WALGA The WA Local Governments
 Sectors Response to COVID-19
- Local Government Research Invitation from LG Professionals Australia
- WALGA Covid-19 Impacts on LGA Sector Workforce Survey
- "Regional Capitals Australia Request for Information re Jobkeeper programme"
- DLGSC Covid-19 Survey
- Draft WA Aviation Strategy 2020
- Public Health Planning SurveyDraft
 Heavy Vehicle Productivity Plan
 2020–2025
- Regional Capitals Australia Housing Affordability Issue Brief
- Pilbara Economic Development Consultation Paper
- Research into Language Services
 Offered by Local Governments
- New Regulatory framework for drinking water in WA
- DWER Draft Compliance and Enforcement Policy Consultation
- Managing Public Health Risks
 associated with Offensive Trades and
 Air Handling and Water Systems
 Review waiting for Offensive Trades
 review to be completed

- Suicide Prevention Action Plan (2021-25) Engagement
- Review of Dog and Cat Acts
- Climate Health WA Inquiry
- Parliamentary Inquiry into Local Government
- Changes to Australian Standards for Storage and Handling of Liquefied Chlorine Gas
- Managing Public Health Risk Associated with Pesticides in WA
- Local Government as the collection agency for the Construction Training Fund
- Migration in Regional Australia
- Local Government's Role in Addressing
 - Family and Domestic Violence
- Remote Area Tax Concessions and Payments
- WALGA State Budget Submission
- Size and Scale compliance regime
- State Council and Zone Structure and process Working Group
- Climate Change Issues Paper Released for Comment
- Draft Local Government Guidelines for Restoration and Reinstatement in WA
- Climate Resilient Councils
- Consultation of proposed Code of Conduct and CEO Standards
- Draft Shared Path Guidelines
- National Drought Response Resilience Plan
- Residential Aged Care Position
 Statement
- Environmental Protection Act 1986 amendments consultation
- Amendments to the Planning and Development (Local Planning Scheme) Regulations 2015
- CEO and Elected Member
 Remuneration Salaries and
 Allowances Tribunal 24/01/2020
- Entertainment Precincts Position Statement and Regulations
- Draft Local Animal Welfare in Emergencies Plan Guide and Template

Open for Comment

- Consultation on a new Online Safety Act
- Consultation on livestock regulations

Audit and Risk Management

The Town decided to outsource an internal audit function to assist in adherence to documented policies and procedures as well as identification of internal control weaknesses.

William Buck Consulting (WA) Pty Ltd ('William Buck') were engaged by the Town to act as the Town's internal audit function and commenced work in that role effective 24 February 2020. Following the engagement in February 2020, William Buck was requested to prepare the Strategic 3 Year Rolling and Annual Internal Audit Plan.

The current draft of the proposed Risk Management Strategic Plan in accordance with the International Standard for Risk Management, AS/NZS ISO 31000:2009 will form the foundation of identifying and analysing issues that may have an adverse effect on the Town achieving its objectives and will apply to Councillors, volunteers and contractors (stakeholders). It is paramount that all employees and stakeholders understand their roles and responsibilities in the risk management process. This plan will also ensure that the Town continues to focus on areas of better practice in relation to legislative compliance, effective and efficient internal controls, as well as transparency, accuracy and completeness in reports issued.

Government Relationships

In 2019/20, the Commissioner continued to advocate for Hedland and its interests across all levels of Government.

On Monday, 26 August 2019 Commissioner Riebeling met with Indonesian Consul General of WA, Mrs. Dewi Gustina Tobing. The strategic proximity of Hedland to Asian trading routes was discussed during this meeting.



Reconciliation Action Plan

Reconciliation Action Plans (RAPs) outline practical actions the organisation will take to build strong relationships and enhance respect between Aboriginal and Torres Strait Islander people and other Australians. RAPs also set out an organisation's aspirational plans to drive greater equality by pursuing sustainable opportunities.

A RAP is a strategic document that supports an organisation's business plan. It includes practical actions that will drive an organisation's contribution to reconciliation both internally and in the communities in which it operates.

The Town of Port Hedland Reconciliation Action Plan (RAP) 2016 – 2019 has shaped a way forward for the Town to strengthen its acknowledgment and engagement of the Aboriginal and Torres Strait Islander community. The Plan was formally adopted at the Ordinary Council Meeting on 25 May 2016 and was formally closed with the final report submitted to Reconciliation Australia in January. As part of this process, we sought feedback from the community at the November Aboriginal and Torres Strait Islander Consultation Forum which is also helping to inform the development of our next Plan.

Due to COVID-19 restrictions in 2020, we didn't hold an event for Reconciliation Week but were able to light up the South Hedland Water Tower in the colours of the Aboriginal flag. The Town continues to include Welcome to Country at events and forums and to fly the Aboriginal and Torres Strait Island flags alongside the Australian and Town flag at the Civic Centre and South Hedland Town Square.

Statutory Reporting

Disability, Access and Inclusion Plan

The Town of Port Hedland is dedicated to creating a unified community across our townships, aiming to provide safe and accessible community facilities, services, events and open spaces that connect people and neighbours. Our Disability, Access and Inclusion Plan (DAIP) sets out the Town's commitment to creating a community that welcomes and includes people of all abilities. It outlines the strategies the Town will use to address barriers to access and promote inclusion for people with disability over the next five years. Outcomes which include goals on how to deliver the outcomes detailed below:

- People with disability have the same opportunities as other people to access services of, and any event, organised by the Town of Port Hedland
- People with disability have the same opportunities as other people to access the buildings and other facilities of the Town of Port Hedland
- People with disability receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it
- People with disability receive the same level and quality service from the staff of a public authority as other people receive from the staff at the Town of Port Hedland
- People with disability have the same opportunities as other people to make complaints to the Town of Port Hedland
- People with disability have the same opportunities as other people to participate in any public consultation by the Town of Port Hedland
- People with disability have the same opportunities as other people to obtain and maintain employment with the Town of Port Hedland.

A number of projects were undertaken in 2019/20 to implement, improve access and inclusion. These include:

- partnering with local disability services provider, Hedland Community Living Association (HCLA), and hosting a "Sensory Movie Cinema" session in celebration of International Day of People with Disability
- new playground equipment at Cemetery Beach Park and Shay Gap Park which incorporates inclusive play items and allows for all ability access pathways to play equipment
- the installation of universally accessible toilets at Yikara Park in Pretty Pool
- adding an auto-captioning service for live streamed council meetings on social media
- establishing a home-bound library delivery service for those unable to attend local library facilities.

Employee Remuneration Salary Range

100,000	109,999	17
110,000	119,999	10
120,000	129,999	5
130,000	139,999	5
140,000	149,999	8
200,000	209,999	2
220,000	229,999	2
320,000	329,999	1

Regulation 19B of Local Government (Administration) Regulations 1996 requires disclosure of the number of employees within the Town of Port Hedland with an annual salary of \$100,000 or more.

^{*}For positions covered by Town of Port Hedland Enterprise Agreement 2019; the above figures include the Port Hedland Allowance of \$18,831.28 and negotiated annual salary rates.

Records Management

The Town manages its corporate records in accordance with the legislative requirements of the State Records Act 2000.

Records are a core resource for the Town and good record keeping practices contribute to the Towns efficiency and accountability to its shareholders.

All staff are expected to record keep as part of their day to day operations.

The Town's current Record Keeping Plan was approved by the State Records Commission in August 2019, the next Plan is due in 2024.

The Town of Port Hedland is continuing its commitment to good recordkeeping practice by:

- Increasing its registered items into the corporate recordkeeping system by 44.75% from last financial year (31,097 registered items)
- Digitising and registering 2,461 property files, an increase of 26.72% on last financial year
- Providing training on the Corporate Recordkeeping system to 59 new employees and 9 refresher sessions to current staff
- Creating 4,182 new files in this financial year
- Closing 2,061 file/volumes in this financial year
- Destruction of approximately 300 boxes of source records
- Audit of records holdings physical and electronic
- Return of cemeteries administrative process to the Infrastructure Directorate
- 117 boxes described into the corporate record keeping system
- Description and evaluation of the Town's art collection

Review of Local Laws

Under the Local Government Act 1995 (Act) and as part of its legislative functions, Council is able to make and review local laws as a way of providing good governance to the community and which reflect current community standards.

Local laws made by local governments cover such issues as the activities permitted on public land, animal management and use of local government facilities.

In accordance with section 3.16 of the *Local Government Act 1995*, Local Laws are required to be reviewed within an eight year period after their commencement to determine if they should remain unchanged, repealed or amended.

The Town did not adopt any Local Laws for the FY 2019/20. However, the Town is in the process of reviewing a proposed Waste Local Law 2020.

Council Decision passed in May 2020

That Council:

- 1. Adopt the proposed Town of Port Hedland Waste Local Law 2020 for advertising purposes.
- 2. Give state wide public notice that it intends to make the proposed Town of Port Hedland Waste Local Law 2020 as per Attachment 1, as required under section 3.12 of the Local Government Act 1995:
- a) With the purpose being to provide a statutory framework to regulate the collection, disposal and storage of waste and recyclable materials; and
- b) With the effect being to stipulate the responsibilities of the Town and its residents in relation to waste management, including the collection, disposal and storage of waste and recycling materials for the benefit of the community and protection of the environment, and to provide capacity to enforce contraventions to the laws.
- 3. Authorise the CEO to submit a copy of the proposed Town of Port Hedland Waste Local Law 2020 to the Minister for Local Government and the Minister for Environment.

Current status on process

10/06/2020 - Correspondence was sent to Minister for local Government and Mister of Environment. Submission to close 22 July 2020.

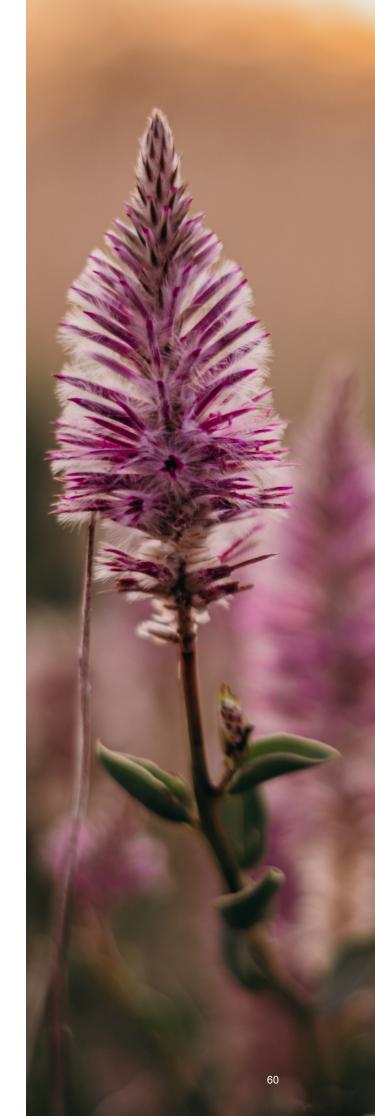
02/09/2020 - Correspondence was received from the Director General, DWER, requesting minor administrative changes to the proposed Waste Local Law 2020. The Town have made these changes and the final draft was sent to the Director General, DWER for his consideration and consent.

Once correspondence has been received from Director General, DWER, an agenda item will be presented to Council for adoption of the Waste Local Law 2020. Proposed November 2020.

Official Conduct Report

The Local Government Act 1995 requires the Town to report on the number of official conduct complaints recorded under Section 5.121 during a financial year.

No complaints received in accordance with Section 5.121 for the financial year. We have no Elected Members. None for Commissioner



The Register of Complaints is available on the Town's website.

FOI Statistics

In accordance with section 10(1) of the Freedom of Information Act 1992, individuals and companies have a general right to access documents held by the Town of Port Hedland, subject to the exemptions in that Act.

The Town had fourteen applications, six did not proceed and five were outside the FOI, with one having no contact from the applicant.

Of the eight completed FOI applications there were no personal FOI's.

The following table indicates the applications received and the type of access granted by the Town in 2019/20.

Access Type	Personal	Non-Personal	Total
Access in full	0	1	1
Edited access	0	7	7
No documents found	0	0	0
Withdrawn by applicant	0	6	6
Not finalised	0	0	0
Total	0	14	14

TOWN OF PORT HEDLAND

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

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COMMUNITY VISION

To be Australia's leading Port Town embracing community, culture and environment.

Principal place of business: Civic Centre McGregor Street Port Hedland WA 6721

TOWN OF PORT HEDLAND FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

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

STATEMENT BY CHIEF EXECUTIVE OFFICER

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

Signed on the	(V	day of	March	2021
			- 0 (20
		_7~	Chief Executive Of	fficer

Carl Askew

Name of Chief Executive Officer





TOWN OF PORT HEDLAND STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 Actual	2020 Budget	2019 Actual
	-	\$ 000	\$ 000	\$ 000
Revenue				
Rates	28(a)	53,700	54,104	45,025
Operating grants, subsidies and contributions	2(a)	2,438	7,981	3,452
Fees and charges	2(a)	13,060	13,622	11,630
Interest earnings	2(a)	5,376	4,598	7,044
Other revenue	2(a)	3,223	1,699	11,659
		77,797	82,004	78,810
Expenses		(24,381)	(23,465)	(19,647)
Employee costs		(16,825)	(45,592)	(20,659)
Materials and contracts		(4,300)	(3,748)	(2,745)
Utility charges	11(c)	(9,125)	(8,472)	(8,561)
Depreciation on non-current assets Interest expenses	2(b)	(2)	(2)	(5,581)
Insurance expenses	2(0)	(841)	(858)	(773)
Other expenditure		(3,181)	(2,039)	(4,593)
Other experience	<u> </u>	(58,655)	(84,176)	(62,559)
	7	19,142	(2,172)	16,251
		25		
Non-operating grants, subsidies and contributions	2(a)	4,485	1,928	6,825
Profit on asset disposals	11(a)	39	0	8
(Loss) on asset disposals	11(a)	(3,044)	(71)	(1,275)
		1,480	1,857	5,558
Net result for the period	=	20,622	(315)	21,809
Other comprehensive income				
Items that will not be reclassified subsequently to profit of	or loss			
Changes in asset revaluation surplus	13	2	0	62
Changes in association surplus	. •			
Total other comprehensive income for the period	-	2	0	62
Total comprehensive income for the period	_	20,624	(315)	21,871
•	-			





TOWN OF PORT HEDLAND STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM FOR THE YEAR ENDED 30 JUNE 2020

		2020	2020	2019
	NOTE	Actual	Budget	Actual
		\$ 000	\$ 000	\$ 000
Revenue	2(a)			
General purpose funding		61,579	61,268	63,200
Law, order, public safety		148	119	394
Health		438	476	384
Education and welfare		217	226	254
Housing		0	1	16
Community amenities		9,680	8,628	8,809
Recreation and culture		3,459	4,105	2,404
Transport		217	5,861	1,001
Economic services		1,542	1,102	1,689
Other property and services		517	218	659
		77,797	82,004	78,810
Expenses	2(b)			
Governance	_(-,	(2,375)	(710)	(3,053)
General purpose funding		(236)	(2,793)	(1,327)
Law, order, public safety		(1,568)	(1,751)	(1,972)
Health		(1,253)	(867)	(952)
Education and welfare		(3,095)	(2,753)	(2,106)
Housing		(1,165)	(1,199)	(520)
Community amenities		(7,609)	(6,788)	(14, <u>068)</u>
Recreation and culture		(21,583)	(17,515)	(17,684)
Transport		(12,538)	(37,194)	(9,741)
Economic services		(1,760)	(1,525)	(2,240)
Other property and services		(5,471)	(11,079)	(3,315)
and property and services		(58,653)	(84,174)	(56,978)
		(00,000)	(01,111)	(00,010)
Finance Costs	2(b)		_	
Health		0	0	(278)
Education and welfare		0	0	(622)
Housing		0	0	(1,247)
Recreation and culture		0	0	(3,299)
Transport		0	0	(1)
Other property and services		(2)	(2)	(134)
		(2)	(2)	(5,581)
		19,142	(2,172)	16,251
Non-operating grants, subsidies and contributions	2(a)	4,485	1,928	6,825
Profit on disposal of assets	11(a)	39	0	8
(Loss) on disposal of assets	11(a)	(3,044)	(71)	(1,275)
		1,480	1,857	5,558
Net result for the period	10	20,622	(315)	21,809
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Changes in asset revaluation surplus	13	2	0	62
Total other comprehensive income for the period		2	0	62
Total comprehensive income for the period		20,624	(315)	21,871
The second second second second		20,027	10.07	21,011



TOWN OF PORT HEDLAND STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	NOTE	2020	2019
		\$ 000	\$ 000
CURRENT ASSETS			
Cash and cash equivalents	3	36,712	30,231
Trade and other receivables	6	7,887	13,075
Other financial assets	5(a)	205,417	201,928
Inventories	7	2,253	2,148
Other assets	8	365	442
TOTAL CURRENT ASSETS		252,634	247,824
NON-CURRENT ASSETS			
Trade and other receivables	6	1,439	1,471
Other financial assets	5(b)	456	628
Inventories	7	3,041	4,448
Other non-current assets	8	142	140
Property, plant and equipment	9	124,963	117,712
Infrastructure	10	176,764	168,195
Investment property	14	50,952	50,952
Right of use assets	12(a)	277	0
TOTAL NON-CURRENT ASSETS		358,034	343,546
TOTAL ASSETS		610,668	591,370
CURRENT LIABILITIES			
Trade and other payables	15	11,001	11,984
Contract liabilities	16	445	0
Lease liabilities	17(a)	242	0
Employee related provisions	19	2,354	1,789
Other provisions	20	14,810	14,810
TOTAL CURRENT LIABILITIES		28,852	28,583
NON-CURRENT LIABILITIES		44.004	40.000
Lease Premium Payable	15	41,304	42,228
Long Term Bonds	15	19	0
Lease liabilities	17(a)	98	0
Employee related provisions	19	121	112
TOTAL NON-CURRENT LIABILITIES		41,542	42,340
TOTAL LIABILITIES		70,394	70,923
NET ASSETS		540,274	520,447
EQUITY			
Retained surplus		216,094	204,319
Reserves - cash/financial asset backed	4	240,088	232,038
Revaluation surplus	13	84,092	84,090
TOTAL EQUITY		540,274	520,447





TOWN OF PORT HEDLAND STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

RESERVES

		C	ASH/FINANCIAL		
		RETAINED	ASSET	REVALUATION	TOTAL
	NOTE	SURPLUS	BACKED	SURPLUS	EQUITY
		\$ 000	\$ 000	\$ 000	\$ 000
Balance as at 1 July 2018		181,813	232,735	84,028	498,576
Comprehensive income Net result for the period		21,809	0	0	21,809
Other comprehensive income	13	0	0	62	62
Total comprehensive income	_	21,809	0	62	21,871
Transfers from reserves	4	28,117	(28,117)	0	0
Transfers to reserves	4	(27,420)	27,420	0	0
Balance as at 30 June 2019	-	204,319	232,038	84,090	520,447
Change in accounting policy	31(c)	(797)	0	0	(797)
Restated total equity at 1 July 2019	_	203,522	232,038	84,090	519,650
Comprehensive income					
Net result for the period		20,622	0	0	20,622
Other comprehensive income	13	0	0		2
Total comprehensive income	_	20,622	0	2	20,624
Transfers from reserves	4	170,998	(170,998)	0	0
Transfers to reserves	4	(179,048)	179,048	0	0
Balance as at 30 June 2020	-	216,094	240,088	84,092	540,274

TOWN OF PORT HEDLAND STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

		2020	2020	2019
	NOTE	Actual	Budget	Actual
		\$ 000	\$ 000	\$ 000
CASH FLOWS FROM OPERATING ACTIVITIES Receipts				
Rates		51,864	54,104	46,595
Operating grants, subsidies and contributions		8,435	7,982	1,566
Fees and charges		13,060	13,622	11,630
Interest received		4,214	4598	7,044
Goods and services tax received		1,930	0	1,943
Other revenue		3,223	1,699	1,150
		82,726	82,005	69,928
Payments				
Employee costs		(24,011)	(23,465)	(19,170)
Materials and contracts		(15,138)	(45,592)	(15,458)
Bank Charges		0	0	(4,416)
Utility charges		(4,300)	(3,748)	(2,745)
Interest expenses		(2)	(2)	(907)
Insurance paid		(841)	(859)	(773)
Goods and services tax paid		(1,926)	0	(1,990)
Other expenditure		(3,173)	(1,920)	(4,584)
		(49,391)	(75,586)	(50,043)
Net cash provided by (used in)				
operating activities	21	33,335	6,419	19,885
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	9(a)	(11,601)	(20,047)	(3,096)
Payments for construction of infrastructure	10(a)	(16,922)	(15,649)	(3,511)
Non-operating grants, subsidies and contributions	2(a)	4,485	1,928	6,825
Proceeds from sale of property, plant & equipment	11(a)	739	224	538
Proceeds/(Commitments) from financial assets - term				
deposits		(3,501)	0	27,735
Net cash provided by (used in)				
investment activities		(26,800)	(33,544)	28,491
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	18(b)	0	0	(21,358)
Proceeds from self suporting loans	4=41	50	0	64
Payments for principal portion of lease liabilities	17(b)	(103)	0	0
Net cash provided by (used In)	<u> </u>	(-0.)		(0.1.00.1)
financing activities		(53)	0	(21,294)
Net increase (decrease) in cash held		6,481	(27,125)	27,082
Cash at beginning of year		30,231	232,390	3,149
Cash and cash equivalents		30,201	202,000	0,140
at the end of the year	21	36,712	205,265	30,231
			200,200	30,201

TOWN OF PORT HEDLAND RATE SETTING STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

		2020	2020	2019
	NOTE	Actual	Budget	Actual
		\$ 000	\$ 000	\$ 000
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	29 (b)	2,509	2,509	7,140
		2,509	2,509	7,140
Revenue from operating activities (excluding rates)				
General purpose funding		(26,798)	6,956	18,180
Law, order, public safety		148	119	394
Health		438	476 226	384 254
Education and welfare Housing		217	1	16
Community amenities		9,680	8,628	8,809
Recreation and culture		3,459	4,105	2,404
Transport		217	5,861	1,001
Economic services		1,542	1,102	1,689
Other property and services		556	218	662
hart 2	19	(10,541)	27,692	33,793
Expenditure from operating activities				
Governance		(2,375)	(710)	(3,053)
General purpose funding		(236)	(2,793)	(1,327)
Law, order, public safety		(1,568)	(1,751)	(1,972)
Health		(1,253)	(867)	(1,230)
Education and welfare		(3,095)	(2,753)	(2,735)
Housing		(1,379)	(1,199)	(1,946)
Community amenities		(7,609)	(6,788)	(14,229)
Recreation and culture		(21,583)	(17,515)	(21,476)
Transport		(12,538)	(37,194)	(9,866)
Economic services		(1,760)	(1,525)	(2,240)
Other property and services		(8,303) (61,699)	(11,152) (84,247)	(3,760)
		(01,099)	(04,247)	(03,034)
Non-cash amounts excluded from operating activities	29(a)	12,305	7,619	226
Amount attributable to operating activities		(57,426)	(46,427)	(22,675)
AN COUNTY A COUNTY OF THE COUN				
INVESTING ACTIVITIES	2(2)	1 105	1 029	6 925
Non-operating grants, subsidies and contributions	2(a)	4,485 739	1,928 224	6,825 538
Proceeds from disposal of assets Purchase of property, plant and equipment	11(a) 9(a)	(11,601)	(20,047)	(3,096)
Purchase and construction of infrastructure	10(a)	(16,922)	(15,649)	(3,511)
Amount attributable to investing activities	10(4)	(23,299)	(33,544)	756
•			(
FINANCING ACTIVITIES				
Repayment of borrowings	18(b)	0	0	(21,358)
Proceeds from self supporting loans	,	50	30	64
Current portion of lease liabilities	17	242	0	0
Payments for principal portion of lease liabilities	17(b)	(103)	0	0
Transfers to reserves (restricted assets)	4	(179,048)	(31,013)	(27,420)
Transfers from reserves (restricted assets)	4	170,998	57,484	28,117
Amount attributable to financing activities		(7,861)	26,501	(20,597)
Surplus/(deficit) before imposition of general rates		(88,586)	(53,470)	(42,516)
Total amount raised from general rates	28(a)	88,377	54,312	45,025
Surplus/(deficit) after imposition of general rates	29(b)	(209)	842	2,509
			,	

TOWN OF PORT HEDLAND INDEX OF NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

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TOWN OF PORT HEDLAND NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

1. BASIS OF PREPARATION

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

AMENDMENTS TO LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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

From 1 July 2019, the Town has applied AASB 16 Leases which requires leases to be included by lessees in the statement of financial position. Also, the Local Government (Financial Management) Regulations 1996 have been amended to specify that vested land is a right-of-use asset to be 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 included in the statement of financial position) rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the Town to measure any vested improvements at zero cost.

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

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

Refer to Note 31 for the impact on initial application of AASB 15, AASB 1058 and AASB 16.

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

NEW ACCOUNTING STANDARDS FOR APPLICATION IN FUTURE YEARS

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

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

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

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

CRITICAL ACCOUNTING ESTIMATES

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

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

THE LOCAL GOVERNMENT REPORTING ENTITY

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 33 to these financial statements.

TOWN OF PORT HEDLAND NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

2. REVENUE AND EXPENSES

Recognition of rever	nue is dependant on the so	urce of revenu	ue and the associated t	terms and conditions	associated with each	source		
of revenue and reco								
		When						
Revenue Category	Nature of goods and	obligations typically satisfied	Payment terms	Returns/Refunds/ Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Timing of revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed millestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contract commitments	General appropriations and contributions with no reciprocal commitment	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights		On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility		On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works		Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	kiosk stock at various facilities	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Commissions	Commissions on licencing and ticket sales	Over time	Payment in full on sale	None	Set by mutual agreement with the customer	On receipt of funds		When assets are controlled
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

2. REVENUE AND EXPENSES

(a) Grant revenue

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

Comprehensive income.			
	2020	2020	2019
	Actual	Budget	Actual
	\$ 000	\$ 000	\$ 000
Operating grants, subsidies and contributions			
General purpose funding	1,540	1,570	1,482
Law, order, public safety	25	41	290
Health	9	3	3
Education and welfare	25	3	14
Community amenities	18	250	
Recreation and culture	561	290	639
Transport	212	5,824	1,017
Economic services	43	0	
Other property and services	14.2 [1.88]	0	7
	2,438	7,981	3,452
Non-operating grants, subsidies and contributions			
Law, order, public safety	773	159	411
Education and welfare	740	423	0
Community amenities	66	82	0
Recreation and culture	765	351	18
Transport	2,140	913	6,396
Economic services	1	0	0
	4,485	1,928	6,825
Total grants, subsidies and contributions	6,923	9,909	10,277
Fees and charges			
General purpose funding	1,006	1,022	1,011
Law, order, public safety	107	66	29
Health	409	453	371
Education and welfare	127	155	185
Community amenities	8,445	8,238	8,536
Recreation and culture	2,233	2,663	832
	2,233	2,003	(39)
Transport Economic services	728	1,011	705
ECOHOTHIC SCIVICES	13,060	13,622	11,630
	13,000	13,022	11,030

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

SIGNIFICANT ACCOUNTING POLICIES

Grants, subsidies and contributions

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

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

Fees and Charges

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

2. REVENUE AND EXPENSES (Continued)

		2020	2020	2019
(a)	Revenue (Continued)	Actual	Budget	Actual
		\$ 000	\$ 000	\$ 000
	Contracts with customers and transfers			
	for recognisable non-financial assets			
	Revenue from contracts with customers and transfers			
	to enable the acquisition or construction of recognisable			
	non-financial assets to be controlled by the Town			
	was recognised during the year for the following nature			
	or types of goods or services:			
	Operating grants, subsidies and contributions	2,438	7,981	3,452
	Fees and charges	13,060	13,622	11,630
	Other revenue	3,223	1,699	7,044
	Non-operating grants, subsidies and contributions	4,485	1,928	11,659
		23,206	25,230	33,785
	Revenue from contracts with customers and transfers			
	to enable the acquisition or construction of recognisable			
	non-financial assets to be controlled by the Town			
	is comprised of:			
	Other revenue from contracts with customers recognised during the year	18,721	23,302	22,126
	Other revenue from performance obligations satisfied during the year	4,485	1,928	11,659
	candi revenue nom penamana esnganane cananca danng me year	23,206	25,230	33,785
	Information about receivables, contract assets and contract			
	liabilities 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	1,204	0	1,802
	Contract liabilities from contracts with customers	(445)	0	0
	Comment and a contract of the	()	0	U

Impairment of assets associated with contracts with customers are detailed at note 2 (b) under 'Other expenditure'.

Contract liabilities for contracts with customers primarily relate to grants with performance obligations received in advance, for which revenue is recognised over time as the performance obligations are met.

Information is not provided about remaining performance obligations for contracts with customers that had an original expected duration of one year or less.

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

Performance obligations in relation to contract liabilities from transfers for recognisable non financial assets are satisfied as project milestones are met or completion of construction or acquisition of the asset. All associated performance obligations are expected to be met over the next 12 months.

2. REVENUE AND EXPENSES (Continued)

(a) Revenue (Continued)

Revenue from statutory requirements

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

General rates

Statutory permits and licences

Fines

Assets and services acquired below fair value

Contributed assets

Other revenue

Reimbursements and recoveries

Sale of inventory

Revaluation of investment property

Other

Interest earnings

Financial assets at amortised cost - self supporting loans

Interest on reserve funds

Rates instalment and penalty interest (refer Note 28(c))

Other interest earnings

SIGNIFICANT ACCOUNTING POLICIES

Interest earnings

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

2020	2020	2019		
Actual	Budget	Actual		
\$ 000	\$ 000	\$ 000		
88,377	53,943	45,405		
106	99	180		
70	55	52		
88,553	54,097	45,637		
482	0	0		
482	0	0		
1,713	212	1,407		
876	854	1,101		
0	0	8,590		
634	633	561		
3,223	1,699	11,659		
37	0	38		
4,233	3,947	6,297		
451	485	547		
655	166	162		
5,376	4,598	7,044		

Interest earnings (continued)

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

2. REVENUE AND EXPENSES (Continued)

(30111111111111111111111111111111111111				
		2020	2020	2019
(b) Expenses	Note	Actual	Budget	Actual
		\$ 000	\$ 000	\$ 000
Auditors remuneration				
- Audit of the Annual Financial Report		71	85	84
- Other services		4	5	20
		75	90	104
Interest expenses (finance costs)				
Borrowings	18(b)	0	0	1,080
Interest expense		0	0	4,416
Lease liabilities	17(b)	2	2	85
		2	2	5,581
Other expenditure				
Impairment loss on trade and other receivables		12	0	2
Sundry expenses		3,169	2,039	4,591
		3,181	2,039	4,593

3.	CASH AND CASH EQUIVALENTS	NOTE	2020	2019
			\$ 000	\$ 000
	Cash at bank and on hand		36,712	30,231
	Total cash and cash equivalents		36,712	30,231
	Restrictions The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
	- Cash and cash equivalents		35,177	30,183
	- Financial assets at Fair Value		205,356	201,855
			240,533	232,038
	The restricted assets are a result of the following specific purposes to which the assets may be used:			
	Reserves - cash/financial asset backed	4	240,088	232,038
	Contract liabilities from contracts with customers	16	445	0
	Total restricted assets		240,533	232,038

SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

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

Restricted assets

Restricted asset balances are not available for general use by the local government due to externally imposed restrictions.

Externally imposed restrictions are specified in an agreement, contract or legislation. This applies to reserves, unspent grants, subsidies and contributions and unspent loans that have not been fully expended in the manner specified by the contributor, legislation or loan agreement.

	2020	2020	2020	2020	2020	2020	2020	2020	2019	2019	2019	2019
	Actual	Actual	Actual	Actual	Budget	Budget	Budget	Budget	Actual	Actual	Actual	Actual
	Opening	Transfer	Transfer	Closing	Opening	Transfer	Transfer		Opening	Transfer	Transfer	Closing
4. RESERVES - CASH/FINANCIAL ASSET	Balance	to	(from)	Balance	Balance	to	(from)	Balance	Balance	to	(from)	Balance
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
(a) Employee Leave Reserve	876	500	0	1,376	876	0	0	876	876	0	0	876
(b) Airport Reserve	14,792	0	0	14,792	14,792	0	0	14,792	14,976	0	(184)	14,792
(c) Spoilbank Reserve	37,519	0	(1,060)	36,459	37,519	0	(25,400)	12,119	37,569	0	(50)	37,519
(d) Asset Management - Community Facilities and In	0	0	0	0	2,495	335	(1,850)	980	0	0	0	0
(e) GP Housing	185	0	(185)	0	185	0	0	185	185	0	0	185
(f) Waste Management Reserve	6,706	293	(364)	6,635	6,706	600	(1,264)	6,042	7,653	0	(947)	6,706
(g) Plant Reserve	1,809	507	(1,401)	915	1,809	600	(1,446)	963	2,454	487	(1,132)	1,809
(h) Unfinished Works & Committed Works Reserve	3,832	5,004	(2,789)	6,047	3,832	0	(2,967)	865	1,463	2,441	(72)	3,832
(i) Housing Reserve	360	573	(349)	584	360	0	(349)	11	277	349	(266)	360
(j) Strategic Reserve	500	150,133	(2,532)	148,101	500	0	0	500	500	0	Ó	500
(k) Unspent Grants, Loans & Contributions Reserve	797	0	(797)	0	797	0	(150)	647	392	470	(65)	797
(I) PHIA Long Term Lease Proceeds Reserve	143,456	2,532	(145,988)	0	143,456	0	(7,775)	135,681	168,026	0	(24,570)	143,456
(m) Historical	14	0	(14)	0	14	3	0	17	11	3	0	14
(n) Insurance Reserve	124	0	(124)	0	124	0	0	124	124	0	0	124
(o) Cyclone Emergency Support Response	80	0	0	80	80	0	0	80	80	0	0	80
(p) Developer Contributions - Public Open Spaces	0	0	0	0	0	0	0	0	259	0	(259)	0
(q) Asset Management Reserve	2,495	1,444	(781)	3,158	0	0	0	0	2,099	968	(572)	2,495
(r) Unallocated Internal Overdraft Facility	0	0	0	0	0	0	0	0	(4,209)	4,209	0	0
(s) Financial Risk Reserve	18,493	18,062	(14,614)	21,941	18,493	29,475	(16,282)	31,686	0	18,493	0	18,493
	232,038	179,048	(170,998)	240,088	232,037	31,013	(57,483)	205,567	232,735	27,420	(28,117)	232,038

All reserves are supported by cash and cash equivalents and financial assets at amortised cost and are restricted within equity as Reserves - cash/financial assets backed.

4. RESERVES - CASH/FINANCIAL ASSET BACKED (CONTINUED)
In accordance with Council resolutions or adopted budget in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

	Name of Reserve	Anticipated date of use	Purpose of the reserve To ensure that adequate funds are available to finance employee leave entitlements such as annual leave, long service leave, sick leave and
(a)	Employee Leave Reserve	Ongoing	redundancies.
(b)	Airport Reserve	Ongoing	To fund the future Port Hedland International Airport Capital Works commitments.
(c)	Spoilbank Reserve	Ongoing	To fund the Port Hedland Spoilbank development.
(d)	GP Housing	Closed	Reserve closed in 2019/20 and consolidated into the Housing reserve as per CM201920/199.
		Ongoing	To fund the development, operation, maintenance and capital expenditure for the Council's waste management facilities including the landfill and waste
(e)	Waste Management Reserve		collection operations.
(f)	Plant Reserve	Ongoing	To fund the plant replacement program.
(g)	Unfinished Works & Committed Works Reserve	Ongoing	To transfer unspent municipal funded expenditure on specific projects to enable identification of carryover expenditure into the next financial year.
(h)	Housing Reserve	Ongoing	To fund the maintenance, refurbishment, redevelopment and construction of Local Government provided housing.
(i)	Strategic Reserve	Ongoing	To fund strategic projects as included in the Town's Strategic Community Plan and Corporate Business Plan.
(j)	Unspent Grants, Loans & Contributions Reserve	Ongoing	To restrict unspent grants, loans and contributions at the end of the financial year.
(k)	PHIA Long Term Lease Proceeds Reserve	Closed	Reserve closed in 2019/20 and funds consolidated into the Strategic Reserve as per CM201920/199.
(1)	Historical	Closed	Reserve closed in 2019/20 and funds consolidated into the Strategic Reserve as per CM201920/199.
(m)	Insurance Reserve	Closed	Reserve closed in 2019/20 and funds consolidated into the Unfinished Works & Committed Works Reserve as per CM201920/199.
(n)	Cyclone Emergency Support Response	Ongoing	To fund cyclone and emergency related projects.
			To fund the ongoing maintenance, refurbishment, renewal, replacement and development of Council owned infrastructure assets within the Town of
(o)	Asset Management Reserve	Ongoing	Port Hedland.
			To provide funds to mitigate against financial risks including legal cases with penalties awarded against the Town, SAT rulings upholding valuation objections on high value properties likely to cause significantly large refunds and other unknown events potentially resulting in financial loss to the
(p)	Financial Risk Reserve	Ongoing	Town.

5. OTHER FINANCIAL ASSETS

(a)	Current assets
	Financial assets at fair value cost
	Loans receivable - Clubs/Institutions

Other financial assets Term deposits

Financial assets at fair values Loans receivable - clubs/institutions

(b) Non-current assets Other loans and receivables Allowance for impairment

Financial assets previously classified as loans and receivables Loans receivable - clubs/institutions

2020	2019
\$ 000	\$ 000
205,356	201,855
61	73
205,417	73 201,928
205,356	201,855
205,356	201,855
61	73
61	73 73
710	748
(254)	(120) 628
456	628
456	628
456	628

Loans receivable from clubs/institutions have the same terms and conditions as the related borrowing disclosed in Note 18(b) as self supporting loans.

SIGNIFICANT ACCOUNTING POLICIES

Other financial assets at amortised cost

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

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

Financial assets at fair value through profit and loss

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

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

Impairment and risk

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

6. TRADE AND OTHER RECEIVABLES

Current

Rates receivable
Trade and other receivables
GST receivable
Allowance for impairment of receivables
Accrued Income

Non-current

Pensioner's rates and ESL deferred Prepaid expenses

SIGNIFICANT ACCOUNTING POLICIES

Trade and other receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

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

Impairment and risk exposure

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

2020		2019
\$ 000		\$ 000
	4,602	2,673
	1,204	1,802
	673	677
	(12)	(2)
	1,420	7,925
	7,887	13,075
	17	17
	1,422	1,454
	1,439	1,471

SIGNIFICANT ACCOUNTING POLICIES (Continued)
Classification and subsequent measurement
Receivables expected to be collected within 12 months
of the end of the reporting period are classified as
current assets. All other receivables are classified as
non-current assets.

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

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

7. INVENTORIES

Current Depot Matt Dann JD Hardie Port Hedland Leisure Land held for resale - cost

Non-current Land held for resale - cost

The following movements in inventories occurred during the year:

Carrying amount at beginning of period Inventories expensed during the year Write down of inventories to net realisable value Carrying amount at end of period

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.

2020	2019
\$ 000	\$ 000
587	906
6	
	4 2 5
2 7	5
1,651	1,231
2,253	2,148
3,041	4,448
3,041	4,448
6,596	7,894
(846)	(776)
(456)	(522)
5,294	6,596

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.

8. OTHER ASSETS

Other assets - current	
Prepayments	
Non-current assets	

Investment in Local Government House Trust

2020		2019	ST Makes and a series of the series of the
\$ 000		\$ 000	
	365		442
	365		442
	142		140
	142		140

Investment in Local Government House Trust

The Town holds 8 units in the Local Government House Trust which was established in 1980, with the vesting date of the current deed being in 2072. The Town is unable to sell or transfer its holding in the trust. The investment in the trust was recognised in the 2018/19 accounts for the first time with valuation provided each year by Western Australian Local Government Association.

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.

Other non-current assets

Other non-current non-financial assets include long term investments which are unable to be sold.

9. PROPERTY, PLANT AND EQUIPMENT

(a) Movements in Carrying Amounts

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

	Land -	Land - vested in and under		Buildings -	**	er ay	Total land	Furniture			Total
	freehold	the control		non-	Buildings -	Total	and	and	Plant and	Work in	property, plant and
	land	of Council	Total land	specialised	specialised	buildings	buildings	equipment	equipment	Progress	equipment
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Balance at 1 July 2018	12,327	0	12,327	15,010	79,758	94,768	107,095	2,741	6,446	0	116,282
Additions	0	0	0	0	0	0	0	0	0	3,096	3,096
(Disposals)	(356)	0	(356)	(334)	0	(334)	(690)	(37)	(389)	0	(1,116)
Revaluation increments / (decrements) transferred to revaluation surplus Depreciation (expense)	0	0	0	0 (240)	62 (1,481)	62 (1,721)	62 (1,721)	0 (548)	0 (976)	0	62 (3,245)
Transfers	0	0	0	334	1.596	1,930	1.930	293	938	(528)	2,633
Carrying amount at 30 June 2019	11,971	0	11,971	14,770	79,935	94,705	106,676	2,449	6,019	2,568	117,712
Comprises: Gross carrying amount at 30 June 2019 Accumulated depreciation at 30 June 2019 Carrying amount at 30 June 2019	11,971 0 11,971	0 0	11,971 0 11,971	15,584 (814) 14,770	97,303 (17,368) 79,935	112,887 (18,182) 94,705	124,858 (18,182) 106,676	(1,382)	8,873 (2,854) 6,019	2,568 0 2,568	140,130 (22,418) 117,712
Additions	1,133	0	1,133	1,034	1,919	2,953	4,086	1,292	2.562	3,661	11,601
(Disposals)	(280)	0			(24)	(323)	(603)		(374)	0	(991)
Depreciation (expense)	0	0	0	(260)	(1,505)	(1,765)	(1,765)	(579)	(1.015)	0	(3,359)
Carrying amount at 30 June 2020	12,824	0		15,245		95,570	108,394	3,148		6,229	124,963
Comprises:											
Gross carrying amount at 30 June 2020	12,824	0	12,824	16,296	99,138	115,434	128,258		10,681	6,229	149,963
Accumulated depreciation at 30 June 2020	0	0	0	(1,051)	(18,813)	(19,864)	(19,864)	(1,647)	(3,489)	0	(25,000)
Carrying amount at 30 June 2020	12,824	0	12,824	15,245	80,325	95,570	108,394	3,148	7,192	6,229	124,963

9. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Fair Value Measurements

	Fair Value		Basis of	Date of Last	
Asset Class	Hierarchy	Valuation Technique	Valuation	Valuation	Inputs Used
Land and buildings					
Land - freehold land	Level 2	Market Approach	Independent Registered Valuer	June 2017	Observable Market Evidence
Land - vested in and under the control of Council	Level 2	Market Approach	Independent Registered Valuer	June 2017	Observable Market Evidence
Buildings - non-specialised	Level 2	Market Approach	Independent Registered Valuer	June 2017	Observable Market Evidence
Buildings - specialised	Level 3	Cost Approach	Independent Registered Valuer	June 2017	Non-observable market evidence and valuation relies on significant assumptions
Furniture and equipment	Level 2	Market Approach	Management Valuation	June 2016	Observable Market Evidence
Plant and equipment	Level 2	Market Approach	Management Valuation	June 2016	Observable Market Evidence

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.

Following a change to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy.

Revaluations carried out previously were not reversed as it was deemed fair value approximates cost at the date of change.

10. INFRASTRUCTURE

(a) Movements in Carrying Amounts

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

	Infrastructure - Roads and Bridges	Infrastructure - Drainage	Infrastructure - Footpaths	Infrastructure - Parks and Ovals	Infrastructure - Other Infrastructure	infrastructure - Bus Shelters	Infrastructure - Depot	Infrastructure - Work in Progress	Total Infrastructure
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Balance at 1 July 2018	92,392	20,441	16,884	32,786	4,307	206	1,470	3,099	171,585
Additions	0	0	0	0	0	0	0	3,511	3,51
(Disposals)	(58)	(17)	(23)	(337)	(16)	0	(1)	C	(452
Depreciation (expense)	(2,274)	(178)	(512)	(2,056)	(226)	(14)	(56)	C	(5,316
Transfers*	1,656	112	840	698	197	0	(53)	(4,583)	(1,133
Carrying amount at 30 June 2019	91,716	20,358	17,189	31,091	4,262	192	1,360		
Comprises:									
Gross carrying amount at 30 June 2019	93,990	20,536	17,701	33,147	4,489	206	1,419	2,027	
Accumulated depreciation at 30 June 2019	(2,274)	(178)	(512)	(2,056)	(227)	(14)	(59)		(5,320
Carrying amount at 30 June 2019	91,716	20,358	17,189	31,091	4,262	192	1,360	2,027	168,19
Transfers between asset classes net position includes expenses of									
Additions	8,888	0	1,758	4,114	0	0	0	2,162	16,922
(Disposals)	(2,251)	0	0	(502)	0	0	0	0	(2,753)
Depreciation (expense)	(2,394)	(179)	(548)	(2,127)	(285)	(13)	(54)	O	(5,600
Carrying amount at 30 June 2020	95,959	20,179	18,399	32,576	3,977	179	1,306	4,189	176,764
Comprises:									
Gross carrying amount at 30 June 2020	100,626	20,714	19,458	36,631	4,489	206	1,421	4,189	187,734
Accumulated depreciation at 30 June 2020	(4,667)	(535)	(1,059)	(4,055)	(512)	(27)	(115)	0	(10,970)
Carrying amount at 30 June 2020	95,959	20,179	18,399	32,576	3,977	179	1,306	4,189	176,764

10. INFRASTRUCTURE (Continued)

(b) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
Infrastructure - Roads and Bridges	Level 3	Cost Approach	Independent Registered Valuer	June 2018	Non-observables market evidence and valuation relies on significant assumptions
Infrastructure - Drainage	Level 3	Cost Approach	Independent Registered Valuer	June 2018	Non-observables market evidence and valuation relies on significant assumptions
Infrastructure - Footpaths	Level 3	Cost Approach	Independent Registered Valuer	June 2018	Non-observables market evidence and valuation relies on significant assumptions
Infrastructure - Parks and Ovals	Level 3	Cost Approach	Independent Registered Valuer	June 2018	Non-observables market evidence and valuation relies on significant assumptions
Infrastructure - Other infrastructure	Level 3	Cost Approach	Independent Registered Valuer	June 2018	Non-observables market evidence and valuation relies on significant assumptions
infrastructure - Bus Shelters	Level 3	Cost Approach	Independent Registered Valuer	June 2018	Non-observables market evidence and valuation relies on significant assumptions
Infrastructure - Depot	Level 3	Cost Approach	Independent Registered Valuer	June 2018	Non-observables market evidence and valuation relies on significant assumptions

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.

11. FIXED ASSETS

SIGNIFICANT ACCOUNTING POLICIES Fixed assets

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

Initial recognition and measurement between mandatory revaluation dates

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

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

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at zero cost or otherwise significantly less than fair value, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Town 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 initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework, are recognised at cost and disclosed as being at fair value as management believes cost approximates fair value. They are subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework.

Revaluation

The fair value of land, buildings, infrastructure and investment properties is determined at least 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 Town. At the end of each period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires land, buildings, infrastructure, investment properties and vested improvements to be shown at fair value. Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

AUSTRALIAN ACCOUNTING STANDARDS - INCONSISTENCY Land under control prior to 1 July 2019

In accordance with the then Local Government (Financial Management) Regulation 16(a)(ii), the Town was previously required to include as an asset (by 30 June 2013), vested Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of State or regional significance. Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land.

Land under roads prior to 1 July 2019

In Western Australia, most land under roads is Crown Land, the responsibility for managing which, is vested in the local government. Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the then Local Government (Financial Management) Regulation 16(a)(i) which arbitrarily prohibited local governments from recognising such land as an asset. This regulation has now been deleted.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, the then *Local Government (Financial Management)*Regulation 16(a)(i) prohibited local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management)
Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.
Consequently, any land under roads acquired on or after 1 July 2008 was not included as an asset of the Town.

Land under roads from 1 July 2019

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

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

Vested improvements from 1 July 2019

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

Refer to Note 12 that details the significant accounting policies applying to leases (including right of use assets).

11. FIXED ASSETS

1 - 1	Disposa		-6	A
a.	Dispusa	15	OI	ASSELS

a) Disposals of Assets												
	2020	2020			2020	2020			2019	2019		
	Actual	Actual	2020	2020	Budget	Budget	2020	2020	Actual	Actual	2019	2019
	Net Book	Sale	Actual	Actual	Not Book	Sale	Budget	Budget	Net Book	Sale	Actual	Actual
	Value	Proceeds	Profit	Loss	Value	Proceeds	Profit	Loss	Value	Proceeds	Profit	Loss
	\$ 000	\$ 000	\$ 000	\$ 000	\$	\$	Ş	\$	\$	\$	\$	\$
Land - freehold land	280	203	0	(77)	0	0	0	0	356	177	0	(179)
Buildings - non-specialised	299	203	0	(96)	0	0	0	0	334	184	0	(150)
Buildings - specialised	24	0	0	(24)	0	0	0	0	237	0	0	(237)
Furniture and equipment	14	0	0	(14)	0	0	0	0	37	0	0	(37)
Plant and equipment	374	333	39	(80)	295	224	0	(71)	389	177	8	(220)
Infrastructure - Roads and Bridges	2,251	0	0	(2,251)	0	0	0	0	58	0	0	(58)
Infrastructure - Drainage	0	0	0	0	0	0	0	0	17	0	0	(17)
Infrastructure - Footpaths	0	0	0	0	0	0	0	0	23	0	0	(23)
Infrastructure - Parks and Ovals	502	0	0	(502)	0	0	0	0	337	0	0	(337)
Infrastructure - Other infrastructure	0	0	0	0	0	0	0	0	16	0	0	(16)
Infrastructure - Depot	0	0	0	0	0	0	0	0	1	0	0	(1)
	3,744	739	39	(3,044)	295	224	0	(71)	1,805	538	8	(1,275)

Infrastructure - Depot	THE STATE OF THE O		COLUMN TO THE OWNER OF THE OWNER O	0
	3,744	739	39	(3,044)
The following assets were disposed of during the year.				
	2020	2020		
	Actual	Actual	2020	2020
	Net Book	Sale	Actual	Actual
Plant and Equipment	Value \$ 000	Proceeds \$ 000	Profit \$ 000	Loss \$ 000
Other Property and Services	\$ 000	\$ 000	2 000	\$ 000
VEH144 - Hino Roadsweeper - 1EQJ486	94	130	36	0
PX Ford Ranger 4x4 (Rangers) VEL134 1EDZ083	20	10	0	(10)
VEH010 Komatsu WA250PZ -Loader Tractor 1CZJ542	60	50	0	(10)
PVEH143 TORO Grandmaster 360	13	10	0	(3)
PVEH152 TORO Grandmaster 360	13	10	0	(3)
PVEH142 TORO Grandmaster 360	12	10	0	(2)
VEH005 Fuso Rosa Deluxe Bus PH10540	15	8	0	(8)
PX Ford Ranger 4x4 VEL133 1EDZ082	20	13	0	(7)
Komatsu PC300LC Crawler Excavator VEH040	80	65	0	(15)
Isuzu Ute 2012 4 x 4 SX Ute 1DXR794 VEL106	15	9	0	(6)
VEL142 Holden Colorado Space Cab-4x4- PH13673	15	18	3	0
Isuzu Ute 2012 4 x4 SX Ute 1DXR793 VEL105	15	0	0	(15)
Sea Container - Depot	374	333	39	(1)
Buildings - Non-Specialised	3/4	333	39	(80)
Housing				
14 Koolama Crescent	136	105	0	(31)
4B Kabbarli Loop	163	98	0	(65)
	299	203	0	(96)
Buildings - Specialised				
Recreation and culture				
Club Precinct Ablutions McGregor	24	0	0	(24)
11 /1011/	24	0	0	(24)
Land - freehold Land Housing				
20-11-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-		105		(07)
14 Koolama Crescent 4B Kabbarli Loop	142 138	105 98	0	(37) (40)
46 Kabbatii Loop	280	203	0	(77)
Furniture and equipment	200			
Other Property and Services				
MARQUEE PARK CCTV NETWORK	2	0	0	(2)
PORT HEDLAND CCTV NETWORK	0	0	0	0
WEDGEFIELD CCTV NETWORK	2	0	0	(2)
SOUTH HEDLAND CCTV NETWORK	1	0	0	(1)
Travelmate P633	0	0	0	0
Acer Travelmat P645	0	0	0	0
JD Hardie Music Fit Out	3	0	0	(3)
CFAX2	0	0	0	0
Smart UPS RT Online 10KVA	3	0	0	(3)
Travelmate P645	0	0	0	0
2920 Fax	0	0	0	0
Diving Board 4.9mts	3	0	0	(3)
Ricoh MPC3003	0	0	0	0
Inspiron 15 3000 Servies	0	0	0	0
Parks and Ovals	14	0	0	(14)
Recreation and culture		0	0	(11)
Marapikurrinya Park Lights Marapikurrinya Park BBQ	11 2	0	0	(2)
Marapikurrinya Park BBQ	0	0	0	(2)
Cemetery Beach Playground Area	36	o o	0	(36)
Shay Gap Park Play Equipment	53	0	0	(53)
Cricket Nets	1	Ö	0	(1)
Shay Gap Park Lights	o	0	0	0
Gratwick Aquatic Centre Playground Area	24	0	0	(24)
Boy and puppy on seat	11	0	0	(11)
Marie Marland Oval Play Equipment	7	0	0	(7)
Captain Bert Madigan Park Bins	0	0	0	Ó
Cemetery Beach Park Bins	10	0	0	(10)
Gratwick Aquatic Centre Bike Racks	3	0	0	(3)
Gratwick Aquatic Centre Bike Racks	4	0	0	(4)
Cemetery Beach Irrigation Control	21	0	0	(21)
Gratwick Aquatic Internal Fence	6	0	0	(6)
Osprey Estate Irrigation Control	25	0	0	(25)

	FIXED ASSETS
(8	Disposals of Assets continued
	Parks and Ovals continued
	Cemetery Beach Limestone Walls 0-0.5 m
	Gratwick Diving Pool
	Gratwick Aquatic Centre - Shade Sail
	Gratwick Aquatic Centre - Shade Sail
	Gratwick Aquatic Centre - Poles for Shade Sail
	Gratwick Aquatic Centre - General Shelter
	Basketball Backboards And Ring
	Daylesford Park Drink Fountain
	Murdoch Drive Nodes Drink Fountain
	Gratwick Aquatic Centre Drink Fountain
	Wedgefield Information Bay Irrigation
	Redbank Irrigation
	Captain Bert Madigan Park Irrigation
	South Hedland - Forrest Circle Drink Fountain
	South Hedland CBD Town Centre Drink Fountain
	Shay Gap Park Drink Fountain
	AND CONTRACT TO SECURITIONS OF THE PARTY.

2020	2020		
Actual	Actual	2020	2020
Net Book	Sale	Actual	Actual
Value	Proceeds	Profit	Loss
\$ 000	\$ 000	\$ 000	\$ 000
104	0	0	(104)
160	0	0	(160)
3	0	0	(3)
1	0	0	(1)
0	0	0	0
1	0	0	(1)
4	0	0	(4)
0	0	0	
3	0	0	(3)
0	0	0	C
0	0	0	0
1	0	0	(1)
7	0	0	(7)
4	0	0	(4)
0	0	0	0
0	0	0	0
502	0	0	(502)
2,251	0	0	(2,251)
2,251	0	0	(2,251)
3,744	739	39	(3,044)

(b) Fully Depreciated Assets in Use

Various Roads - damage TC Damien

Roads

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

Buildings - specialised Furniture and equipment Infrastructure - Parks and Ovals

	2020	2019
	\$ 000	\$ 000
	161	0
	60	11
	28	29
800	240	40

11. FIXED ASSETS

(c) Depreciation

	Actual	Budget	Actual
	\$ 000	\$ 000	\$ 000
Buildings - non-specialised	260	130	240
Buildings - specialised	1,505	1,038	1,481
Furniture and equipment	579	399	548
Plant and equipment	1,015	1,373	976
Infrastructure - Roads and Bridges	2,394	2,278	2,274
Infrastructure - Drainage	179	348	178
Infrastructure - Footpaths	548	512	512
Infrastructure - Parks and Ovals	2,127	2,097	2,056
Infrastructure - Other infrastructure	285	227	226
infrastructure - Bus Shelters	13	14	14
Infrastructure - Depot	54	56	56
Right of use assets - buildings	166	0	0
	9,125	8,472	8,561

2020

2020

2019

SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land and vested land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Depreciation rates

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

for the current and phor years are included	In the table below.
Asset Class	Useful life
Buildings	30 to 100 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement seal	50 years
bituminous seals	20 years
Gravel roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed Roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	30 years
Infrastructure - Parks and Ovals	10 to 80 years
Infrastructure - Bus Shelters	15 years
Infrastructure - Depot	20 to 50 years
Right of use (buildings)	Based on the remaining lease
Right of use (plant and equipment)	Based on the remaining lease

Depreciation on revaluation

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

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

Amortisation

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

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

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

12. LEASES

(a) Right of Use Assets

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

	Right of use assets - buildings	Right of use assets Total	
	\$ 000	\$ 000	
Carrying amount at 30 June 2019	0	0	
Recognised on initial application of AASB 16 Restated total equity at the beginning of the financial	284	284	
year	284	284	
Additions	159	159	
Depreciation (expense)	(166)	(166)	
Carrying amount at 30 June 2020	277	277	
c) Cash outflow from leases			
Interest expense on lease liabilities	2	2	
Lease principal expense	103	103	
Total cash outflow from leases	105	105	

SIGNIFICANT ACCOUNTING POLICIES

Leases

At inception of a contract, the Town 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 Town uses its incremental borrowing rate.

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

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

Right-of-use assets - valuation

Right-of-use assets are measured at cost. This means that all right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost (i.e. not included 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.

Refer to Note 11 for details on the significant accounting policies applying to vested improvements.

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 shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Town anticipates to exercise a purchase option, the specific asset is amortised over the useful life of the underlying asset.

13. REVALUATION SURPLUS

	2020	2020	2020	Total	2020	2019	2019	2019	Total	
	Opening	Revaluation	Revaluation	Movement on	Closing	Opening	Revaluation	Revaluation	Movement on	Closing
	Balance	Increment	(Decrement)	Revaluation	Balance	Balance	Increment	(Decrement)	Revaluation	Balance
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Revaluation surplus - Land - freehold land	35,700	0	C	C	35,700	35,700	0	0	0	35,700
Revaluation surplus - Buildings - non-specialised	18,810	0	C	C	18,810	18.810	0	0	0	18.810
Revaluation surplus - Buildings - specialised	11,050	0		C	11,050	10,988	62	0	62	11,050
Revaluation surplus - Plant and equipment	1,485	0	C	C	1,485	1,485	0	0	0	1,485
Revaluation surplus - Infrastructure - Roads and Bridges	THE RESERVE TO 1	0	C	C	1	1	0	0	0	1
Revaluation surplus - Infrastructure - Drainage	5,696	0	C	C	5,696	5,696	0	0	0	5,696
Revaluation surplus - Infrastructure - Footpaths	10,098	0	C	C	10,098	10,098	0	0	0	10,098
Revaluation surplus - Infrastructure - Other infrastructure	490	0	C	C	490	490	0	0	0	490
Revaluation surplus - infrastructure - Bus Shelters	221	0	C		221	221	0	0	0	221
Revaluation surplus - Infrastructure - Depot	539	0		C	539	539	0	0	0	539
Revaluation surplus - LG Trust Invesment	0	2		2	2	0	0	C	0	0
	84.090	2		ta Application 2	84.092	84,028	62	0	62	84,090

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

	2020	2020	2019
14. INVESTMENT PROPERTY	Actual	Budget	Actual
	\$ 000	\$ 000	\$ 000
(a) Non-current assets - Airport Land at fair value			
Carrying balance at 1 July	50,952	42,363	42,363
Net gain/(loss) from fair value adjustment	0	0	8,589
Closing balance at 30 June	50,952	42,363	50,952
Amounts recognised in profit or loss for investment properties			
Rental income Direct operating expenses from property that generated	924	924	924
rental income	(32)	0	(32)

Leasing arrangements

Port Hedland International Airport

In August 2015, The Town of Port Hedland announced that it had resolved to enter into an agreement with AMP Capital and the Infrastructure Group to enter into a 50 year lease for the land at Port Hedland International Airport and for the sale of the airport business.

The sale was finalised on 11 March 2016, and the Port Hedland International Airport operations transferred to the new airport operator. On this date, the Town of Port Hedland recognised the land at Port Hedland International Airport as an investment property.

Valuation of investment property

The investment property was revalued in April 2019 in line with AASB 13 Fair Value Measurement.

Description of investment property	Extend	Title Area (m2)	Lease plan area (m2)
Lot 9004 on Deposited Plan 404823	Whole	1,506,084	1,506,084
Lot 435 on Deposited Plan 404824	Whole	600,000	600,000
Lot 436 on Deposited Plan 402661	Whole	99,966	99,966
Lot 437 on Deposited Plan 404824	Whole	33,349	33,349
Lot 438 on Deposited Plan 404824	Whole	33,405	33,405
Lot 439 on Deposited Plan 404824	Whole	33,349	33,349
Lot 16 on Deposited Plan 163352	Whole	34,398	34,398
Lot 15 on Deposited Plan 161311	Whole	106,988	106,988
Lot 29 on Deposited Plan 168193	Whole	105,091	105,091
Part of Lot 9006 on Deposisted Plan 404824	Part	329,316	302,831
Part of Lot 9007 on Deposisted Plan 404824	Part	2,472,149	2,458,909
Part of Lot 9008 on Deposisted Plan 404824	Part	3,104,307	2,864,578
		8,458,402	8,178,948

(b) Amounts recognised in income statement for investment properties

The investment property is leased out as an operating lease over 50 years. The lease paid upfront for the use of the investment property. The rental income amount of \$924,160 for the period 1 July 2019 to 30 June 2020 is included in revenue.

	Note	2020 Actual	2020 Budget	2019 Actual
		\$ '000	\$ '000	\$ '000
Lease premium prepaid received		46,208	46,208	46,208
Amount recognised		(3,980)	(3,980)	(3,056)
		42,228	42,228	43,152
Lease premium prepaid - Current liabilities	15	924	924	924
Lease premium prepaid - Non-current liabilities	15	41,304	41,304	42,228
	14.5	42,228	42,228	43,152

14 Investment Property continued

(c) Net carrying value of Airport Major Works Reserve

The Town committed to post transition completion of major works at the Airport. These funds are allocated to the Airport Major Works Reserve.

	2020	2020	2019
	Actual	Budget	Actual
Land 1	\$ '000	\$ '000	\$ '000
	14 792	14 792	14 792

Airport Major Works Reserve

(d) Additional information

An upside agreement was signed, ensuring an additional ten million dollars income over the next 50 years based on passenger number growth. This is billable yearly in arrears when passenger growth exceeds a set baseline passenger number. Passenger numbers decreased by 13.9% in the financial year ended 30 June 2020 due to the Covid-19 pandemic and restrictions on travel (2019: increase 5.2%).

SIGNIFICANT ACCOUNTING POLICIES

Investment properties

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

Fair value of investment properties

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

Note	2020	2019
	\$ 000	\$ 000
	6,089	5,028
	351	258
	277	481
	119	38
	3,079	5,025
	0	175
14(b)	924	924
	34	(117)
	128	172
	11,001	11,984
14(b)	41,304	42,228
	19	0
	41,323	42,228
	14(b)	\$ 000 6,089 351 277 119 3,079 0 14(b) 924 34 128 11,001 14(b) 41,304 19

SIGNIFICANT ACCOUNTING POLICIES

Trade and other payables

1

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

Prepaid rates

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

16. CONTRACT LIABILITIES

	\$ 000	\$ 000
Current		_
Grants and Contributions Liability	445	0
	445	0
Performance obligations from contracts with customers		
are expected to be recognised as revenue in accordance		
with the following time bands:		
Less than 1 year	445	
	445	

2020

2019

SIGNIFICANT ACCOUNTING POLICIES

Contract Liabilities

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

With respect to transfers for recognisable non-financial assets, contract liabilities represent performance obligations which are not yet satisfied.

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

17. LEASE LIABILITIES

(a) Lease Liabilities	2020	2019
	\$ 000	\$ 000
Current	242	0
Non-current	98	0
	340	0

(b) Movements in Carrying Amounts			Lease		Actual	30 June 2020 Actual	30 June 2020 Actual	30 June 2020 Actual	30 June 2020 Actual	Budget	30 June 2020 Budget	30 June 2020 Budget	30 June 2620 Budget	30 June 2020 Budget
	Lease		Interest	Lease	Lease Principal	New	Lease Principal	Lease Principal	Lease Interest	Lease Principal	New	Lease Principal	Lease Principal	Lease Interest
Purpose	Number	Institution	Rate	Term	1 July 2019	Leases	Repayments	Outstanding	Repayments	1 July 2019	Leases	Repayments	Outstanding	Repayments
					\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Housing														
Staff Housing Lease		Crawford Realty	2.20%	23 months	74	0	37	37	1	0	0		0 0	0
Recreation and culture														
Port Hedland Library		Sentinel Countrywide	1.60%	36 months	0	159	15	144	1	0	0		0 0	0
Other property and services		and the second		W-M										
Depot Offices		Complete Portables	2.00%	24 months	210		51			0	0		0 0	2
					284	159	103	340	3	0	0		0 0	2

18. INFORMATION ON BORROWINGS

2020	2019
\$ 900	\$ 000
0	0
0	0
0	0
	\$ 000 0

(b) Repayments - Borrowings																						v. v. vou	
					30 June 20	20 3	30 June 2020					Bodget	30 June 2020 Budget	30 June 2020 Budget	30 June 2020 Budget	30 June 2020 Budget	Actuat	30 June 20 Actual		tual	Actual	30 June 2019 Actual	
	Lean		Interest	Actual Principal	Actual		Actual Principal	Actual		Princip		Principal	New	Principal	Interest	Principal	Principal	Now	Prin		Interest	Principal	
	Numbe	r Institution	Rate	1 July 2019	Loans		repayments	repaymen		outstand		1 July 2019	Loans	repayments	repayments	outstanding	1 July 2018	Loans		ments	repayments	outstanding	
Particulars	(4D) (3D)	t meathern	rente	\$ 000	\$ 000	1100	\$ 000	\$ 000	ites	\$ 000		\$ 000	5 000	2 000	5 000	\$ 000	S GCO	S 000		100	\$ 000	8 000	
Health					NEST GIVE							0.000			5 000		2.34	2000			10000		
GP Housing	135	WATC*		0		0	0		0		0	0	0			0	1,24	5	0	1,245	56		1
Education and welfare	100			THE RESERVE			HIVE BELLE				Hi				3		.,			.,			
JD Hardie Upgrade	129	WATC*		0		0	0		0		0	0	0) (1,200	1	0	1,200	42		1
JD Hardie Upgrade	136	WATC.		0		0	0		0		0	o o	0	,			1,19		0	1,198	79	Ċ	í
Housing						ŭ	v		Ů		Ů	·	ū			, ,							
Morgan Street Staff Housing	125	WATC*		0		0	0		0		0	0	0) (0	1,05		0	1,058	50		ı
Morgan Street Staff Housing	127	WATC*		0		0	0		0		0	0	0	() (0	1,569	9	0	1,569	70	(ŧ
Catamore Court Housing	139	WATC		0		0	0		0		0	a	0	0		0	1,41		0	1,412	69		
Catamore Court Housing	143	WATC*		0		0	0		0		0	0	0) (0	280)	0	280	36	C	ł
Recreation and culture																							
Marquee Park	130	WATC*		0		0	0		0		0	0	0	C) (0	643	3	0	643	19		j
Marqueo Park	132	WATC*		0		0	0		0		0	0	0	C) (0	3,54	3	0	3548	191		j
Wanangkura Stadium	133	WATC*		0		0	0		0		0	0	0) (0	6,24	7	0	6247	349	(j
Wanangkura Stadium	137	WATC*		0		0	0		0		0	0	0) (0	2,07	3	0	2078	52	(i
	850	00000		0	Fair III	0	0		0	Sharell	0	0	0	C) (0	20,47	9	0	20,478	1,033		j
Self Supporting Loans																							
Recreation and culture																							
Yacht Club	126	WATC*	0.00%	0		0	0		0		0	0	0			0	284	1	0	284	18		j
Yacht Club	128	WATC*	0.00%	0		0	0		0		0	0	0	() (0	159	9	0	159	8		j
South Hedland Bowls and Tennis Clu		WATC*	0.00%	0		0	0		0		0	0	0	() (0	43	7	0	437	21		,
				0	HOUSE	0	0	Take be	0		0	0	0			0	886	9	0	880	47	C	ĵ.
				- 0		0	0	900000000000000000000000000000000000000	0		0	- 0	0		0	0	21.35	В	0	21,358	1,080		,

^{*} WA Treasury Corporation

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

19 EMPLOYEE RELATED PROVISIONS

	-1	Eman	101100	Dalatad	Dynyiniana
٩	d	EIIIb	loyee	Related	Provisions

Opening balance at 1 July 2019 Current provisions Non-current provisions	
Additional provision Amounts used	

Balance at 30 June 2020

Comprises	
Current	
Non-current	

Amounts are expected to be settled on the following basis: Less than 12 months after the reporting date More than 12 months from reporting date

Provision for	Provision for	Provision for	
Annual	Long Service	Sick	
Leave	Leave	Leave	Total
\$ 000	\$ 000	\$ 000	\$ 000
1,267	451	71	1,789
0	112	0	112
1,267	563	71	1,901
1,009	370	0	1,379
(712)	(22)	(71)	(805)
1,564	911	0	2,475
1,564	790	0	2,354
0	121	0	121
1,564	911	0	2,475

2020	2019
\$ 000	\$ 000
2,354	1,789
121	112
2,475	1,901

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

SIGNIFICANT ACCOUNTING POLICIES

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures. These are discounted at

Other long-term employee benefits (Continued)

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

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

Provisions

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

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

20. OTHER PROVISIONS

	Provision for	
	Airport	
	Projects	Total
	\$ 000	\$ 000
Opening balance at 1 July 2019		
Current provisions	14,810	14,810
Non-current provisions	0	0
	14,810	14,810
Balance at 30 June 2020	14,810	14,810
Comprises		
Current	14,810	14,810
Non-current	O	0
	14.810	14.810

Provision for remediation costs

The Town entered into a deed of agreement being the Novation and Operating Deed – Port Hedland International Airport (the Agreement) with PHIA Operating Company Pty Ltd (PHIA) and PHIA Asset Pty Ltd to operate the Port Hedland International Airport on March 2016. While the Agreement and associated leasing documentation required upgrade and enhancement works to be undertaken by the Lessee, the document also bound the Town to undertake certain works.

The Agreement includes clauses whereby the Town is responsible for removal and remediation of contamination known within the site at the time the Agreement was signed. Some works have been completed with the balance of works being negotiated with PHIA.

21. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of Cash

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

	2020 Actual	2020 Budget	2019 Actual
	\$ 000	\$ 000	\$ 000
Cash and cash equivalents	36,712	205,265	30,231
Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	20,622	(315)	21,809
Non-cash flows in Net result:			
Adjustments to fair value of financial assets	0	0	120
Depreciation on non-current assets	9,125	8,472	8,561
(Profit)/loss on sale of asset	3,005	71	1,267
Expense of previous financial year work in progress	0	0	(1,500)
Changes in assets and liabilities:	4 400	(500)	(0.040)
(Increase)/decrease in receivables	4,432	(520)	(2,343)
(Increase)/decrease in other assets	77	0	(107)
(Increase)/decrease in inventories	1,302	(6)	1,298
(Increase)/decrease in investment property	(065)	1.500	(8,589)
Increase/(decrease) in payables	(965)	1,569	6,129
Increase/(decrease) in provisions	574	(924)	65
Increase/(decrease) in contract liabilities	(352)	(4.000)	(0.005)
Non-operating grants, subsidies and contributions	(4,485)	(1,928)	(6,825)
Net cash from operating activities	33,335	6,419	19,885

22. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2020	2019
	\$ 000	\$ 000
Governance	552	-
General purpose funding	187,951	173,162
Law, order, public safety	1,405	1,220
Health	7,910	8,346
Education and welfare	16,234	14,758
Housing	18,860	10,623
Community amenities	10,764	12,843
Recreation and culture	94,281	91,445
Transport	152,555	152,573
Economic services	88,025	89,323
Other property and services	1,689	1,603
Unallocated	30,442	35,474
	610,668	591,370

23. CONTINGENT LIABILITIES

In compliance with the *Contaminated Sites Act 2003* Section 11, the Town of Port Hedland has listed sites to be possible sources of contamination.

Details of those sites are:

- Port Hedland International Airport; and
- South Hedland Landfill.

Except for the provision disclosed in note 20, until the Town conducts an investigation to determine the presence and scope of contamination, assess the risk, and agree with the Department of Environment Regulation on the need and criteria for remediation with a risk based approach, the Town is unable to estimate the potential costs associated with remediation of these sites. This approach is consistent with the Department of Environment Regulation Guidelines.

Mia Mia Accommodation Village

Based on legal advice, the Town is not required to clean up the Mia Mia Accommodation Village site under the terms of the Airport lease and has therefore been removed from this disclosure.

24. CAPITAL AND LEASING COMMITMENTS

(a) Capital Expenditure Commitments

Contracted for:

- capital expenditure projects
- plant & equipment purchases

, 000	ψ 000			
1,002	1,233 202			
0	202			
1,002	1,435			
1,002	1,435			

2019

\$ 000

2020

\$ 000

Pavable:

- not later than one year

The capital expenditure projects outstanding at the end of the current reporting period represent the construction, project management and site supervision services for various capital projects, supply and lay of bituminous asphalt and other civil works.

(b) Operating Lease Commitments

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

Payable:

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

2020	2019
\$ 000	\$ 000
0	51
0	21
0	72

SIGNIFICANT ACCOUNTING POLICIES Leases - AASB 116

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the Town, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the

Leases (Continued)

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

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

25. RELATED PARTY TRANSACTIONS

-		25 /8		1	
-	00100	Man	hare h	Remunei	COURCE
least 5	COLCU	IAICIII	00131	CHILITIE	alluli

	2020	2020	2019
The following fees, expenses and allowances were	Actual	Budget	Actual
paid to council members, the Mayor and the Commissioner.	\$ 000	\$ 000	\$ 000
Commissioner Fees	307	0	0
Elected Members fees	7	301	268
Mayor's allowance	2	42	80
Deputy Mayor's allowance	1	11	20
Travelling expenses	69	70	5
Telecommunications allowance	3	14	31
	389	438	404
Key Management Personnel (KMP) Compensation Disclosure			
	2020		2019
The total of remuneration paid to KMP of the	Actual		Actual
Town during the year are as follows:	\$ 000		\$ 000
Short-term employee benefits	1,049		977
Post-employment benefits	134		114
Other long-term benefits	55		19
Termination benefits	167		136

1,405

Short-term employee benefits

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

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

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

1,246

25. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

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

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

The following transactions occurred with related parties:

2020 2019
Actual Actual
\$ 000 \$ 000
29 18

Purchase of goods and services

Related Parties

The Town's main related parties are as follows:

i. Key management personnel

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

ii. Other Related Parties

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

iii. Entities subject to significant influence by the Town

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

26 JOINT ARRANGEMENTS

(a) Share of joint operations

The Town of Port Hedland had a joint venture arrangement with the Department of Communities for the provision of 22 x 1 bedroom units for aged persons.

The Town has determined that all buildings at the Stevens Street Retirement Village are structurally unsound and no longer fit for purpose. In accordance with Australian Accounting Standard AASB 136 Impairment of Assets, the Town determined that all assets at Stevens Street were fully impaired in the 2017/18 year.

On 4th September 2020, the Town reached agreement with the Department of Communities for termination and release from the existing joint venture arrangement. The Town will demolish the existing village as full settlement of the arrangement.

It is not anticipated the Town will be party to any joint venture arrangements during 2020/21.

SIGNIFICANT ACCOUNTING POLICIES

Interests in joint arrangements

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

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

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

27. MAJOR LAND TRANSACTIONS

From time to time, the Town enters into major land transactions with third parties or on its own. Set out below is a summary of major land transactions previously entered into by the Town, with financial implications relating to the 2019/20 financial year and beyond, together with new major land transactions anticipated to be entered into, that may have financial implications.

Kingsford Smith Business Park

(a) Details

Kingsford Smith Business park is an area of land between Wallwork Road and the Port Hedland International Airport.

In June 2012, the Town entered into a private treaty arrangement with BHP Billiton to facilitate the subdivision of a portion of an area of land previously known as Precinct 3, now formally known as Kingsford Smith Business Park. Under the arrangement, BHP Billiton constructed a 40 lot subdivision, 38 lots of which to be retained by the Town. Lot 34 of the development has been sold to BHP Billiton, utilising the site for a warehouse facility. Should BHP Billiton wish to dispose of the site, the Town holds the first right of refusal. Lot 35 was the subject of a lease agreement between the Town and BHP Billiton which has now been transferred to the Port Hedland International Airport under their lease agreement. The term of the lease is 10 years. In accordance with the terms of the lease, it was proposed that BHP Billiton would utilise the land for the purposes of non-residential workforce accommodation, up to 4,000 beds. The current planning approval for this development has lapsed and should BHP Billiton wish to construct the non-residential workforce accommodation a new planning approval will be required.

Handover of the land from BHP Billiton to the Town occurred in the 2014/15 financial year and as such the Town recognised a non-cash contribution and corresponding non cash asset acquisition (Real Estate Inventory). The Town now has a number of fully serviced lots within the KSBP, available for sale or lease. Proceeds from the sale of all lots will be allocated by the Town to the Asset Management - Infrastructure and Community Facilities reserve as per Council Decision CM201718/111 to fund asset renewal requirements for the Town in line with the Strategic Community Plan 2018-2028 and the Corporate Business Plan. Any associated rates revenue generated as a result of sale or lease will remain within normal Municipal operations, as will any interest earned on the investment of any such proceeds.

			2020	2020	2019
(b) Current year transactions		8	Actual	Budget	Actual
		1	\$ 000	\$ 000	\$ 000
Other revenue					
- Sale proceeds			708	600	915
Other expenditure					
Cost of Sales - Land held for sale			(531)	(520)	(883)
Commission on Sales			(16)	(15)	(9)
Costs associated with selling			(12)	(13)	(7)
•		Į.	149	52	16
(c) Expected future cash flows					
(b) Exposion inter-	2020/21	2021/22	2022/23	2023/24	Total
(b) Exposion Man o day, now	2020/21 \$ 000	2021/22 \$ 000	2022/23 \$ 000	2023/24 \$ 000	Total \$ 000
Cash outflows					
Cash outflows	\$ 000 (225)	\$ 000	\$ 000	\$ 000	\$ 000
Cash outflows Cost of Sales - Land held for sale	\$ 000	\$ 000 (468)	\$ 000 (478)	\$ 000 (488)	\$ 000 (1,659)
Cash outflows Cost of Sales - Land held for sale Commission on sales	\$ 000 (225) (8)	\$ 000 (468) (15)	\$ 000 (478) (15)	\$ 000 (488) (16)	\$ 000 (1,659) (54)
Cash outflows Cost of Sales - Land held for sale Commission on sales	\$ 000 (225) (8) (5)	\$ 000 (468) (15) (11)	\$ 000 (478) (15) (11)	\$ 000 (488) (16) (11)	\$ 000 (1,659) (54) (38)
Cash outflows Cost of Sales - Land held for sale Commission on sales Costs associated with selling	\$ 000 (225) (8) (5)	\$ 000 (468) (15) (11)	\$ 000 (478) (15) (11)	\$ 000 (488) (16) (11)	\$ 000 (1,659) (54) (38)
Cash outflows Cost of Sales - Land held for sale Commission on sales Costs associated with selling Cash inflows	\$ 000 (225) (8) (5) (238)	\$ 000 (468) (15) (11) (494)	\$ 000 (478) (15) (11) (504)	\$ 000 (488) (16) (11) (515)	\$ 000 (1,659) (54) (38) (1,751)

27. MAJOR LAND TRANSACTIONS continued

(d) Assets and liabilities

Land held for resale included within Note 7

Current Inventory

Land held for resale - cost Cost of acquisition

Non-Current Inventory Land held for resale - cost Development costs

2020	2019
\$ 000	\$ 000
1,651	1,231
1,651	1,231
3,041	4 448
3,041	4,448

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2020 TOWN OF PORT HEDLAND

28. RATING INFORMATION

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C	J	
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Page			Number	2019/20 Actual	2019/20 Actual	2019/20 Actual	2019/20 Actual	2019/20 Actual	2019/20 Budget	2019/20 Budget	2019/20 Budget	2019/20 Budget	2018/ s
Second State Seco	RATE TYPE		of	Rateable	Rate	Interim	Back	Total	Rate	Interim	Back	Total	Fota
Second State Seco	ferential general rate / general rate		Properties	Value	Revenue	Rates	Rates	Revenue	Revenue	Rate	Rate	Revenue	Revenue
1,094 1,09	one item less less and			\$ 000	\$ 000	\$ 000	\$ 000	000 \$	000	000 \$	000 \$	000 %	30.7 M
visit Vacant Institutions 0 0 0 0 0 4,919 <th< td=""><td>oss rental valuations sidential</td><td>9.6289</td><td>4.763</td><td>114,179</td><td>10,994</td><td>(25)</td><td>80</td><td>10,977</td><td>10,994</td><td>0</td><td>0</td><td>10,994</td><td>10,307</td></th<>	oss rental valuations sidential	9.6289	4.763	114,179	10,994	(25)	80	10,977	10,994	0	0	10,994	10,307
Second a legical modes Second a legical mo	idential Vacant	0	0	0	0		0	0				0	2
19,2093 1,4441 2,774 0 0 0 0 0 0 0 0 0	nmerical/Industrial	9.6287	513	5,108	4,919	(58)	∞	4,869	4,919			4,919	4,800
19,2093 19, 14,41 2,774 0 0 0 0 0 0 0 0 0	nmercial/Industrial - vacant	0	0	0	0	0	0	0				0	64
Accomposation Location Accomposation	ss Accomodation	0	0	0	0	0	0	0				0	3,506
Indicates a commodation (9) 2033 18 14,441 2,774 0 0 0 2,774 2,774 1,740 1,741 1,741 2,774 1,741 1,741 2,774 1,741	rist Accomodation	0	0	0	0	0	0	0				0	823
11,0786 9 1,118 124 0 0 124 124 124 0 124	ss and Tourist accomodation	19.2093	18	14,441	2,774	0	0	2,774	2,774			2,774	0
ub-Total Minimum 5,554 245,612 40,689 1,503 43,692 85,884 40,689 11,131 33,009 ub-Total Minimum 5,554 245,612 40,689 1,503 43,692 85,884 40,689 11,131 0 51,820 m payment 5,554 245,612 40,689 1,503 43,692 85,884 40,689 11,131 0 51,820 minal mayment 5,564 14,316 2,068 0 0 2,068 11,131 0 51,820 mital vacant 0 0 0 0 0 374 374 374 srical/Industrial - vacant 1 0 0 0 0 0 375 374 374 incode valuations 1 1 1 4 0 0 0 0 0 0 ub-Total 2,030 16,163 2,493 0 0 0 2,492 0 0 0	toral	11.0785	6	1,118	124	0	0	124	124			124	120
Minimum 5,554 245,612 40,689 1,503 43,692 85,884 40,689 11,131 0 51,820	gu	19.7513	251	110,765	21,878	1,586	43,676	67,140	21,878	11,131		33,009	1,511
ub-Total Minimum 5,554 245,612 40,689 1,503 43,692 85,884 40,689 11,131 0 51,820 rental valuations 1300 1,591 14,316 2,068 0 0 2,068	-							0				0	21,128
Minimum Mini	Sub-Total		5,554	245,612	40,689	1,503	43,692	85,884	40,689	11,131	0	51,820	42,261
Page		Minimum											
tental valuations 1300 1,591 14,316 2,068 0 0 2,068 2,068 374 1111	mum payment	69											
rental valuations 1300 1,591 14,316 2,068 0 0 2,068 2,068 2,068 1,591 1,4316 2,068 1,591 1,659 375 0 0 0 0 374 374 374 1,659 375 0 0 0 0 0 0 0 0 0													
Table 1900 1,951 14,510 2,100 0 0 0 0 0 0 0 0 0	s rental valuations	1300	7	11.216	090 0	c	c	3 068	2 068			9000	1 852
Italy Parameter 1900 197 1,659 375 0 0 375 0 0 0	Jential Joseph Voccut	000	lec'.	010,4	4,000	o c	o c	2,000	2,000			2,000	260,1
incarindustrial and incarindustrial are incarindustrial and incarindustrial are incarindustrial and incarindustrial are incarindustrial and incarindustrial are incarindustrial and incarindustrial and incarindustrial and incaringustrial are incaringustrial are incaringustrial and incaringustrial are incari		7	707	7	376	0 0	0 0	276	r o			ò	5 6
recannous trainer acount valuations 1900	merical/industrial	006	<u>/8</u>	6co'i	6/6	0 0	-	6/6					175
1900 1 171 2 0 0 0 2 48 48 48 48 60 0 0 0 48 48 48 68 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	mercial/Industrial - vacant	O	0	0	D	5	0	0				5	6/1
ub-Total 200 241 171 48 0	iproved valuations oral	1900	•	17	2	0	0	2	2			2	2
ub-Total 0 2,492 0 0 2,492 0 0 2,492 0 0 2,492 0 0 2,492 0 0 54,312 0 0 54,312 0 54,312 0 54,312 0 54,312 0 54,312 0 54,212 0 54,213 0 54,312 0 54,312 0 0 54,312 0 0 54,312 0 0 54,312 0 0 54,312 0 0 54,312 0<		200	241	171	48	0	0	48	48			48	18
Sub-Total Sub-Total Sub-Total amount raised from general rate unt (Note 28(b)) and (Note 28(b))	? _	0	0	0	0	0	0	0				0	19
from general rate 7,584 261,775 43,182 1,503 43,692 88,377 43,181 11,131 0 54,312 54,312 (369) (34,278) (34,278)			2,030	16,163	2,493	0	0	2,493	2,492	0	0	2,492	3,144
from general rate 7,584 261,775 43,182 1,503 43,092 88,377 43,101 11,131 0 54,312 (369) (369) (369) (369)			1	777	007.07	7	00000	00 001	707	7	c	010	107
(34,278) (369) (369) (369) (369) (369)	9		7,584	201,175	43,182	1,503	43,692	88,377	43,181	11,1131	٥	54,312	45,405
(34,278)	il amount raised from general rate							(300)				24,312	45,405
(5.1, <u>0.1</u>)	odni (190te 20(D))							(34 278)				(606)	(BDC)
	Vers (Note 20(D))							62,270			1	53 042	000

(a) Rates continued

SIGNIFICANT ACCOUNTING POLICIES

Rates

Control over assets acquired from rates is obtained at the commencement of the rating period.

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

28. RATING INFORMATION (Continued)

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

		ing To provide relief to	community groups within the	Town of Port Hedland	henefit to the community															ing To provide relief to	community groups within the	Town of Port Hedland	municipality that provide a	benefit to the community.				ider LG Act	ider LG Act	ider LG Act
		4 Meets the requirement of being To provide relief to	3 a "Not for Profit" Community	2 Group as per policy 2/014		2	0	41	12	9	13	2	30	က	5	0	0	0	0	7 Meets the requirement of be	6 a "Not for Profit" Community	0 Group as per policy 2/014	0 Rates Concession Policy	23 (Rateable Land)	0	б	4	7 Would usually be exempt under LG Act	7 Would usually be exempt under LG Act	0 Would usually be exempt under LG Act
2019	\$ 000																													
2020	S 000	4	ဂ	4	7	2	0	42	12	9	13	2	31	က	9	0	0	9	2	6	4	0	0	24	~	10	4	7	7	0
2020	\$ 000	4	က	4	2	2	0	42	12	9	13	2	31	က	9	0	0	9	2	o	4	0	0	24	-	10	4	7	7	0
20	A A		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	\$ 000																													
	S 000	4	က	4	2	2	0	42	12	9	13	2	31	က	9	0	0	9	2	6	4	0	0	24	-	10	4	7	7	0
	DISCOUNT %	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	%0	%0	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
F	Type	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession	Concession
Rate or Fee and Charge to which the Waiver or	Concession is Granted	Port Hedland Golf Club	RSL Port Hedland Sub Branch	Rose Nowers Early Learning Centre Inc	Hedland Kart Club	Hedland Bmx	Cooke Point Playgroup	South Hedland Owners And Trainers Association	Port Hedland Yacht Club	Port Hedland Turf Club	Hedland Sporting Shooters Club	Port Hedland Pony Club	Port Hedland Motorcycle Club	Hedland Women's Refuge	Port Hedland Peace Memorial Seafarers Centre	Port Hedland Peace Memorial Seafarers Centre	Port Hedland Peace Memorial Seafarers Centre	Chamber of Commerce	One Tree Len Taplin	Bloodwood Tree / Dept Of Housing	Grand Lodge Freemasons	Port Hedland Netball Association	Hedland Well Womens Centre	Port Hedland Speedway Club	Pilbara Indigenous Women's Aboriginal Corp	South Hedland Bowling And Tennis Club	Training Ship Pilbara (Naval Cadets)	Royal Flying Doctors Service - PHIA Lease	Royal Flying Doctors Service - PHIA Lease	State Emergency Services - PHIA Lease

28. RATING INFORMATION (Continued)

(b) Discounts, Incentives, Concessions, & Write-offs continued

2019	Actual	\$ 000	20 Exempt under LG Act	4 Exempt under LG Act	4	0 Exempt under LG Act	0 Exempt under LG Act	2 Exempt under LG Act	2 Exempt under LG Act	0 Exempt under LG Act	1 Exempt under LG Act	0 Exempt under LG Act	3 Exempt under LG Act	15 Exempt under LG Act	122 Under the lease agreement all rates directly	2 related to the operation of the Port Hedland	2 International Airport are to be refunded.	2	2	2		369
2020	Budget A	\$ 000	20	2	4	0	2	2	2	2	-	2	က	15	125	2	2	2	2	2	34,240	34,639
2020	Actual	\$ 000	20	5	4	0	2	2	2	2	_	2	က	15	125	2	7	2	2	2	34,278	34,677
	Waiver	\$ 000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	34,278	34,278
	Discount	\$ 000	20	5	4	0	2	2	2	2	_	2	က	15	125	2	2	2	2	2		399
	Discount	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
	Type		Exemption	Exemption	Exemption	Exemption	Exemption	Exemption	Exemption	Exemption	Exemption	Exemption	Exemption	Exemption	Refund	Refund	Refund	Refund	Refund	Refund	Waiver	
	Rate or fee to which the Concession is Granted		Youth Involvement Council	Housing Authority / Youth Involvement Council	Port Hedland Volunteer Sea Rescue Group	Kariyarra Land Aboriginal Corporation	Wirraka Maya Health Service	Foundation Housing	University of WA	Freemasons Home For Aged	PHIA Airport Terminal	Vacant Land - 9 Bayley Retreat	Vacant Land - 11 Bayley Retreat	Airservices Transmitter	PHIA Airport Operations Workshop	Vacant Lot	Rate Waiver due to CM201920/145*	Total (Note 28(a))				

^{*} Rate Waivers due to CM201920/145: During the financial year the Town identified certain port and associated leases as being rateable. However, the properties had not been previously rateable. On the 5 February 2020, the Town resolved to impose 25% of the retrospective rates relating to the period FY2014-15 to FY2017-18 and waiver the balance.

28. RATING INFORMATION (Continued)

(c) Interest Charges & Instalments

Instalment Options	Date Due	Instalment Plan Admin Charge	Instalment Plan Interest Rate	Unpaid Rates Interest Rate
		S	%	%
Option One				
Single full payment	23/08/2019	0.00	0.0%	11.0%
Option Two				
First instalment	23/08/2019	0.00	5.5%	11.0%
Second instalment	22/11/2019	14.00	5.5%	11.0%
Third instalment	21/02/2020	14.00	5.5%	11.0%
Fourth instalment	15/05/2020	14.00	5.5%	11.0%
		2020	2020	2019
		Actual	Budget	Actual
		\$ 000	\$ 000	\$ 000
Interest on unpaid rates		331	350	399
Interest on instalment plan		120	135	148
Charges on instalment plan		67	65	64
•		518	550	611

29. RATE SETTING STATEMENT INFORMATION

29. RATE SETTING STATEMENT INFORMATION			0010100		
			2019/20		
		2019/20	Budget	2019/20	2018/19
		(30 June 2020	(30 June 2020	(1 July 2019	(30 June 2019
		Carried	Carried	Brought	Carried
	Note	Forward)	Forward)	Forward)	Forward
		\$ 000	\$ 000	\$ 000	\$ 000
(a) Non-cash amounts excluded from operating activities		4 6 6 6	0.000	000	4 500
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with <i>Financial Management Regulation 32</i> .					
Adjustments to operating activities					
Less: Profit on asset disposals	11(a)	(39)	0	(8)	(8)
Less: Non-cash grants and contributions for assets		(482)	0	0	0
Less: Movement in liabilities associated with restricted cash		(500)	0	0	0
Less: Fair value adjustments to financial assets		254	0	120	120
Adjustment for write down of land held for sale	7	456	0	0	0
Movement in investment property (non-current)	14	0	0	(8,590)	(8,590)
Movement in prepayments (non-current)		(77)	0	(107)	(107)
Movement in employee benefit provisions (non-current) Movement in other provisions (non-current)		9	0	26	26
Movement of land held for sale		32	0	(184)	(184)
Recognition of the portion of lease premium prepaid		1,407 (924)		1,557	1,557
Less: Expense of previous financial year work in progress		(924)	(924) 0	(924) (1,500)	(924)
Add: Loss on disposal of assets	11(a)	3,044	71	1,275	(1,500) 1,275
Add: Depreciation on non-current assets	11(c)	9,125	8,472	8,561	8,561
Non cash amounts excluded from operating activities	(0)	12,305	7,619	226	226
(b) Surplus/(deficit) after imposition of general rates The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with Financial Management Regulation 32 to agree to the surplus/(deficit) after imposition of general rates.					
Adjustments to net current assets					
Less: Reserves - cash/financial asset backed	4	(240,087)	(205,567)	(232,038)	(232,038)
Less: Current assets not expected to be received at end of year	-	(4.054)	(400)	(4.004)	(4.004)
 Land held for resale Loans receivable - clubs/institutions 	7	(1,651)	(189)	(1,231)	(1,231)
- Adjustment of land held for sale		(61) 456	(69)	(73)	(73)
Add: Current liabilities not expected to be cleared at end of year		450			
- Lease premium prepaid		924	924	924	924
- Current portion of lease liabilities	17	242	0	0	0
- Employee benefit provisions	• • •	1,376	876	876	876
- Provision for airport projects		14,810	14,995	14,810	14,810
Total adjustments to net current assets		(223,991)	(189,030)	(216,732)	(216,732)
Not consider the Data Codd of Charles					
Net current assets used in the Rate Setting Statement Total current assets		252 624	200 E44	247.024	047.004
Less: Total current liabilities		252,634 (28,852)	209,541 (19,669)	247,824	247,824
Less: Total adjustments to net current assets		(223,991)	(189,030)	(28,583) (216,732)	(28,583) (216,732)
Net current assets used in the Rate Setting Statement		(209)	842	2,509	2,509
,		(=50)	0,12	2,000	2,000
(c) Adjustments to current assets and liabilities at 1 July 2019 on application of new accounting standards					
Total current assets at 30 June 2019					247,824
- Contract assets	31(a)			-	0
Total current assets at 1 July 2019				-	247,824
Total current liabilities at 30 June 2019					(28,583)
Total current liabilities at 1 July 2019				-	(28,583)

30. FINANCIAL RISK MANAGEMENT

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

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

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

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

(a) Interest rate risk

Cash and cash equivalents

The Town's main interest rate risk arises from cash and cash equivalents with variable interest rates, which exposes the Town 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 Town to cash flow interest rate risk. Most Cash and cash equivalents required for working capital are held in the at call variable interest rate account and non-interest bearing accounts. Carrying amounts of cash and cash equivalents at the 30 June and the weighted average interest rate across all cash and cash equivalents and term deposits held disclosed as financial assets at amortised cost are reflected in the table below.

	Weighted Average Interest Rate	Carrying Amounts	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing
	%	\$ 000	\$ 000	\$ 000	\$ 000
2020 Cash and cash equivalents	0.75%	36,712	0	36,712	0
Financial assets at amortised cost - term deposits	1.53%	205,356	205,356		0
2019 Cash and cash equivalents Financial assets at amortised cost	1.50% 2.02%	30,231 201,855	0 201,855	30,231 0	0

Sensitivity

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

Impact of a 1% movement in interest rates on profit and loss and equity* \$000 \$000 \$000

* 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 Town 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 Town does not consider there to be any interest rate risk in relation to borrowings as currently the Town has no borrowings.

30. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk

Trade and Other Receivables

The Town's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The Town manages this risk by monitoring outstanding debt and employing debt recovery policies.

Credit risk on rates and annual charges is minimised by the ability of the Town to recover these debts as a secured charge over the land, that is, the land can be sold to recover the debt. The Town is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2019 or 1 July 2020 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. There are no material receivables that have been subject to a re-negotiation of repayment terms.

The loss allowance as at 30 June 2020 and 1 July 2018 (on adoption of AASB 9) was determined as follows for rates receivable. No expected credit loss was forecast on 1 July 2018 or 30 June 2019 for rates receivable as penalty interest applies to unpaid rates and properties associated with unpaid rates may be disposed of to recover unpaid rates.

	Current	More than 1 year past due	More than 2 years past due	More than 3 years past due	Total
30 June 2020	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Rates receivable Expected credit loss Gross carrying amount Loss allowance	0.00% 3,509 0	0.00% 644 0	0.00% 293 0	0.00% 173 0	4,619 0
30 June 2019 Rates receivable Expected credit loss Gross carrying amount Loss allowance	0.00% 1,766 0	0.00% 622 0	0.00% 232 0	0.00% 70 0	2,690 0

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

30 June 2020	Current \$ '000	More than 30 days past due \$ '000	More than 60 days past due \$ '000	More than 90 days past due \$ '000	Total \$ '000
Trade and other receivables Expected credit loss	0.34%	1.28%	3.28%	3.28%	
Gross carrying amount	872	71	117	144	1,204
Loss allowance	3	1	4	4	12
30 June 2019 Trade and other receivables	0.04%	0.17%	0.42%	0.58%	
Expected credit loss			2.1.1.7		4.000
Gross carrying amount	1,406	219	0	177	1,802
Loss allowance	1	0	0	1	2

30. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

	Lifetime expected credit loss	
	Total	
30 June 2020	\$ '000	
Self supporting loans		
Expected credit loss	36%	
Gross carrying amount	710	
Loss allowance	254	

30. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

Payables

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 Town manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended if required.

The contractual undiscounted cash flows of the Town's Payables 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.

<u>2020</u>	Due within 1 year \$ 000	Due between 1 & 5 years \$ 000	Due after 5 years \$ 000	Total contractual cash flows \$ 000	Carrying values
Payables Contract liabilities Lease liabilities	11,001 445 242 11,688	0 0 98 98	0 0 0	11,001 445 340 11,786	11,001 445 340 11,786
2019					
Payables	11,984 11,984	0	0	11,984 11,984	11,984 11,984

31. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

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

(a) AASB 15: Revenue from Contracts with Customers

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

	AASB 118 carrying amount		AASB 15 carrying amount	
	Note	30 June 2019	Reclassification	01 July 2019
		\$ 000	\$ 000	\$ 000
Contract liabilities - current Contract liabilities from contracts with customers	16	797	(797)	0
Adjustment to retained surplus from adoption of AASB 15	31(c)	<u> </u>	(797)	

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

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

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

Adjustment to retained surplus from adoption of AASB 1058	31(c)		0	
Rates paid in advance	15	0	0	0
Trade and other payables				
		\$ 000	\$ 000	\$ 000
	Note	30 June 2019	Reclassification	01 July 2019
		carrying amount		carrying amount
		AASB 1004		AASB 1058
		AASB 118 and		

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

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

31. INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

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

		2020 \$ 000		2020 \$ 000
Statement of Comprehensive Income	Note	As reported under AASB 15 and AASB 1058	Adjustment due to application of AASB 15 and AASB 1058	Compared to AASB 118 and AASB 1004
Revenue Rates	28(a)	53,700	351	54,051
Operating grants, subsidies and contributions	2(a)	2,438	445	2,883
Fees and charges	2(a)	13,060	0	13,060
Non-operating grants, subsidies and contributions	2(a)	4,485	0	4,485
Net result		20,622	796	21,418
Statement of Financial Position				
Trade and other payables	15	11,001	(479)	10,522
Contract liabilities	16	445	(445)	0
Net assets		540,274	924	541,198
Statement of Changes in Equity				
Net result		20,622	796	21,418
Retained surplus		216,094	796	216,890

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

(c) AASB 16: Leases

The Town adopted AASB 16 retrospectively from 1 July 2019 which resulted in changes in accounting policies. In accordance with the transition provisions of AASB 16, the Town has applied this Standard to its leases retrospectively, with the cumulative effect of initially applying AASB16 recognised on 1 July 2019. In applying AASB 16, under the specific transition provisions chosen, the Town has not restated comparatives for prior reporting periods.

On adoption of AASB 16, the Town recognised leased liabilities in relation to leases which had previously been classified as an 'operating lease' applying AASB 117 (excluding short term and low value leases). These lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate on 1 July 2019. The weighted averages lessee's incremental borrowing rate applied to the lease liabilities on 1st July ranged from 1.6% to 2.2%.

	Note	2020
		\$ 000
Operating lease commitments at 30 June 2019 applying AAS 117		293
Discount applied using incremental borrowing rate	_	(9)
Lease liability recognised as 1 July 2019 discounted using the Town's incremental average borrowing rate of 2.1%	17(b)	284
Lease liability - current		89
Lease liability - non-current	_	195
Right-of-use assets recognised at 1 July 2019		284

On adoption of AASB 16, the Town recognised a right-of-use asset in relation to leases which had previously been classified as an 'operating lease' applying AASB 117. This right-of-use asset is deemed to be equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

31 INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS (Continued)

On adoption of AASB 116 Leases (issued February 2016), for leases which had previously been classified as an 'operating lease' when applying AASB 117, the Town is not required to make any adjustements on transition for leases for which the underlying asset is of low value. Asset for which the fair value as at the date of acquistion is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5).

In applying AASB 16 for the first time, the Town has used the following practical expedient permitted by the standard.

- The exclusion of initial direct costs from the measurement of the right-of-use asset at the date of initial application.

32 CHANGE IN ACCOUNTING POLICIES

(a) Change in Accounting Policies due to regulation changes

Effective 6 November 2020, Local Government (Financial Management) Regulation 16 was deleted and Local Government (Financial Management) Regulation 17A was amended with retrospective application. The changes were effective for financial years ending on or after 30 June 2020 so are required to be applied retrospectively with cumulative effect applied initially on 1 July 2019.

In accordance with the changes, the Town was required to remove the values attributable to certain crown land assets previously required to be recognised, as well as the associated revaluation surplus at 1 July 2019. These assets have been measured as concessionary lease right-of-use assets at zero cost in accordance with AASB 16. For further details relating to these changes, refer to Note 11.

In summary the following adjustments were made to the amounts recognised in the statement of financial position at the date of initial application (1 July 2019):

	Carrying amount			Carrying amount
	Note 30 June 2019 Reclassification		Reclassification	01 July 2019
		\$	\$	S
Property, plant and equipment	9	117,712	0	117,712
Revaluation surplus	5	0	0	0

Also, following changes to Local Government (Financial Management) Regulation 17A, plant and equipment type assets (being plant and equipment and furniture and equipment) are to be measured under the cost model, rather than at fair value. This change is effective from 1 July 2019 and represents a change in accounting policy. Revaluations carried out previously or during the year were not reversed as it was deemed fair value approximates cost at the date of the change.

(b) Changes in equity due to change in accounting policies

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

	Note	Adjustments	2019
			\$
Retained surplus - 30 June 2019			204,319
Adjustment to retained surplus from adoption of AASB 15	12(a)	(797)	
Adjustment to retained surplus from adoption of AASB 1058	12(b) _	0	(797)
Retained surplus - 1 July 2019	_		203,522

The impact on the Town's opening revaluation surplus resulting from Local Government (Financial Management) Regulation 16 being deleted and the amendments to Local Government (Financial Management) Regulation 17A as at 1 July 2019 was as follows:

	Note	Adjustments	2019
			\$
Revaluation surplus - 30 June 2019			84,090
Adjustment to revaluation surplus from deletion of FM Reg 16	32(a)	0	
Adjustment to revaluation surplus from deletion of FM Reg 17	32(a)	0	0
Revaluation surplus - 1 July 2019			84.090

33 TRUST FUNDS

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

	1 July 2019	1 July 2019 Amounts Received Amounts		30 June 2020
	\$ 000	\$ 000	\$ 000	\$ 000
Nomination Election Bonds	1	0	(1)	0
Public Open Space	376	0	0	376
Mosquito Control (CLAG)	0	2	0	2
	377	2	(1)	378

34. OTHER SIGNIFICANT ACCOUNTING POLICIES

a) Goods and services tax (GST)

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

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

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

b) Current and non-current classification

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Town's operational cycle. In the case of liabilities where the Town 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 Town'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 Town applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements that has a material effect on the statement of financial position, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

e) Budget comparative figures

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

f) Superannuation

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

g) Fair value of assets and liabilities

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

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

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

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

h) Fair value hierarchy

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

Level 1

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

Level 2

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

level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

i) Impairment of assets

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

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

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

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

35. ACTIVITIES/PROGRAMS

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

PROGRAM NAME AND OBJECTIVES GOVERNANCE

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

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

LAW, ORDER, PUBLIC SAFETY

To provide services to help ensure a safer and environmentally conscious community.

HEALTH

To provide an operational framework for environmental and community health.

EDUCATION AND WELFARE

To provide services to disadvantaged persons, the elderly, children and youth.

HOUSING

To provide and maintain adequate housing.

COMMUNITY AMENITIES

To provide services required by the community.

RECREATION AND CULTURE

To establish and effectively manage infrastructure and resources which will help the social well-being of the community.

TRANSPORT

To provide safe, effective and efficient transport services to the community.

ECONOMIC SERVICES

To help promote the Town and its economic wellbeing.

OTHER PROPERTY AND SERVICES

To monitor and control Council's overheads operating accounts.

ACTIVITIES

Includes all activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of providing legal services on all matters.

Rates, interest income, general purpose government grants, interest revenue and the cost of assets sold.

Fire prevention and volunteer bush fire brigade, animal control, support of State Emergency Services, emergency services, the Town's CCTV network, and community safety and crime prevention initiatives.

Vermin control, environmental health, food and public health regulation and compliance, and health.

Community partnership funding, disability access initiatives, community services administration, facilities including the JD Hardie Centre and asset management associated with key community buildings.

Primarily centred around the provision of housing to employees, and asset management activities.

Strategic town planning and development control, all aspects of waste management such as waste collection, landfill operations, and waste minimisation; cemeteries, public toilets, cyclone preparation and response, and sanitation and litter collection.

Maintenance of public halls, civic centres, aquatic centres, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of libraries, galleries and other cultural facilities.

Facilitation of Town events including North West Festival, Spinifex Spree and other community

All activities relating to the Port Hedland International Airport. Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities, and traffic control. Cleaning of

Tourism and area promotion, strategic projects, leasing and administration of commercial properties, building regulation, land development, and saleyards and markets.

streets and maintenance of street trees, street lighting etc.

Remaining activities not directly attributable to other programs such as private works, plant operations, public works overheads, and building maintenance overheads. The income and expenditure for Corporate Management, Financial Services, Human Resources and OHS, Governance, Records Management, Customer Services, Marketing and Communication, and Information Technology is also included here. The majority of costs are distributed across other programs of Council, to better reflect the total cost of service delivery.

36. FINANCIAL RATIOS	2020 Actual	2019 Actual	2018 Actual	
Current ratio Asset consumption ratio Asset renewal funding ratio Asset sustainability ratio Debt service cover ratio Operating surplus ratio Own source revenue coverage ratio	0.95 0.89 0.91 2.02 N/A 0.22 1.20	1.22 0.91 0.88 0.61 1.08 0.23 1.02	1.94 0.94 0.91 1.02 (2.34) (0.42) 0.64	
The above ratios are calculated as follows:				
Current ratio	current assets minus restricted assets current liabilities minus liabilities associated with restricted assets			
Asset consumption ratio	depreciated replacement costs of depreciable assets current replacement cost of depreciable assets			
Asset renewal funding ratio	NPV of planned capital renewal over 10 years NPV of required capital expenditure over 10 years			
Asset sustainability ratio	capital renewal and replacement expenditure depreciation			
Debt service cover ratio	annual operating surplus before interest and depreciation principal and interest			
Operating surplus ratio	operating revenue minus operating expenses own source operating revenue			
Own source revenue coverage ratio	own sou	rce operating re	evenue	
	operating expense			

