

# INNER WEST COUNCIL

ANNUAL REPORT  
2016/17



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# INTRODUCTION

## Inner West at a glance

The Inner West Council Local Government Area (LGA) has an estimated resident population of 192,030 people. It was proclaimed on 12 May 2016, combining the former local government areas of Ashfield, Leichhardt and Marrickville.

The Inner West Council area spans 36km<sup>2</sup> from the banks of the Parramatta River at Birchgrove in the north east, to the Cooks River at Dulwich Hill in the south west. The Gadigal Wangal Peoples of the Eora Nation are the traditional custodians of the Inner West LGA.

It is a unique area with a special beauty that comes from natural and built environments, and a rich cultural heritage. The people of the inner west take great pride in their community and have a strong inner west identity.

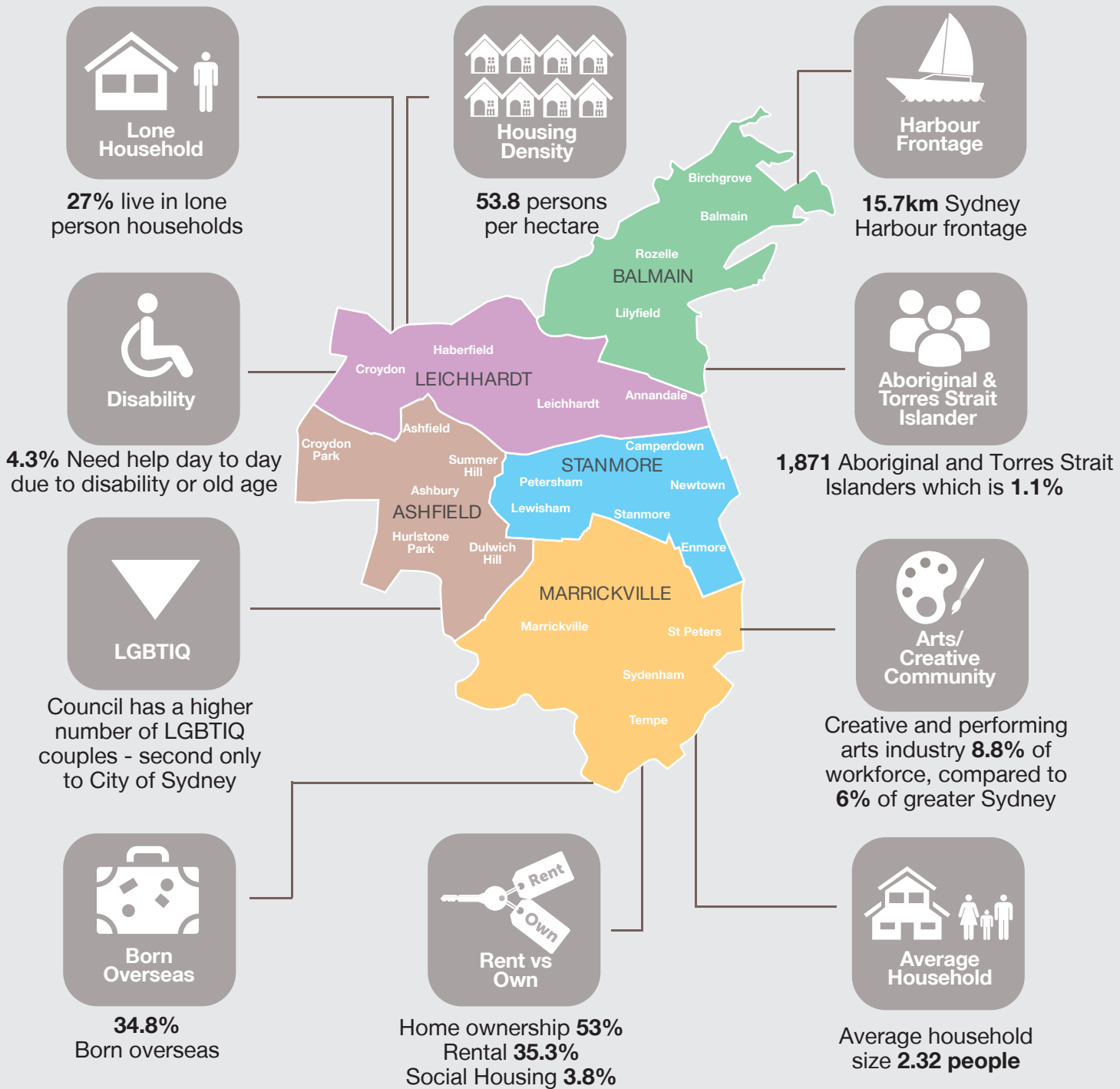
Today, the Inner West LGA includes the suburbs of Annandale, Ashfield, Balmain (including Balmain East), Birchgrove, Dobroyd Point, Dulwich Hill, Enmore, Haberfield, Leichhardt, Lewisham, Lilyfield, Marrickville, Petersham, Rozelle, Stanmore, St Peters, Summer Hill, Sydenham, Tempe and parts of Ashbury, Camperdown, Croydon, Croydon Park, Hurlstone Park and Newtown.

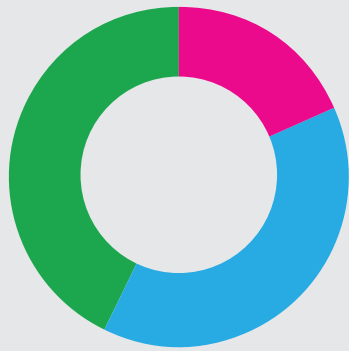
The local government area is divided into five wards:



Detailed Inner West Council ward maps can be viewed at [www.innerwest.nsw.gov.au](http://www.innerwest.nsw.gov.au) and at Council's three customer service centres.

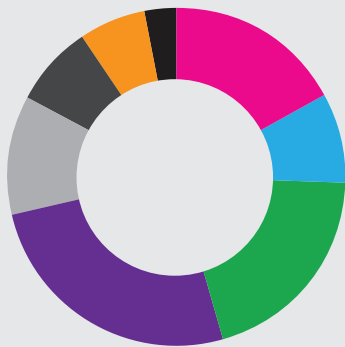
# Our community





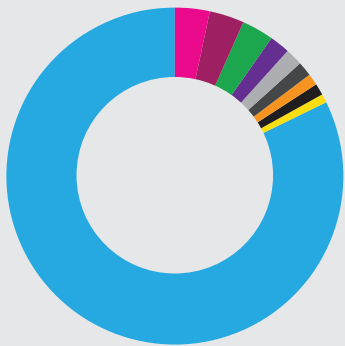
### Employment Location

Work and live in the LGA	18.6%
Work in City of Sydney	38.8%
Work outside the LGA and CBD	42.6%



### Age Groups

Under 18	17.4%
18-24	8.5%
25-34	20.3%
35-49	26.2%
50-59	11.7%
60-69	7.9%
70-84	6.3%
85+	1.1%



### Languages

Greek	3.5%
Italian	3.3%
Mandarin	3.0%
Vietnamese	2.1%
Arabic	1.6%
Spanish	1.4%
Portuguese	1.1%
Nepali	1.1%
Filipino/Tagalog	0.8%
Other	82.1%



### Industries

Professional, Scientific & Technical Services	13.5%
Health Care & Social Assistance	10.8%
Education & Training	10.1%
Finance & Insurance Services	7.8%
Retail Trade	7.4%
Other	50.4%

## Population Forecast

By 2036 there will be approximately 40,000 more people living in the inner west.

Our population peaked in 1947 at 212,000. In the postwar period, significant industrial expansion and a decrease in average household size saw a significant drop in the population to around 175,000 by 1981.

By the beginning of the 21st century, population in the area had begun to increase again, driven by new apartment construction and increased fertility rates.

By 2026 we will move beyond the 1947 peak. That's a rate of about 2,000 extra people per year.

Most of us are aged 25-44 but there will be significant increases in the retirement age population, 65 -85 years. There will also be increases in the under 18s, mainly in Leichhardt and Marrickville, but there will still be a larger number of 0-4 year olds.

More than half of the total increase in population is expected to occur in Leichhardt, Marrickville, and Marrickville (South) where there will be rapid growth among families with young children.

- Between 2017 and 2036, Leichhardt is forecast for the greatest increase in development of new dwellings
- St Peters-Sydenham will have the greatest percentage increase in lone households.
- Marrickville (South) has the greatest increase in 0-4 years between 2017 and 2036
- The area with the greatest increase in persons aged 12-19 years between 2017 and 2036 is Leichhardt
- By 2036 our aged population will have almost doubled.

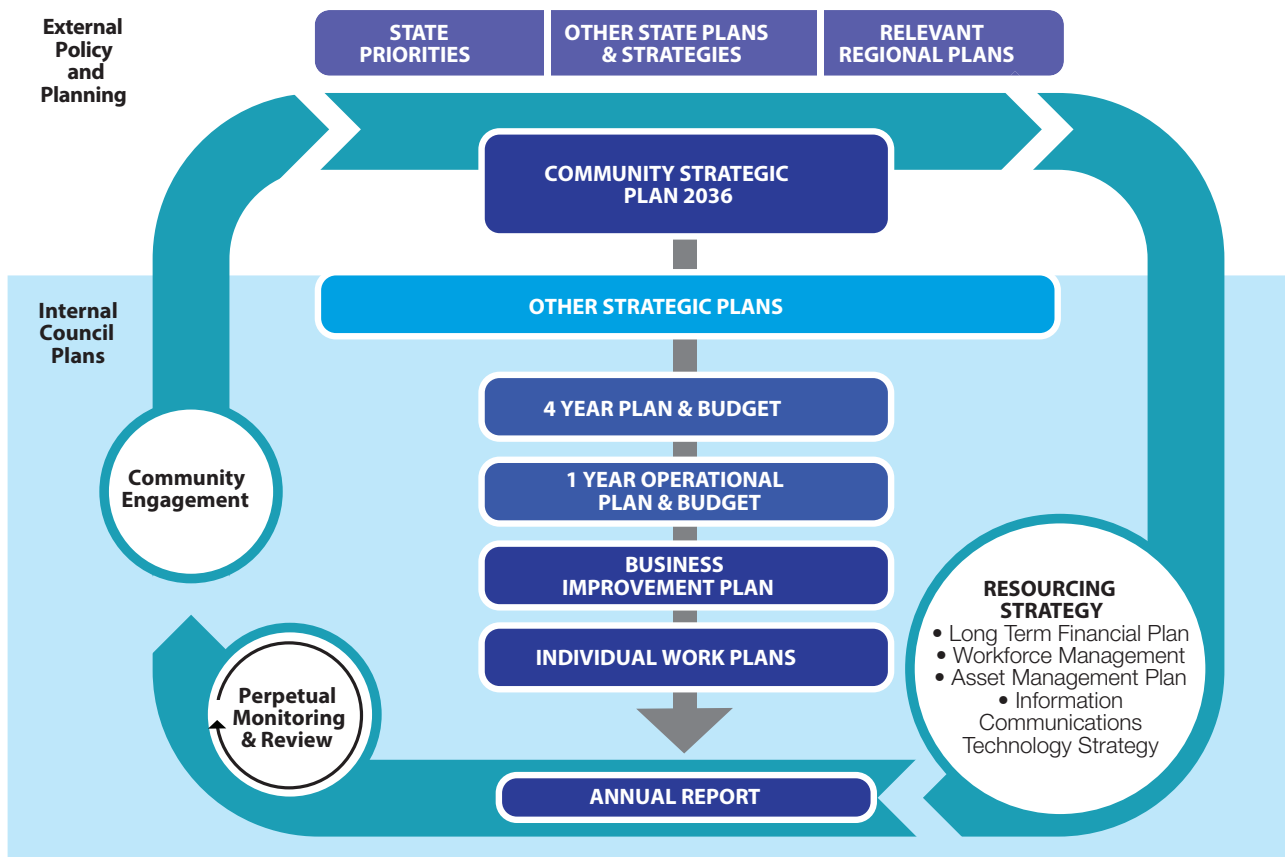
Source: Profile ID - ABS 2011

## Our planning model

Inner West Council is guided by an integrated planning framework that provides a mechanism for Council to respond to challenges and opportunities in a coordinated and strategic way.

Following the merger of Ashfield, Leichhardt and Marrickville councils, Council adopted an Operational Plan based on the former councils' strategic plans, to align its planning and reporting process across the organisation. The Operational Plan outlines the key activities Council will undertake in the given financial year to achieve community objectives.

Inner West Council is currently developing a Community Strategic Plan, Four Year Delivery Program and Resourcing Strategy for the new area, which will be adopted to begin in the 2018-19 financial year.



## Message from the Interim General Manager



Responding to the challenges of integrating three councils into one was a key focus for Inner West Council this financial year.

A couple of major milestones were achieved this year, starting with the co-location of more than 650 staff. Bringing teams together under a new organisational structure into single locations, to facilitate better working relationships and team function, was crucial to the integration process.

The other major milestone was the first suite of TechnologyOne applications going live on 3 July.

This was an exciting time, and the result of a lot of work internally leading up to the start date.

The new system will revolutionise the way we do business – a quantum leap forward in customer service, systems integration and business processes.

Instead of having over 20 different software systems on the go, we will have a single integrated business platform when the roll out is completed at the end of next year. The TechOne platform is an integral component of Council's transformation, allowing us to function as one organisation.

Of course, Council had to also keep an eye on the ball in terms of business as usual.

Inner West Council turned one on Friday 12 May, and in June, adopted its first integrated Operational Plan and Budget. In a highlight, we were able to announce that a record \$66 million would be spent on capital works in the 2017-18 financial year.

**“ But back to 2016-17. Throughout this document you will see many, many of our project highlights: new libraries, childcare centres, amenities buildings. A new bridge, upgraded parks and sportsfields. Expanded community and arts programs, free Wi-Fi rolled out on main streets, a record-setting sustainable investment policy. Greater transparency and openness, increased community engagement and advocacy – the list goes on. ”**

As Council enters its second year, we are determined to keep delivering excellent services, infrastructure and policies on behalf of our inner west citizens.

A handwritten signature in black ink, appearing to read 'Rik Hart'. The signature is fluid and cursive, with a horizontal line extending from the end.

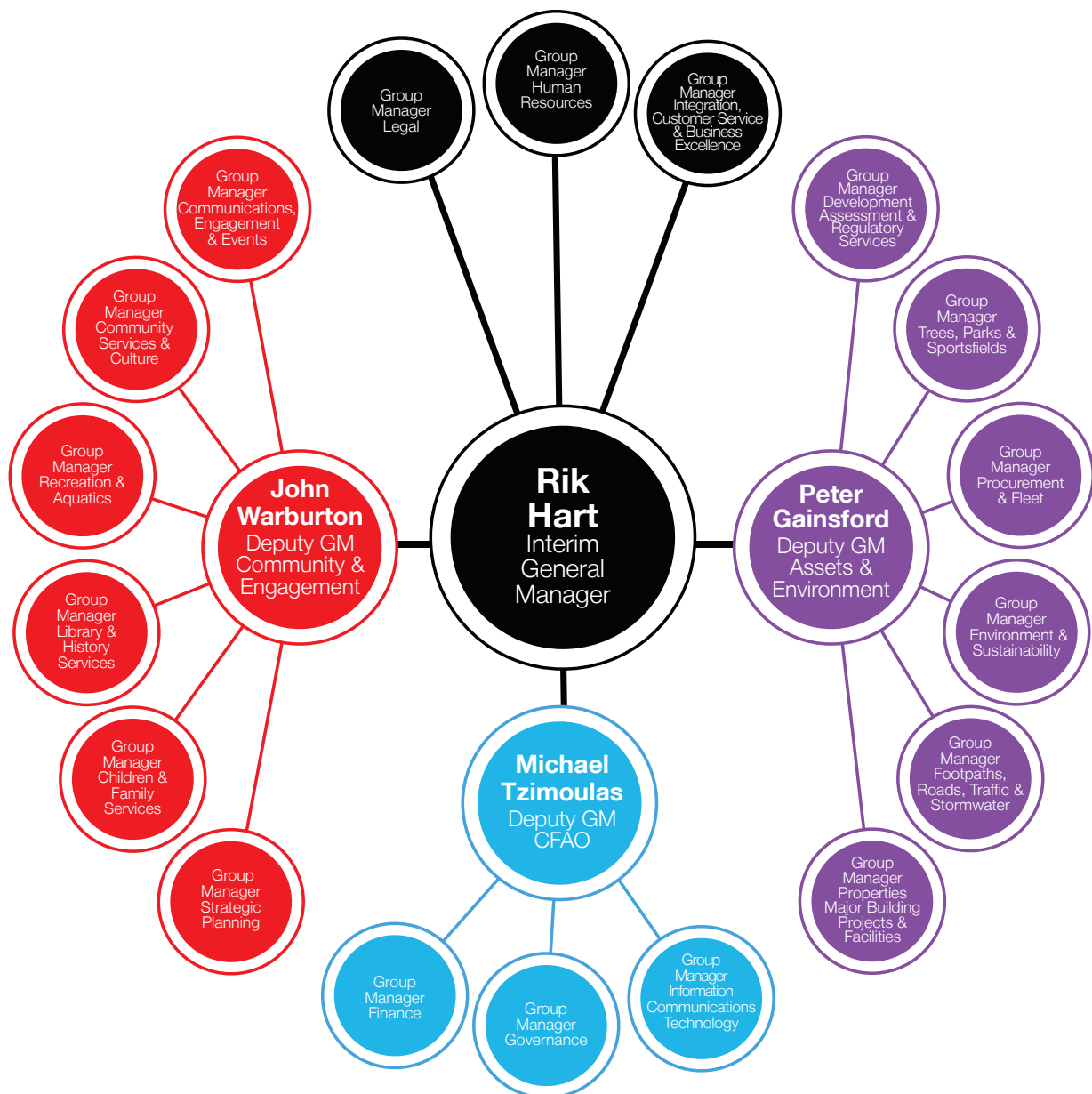
Rik Hart  
Interim General Manager

## Our organisation

Inner West Council provides a diverse range of services to the community, including the management of waste, oversight of planning and assessing development applications, maintenance of roads, upkeep of parks and reserves, childcare, libraries, festivals and events, arts and culture, recreation, and sustainable environment services.

Council also contributes to the health and wellbeing of the community by providing information and services for young people, older people, people with a disability and people from culturally and linguistically diverse backgrounds.

Inner West Council employs over 1,250 professional staff and has an annual expenditure of approximately \$255 million, including capital expenditure of approximately \$70 million.





# How to read the Annual Report

This Annual Report covers the period from 12 May 2016 ('Proclamation Day' for Inner West Council) to 30 June 2017.

The report is divided into three sections.

## Section 1: Reporting on our progress

This section provides an outline of Council's key achievements against actions set out in the Operational Plans of the former Ashfield, Leichhardt and Marrickville councils.

The Themes, Key Result Areas (KRAs) or Key Service Areas (KSAs) reflected in the former councils' Delivery Programs and Operational Plans have been aligned in this report to summarise Council's key achievements and strategic outcomes across the reporting period.

The Aligned Themes used in this report are:

	Ashfield	Leichhardt	Marrickville
<b>Aligned Theme 1</b>	<ul style="list-style-type: none"> <li>• Safe, Connected and Accessible Places</li> </ul>	<ul style="list-style-type: none"> <li>• Community Well Being</li> <li>• Accessibility</li> </ul>	<ul style="list-style-type: none"> <li>• A diverse community that is socially just, educated, safe and healthy</li> </ul>
<b>Aligned Theme 2</b>	<ul style="list-style-type: none"> <li>• Unique and Distinctive Neighbourhoods</li> <li>• Creative and Inclusive Community</li> <li>• Attractive and Lively Town Centre</li> </ul>	<ul style="list-style-type: none"> <li>• Places Where We Live and Work</li> </ul>	<ul style="list-style-type: none"> <li>• A creative and cultural Marrickville</li> </ul>
<b>Aligned Theme 3</b>	<ul style="list-style-type: none"> <li>• Thriving Local Economy</li> </ul>	<ul style="list-style-type: none"> <li>• Business in the Community</li> </ul>	<ul style="list-style-type: none"> <li>• A vibrant economy and well planned, sustainable urban environment and infrastructure</li> </ul>
<b>Aligned Theme 4</b>	<ul style="list-style-type: none"> <li>• Living Sustainably</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable Environment</li> <li>• Sustainable Services and Assets</li> </ul>	<ul style="list-style-type: none"> <li>• A vibrant economy and well planned, sustainable urban environment and infrastructure</li> </ul>
<b>Aligned Theme 5</b>	<ul style="list-style-type: none"> <li>• Engaging and Innovative Local Democracy</li> </ul>		<ul style="list-style-type: none"> <li>• An innovative, effective, consultative and representative Council</li> </ul>

## Section 2: Statutory reporting requirements

This section includes reporting requirements prescribed by the Local Government Act 1993 and the Local Government (General) Regulation 2005.

This includes a summary of Council's legal proceedings, details of contracts awarded by Council, financial assistance contributions to the community, written off rates and charges, and information relating to the Government Information (Public Access) Act 2009 (NSW).

## Section 3: Audited financial statements

This section includes general purpose financial statements for the 2016/17 financial year and the beginning of Council's administration period – 13 May 2016 to 30 June 2017.

This including an Income Statement, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows.





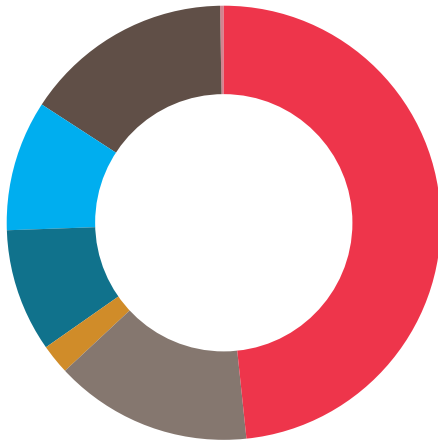
# SECTION 1: REPORTING ON OUR PROGRESS

The Annual Report features key achievements for the reporting period.

Full and detailed reports against each action in Council's 2016/17 Operational Plan are available at Council's website - [www.innerwest.nsw.gov.au](http://www.innerwest.nsw.gov.au).

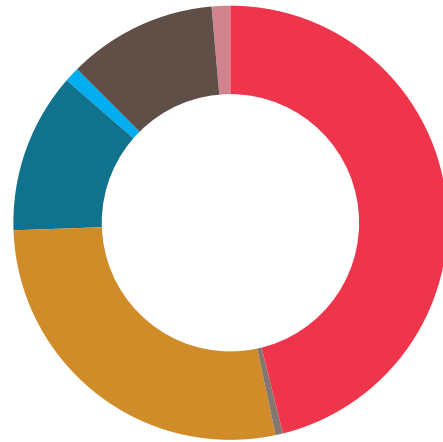
## Summary of Financial Performance 2016/17

### Summary of Revenue



Revenue for 2016/17	(\$'000)	%
Rates and annual charges	152,854	48.45
User charges and fees	46,263	14.66
Interest and investment revenues	7,444	2.36
Other revenues	28,596	9.06
Grants and contributions provided for operation purposes	30,878	9.79
Grants and contributions provided for capital purposes	49,030	15.54
Net gains from the disposal of assets	-	0.00
Net share of interests in joint ventures and associates using the equity method	436	0.14
<b>Total</b>	<b>315,501</b>	

### Summary of Expenditure



Expenditure for 2016/17	(\$'000)	%
Employee benefits and on-costs	119,569	46.37
Borrowing costs	1,305	0.51
Materials and contracts	71,577	27.76
Depreciation and amortisation	30,849	11.96
Impairment	2,565	0.99
Other expenses	28,417	11.02
Interests and investment losses	-	0.00
Net losses from the disposal of assets	3,564	1.38
<b>Total</b>	<b>257,846</b>	

## Aligned Theme 1 – Key Achievements

Ashfield Theme	Leichhardt KSA	Marrickville KRA
<ul style="list-style-type: none"> <li>• Safe, Connected and Accessible Places</li> </ul>	<ul style="list-style-type: none"> <li>• Community Well Being</li> <li>• Accessibility</li> </ul>	<ul style="list-style-type: none"> <li>• A diverse community that is socially just, educated, safe and healthy</li> </ul>

### Ashfield Aquatic Centre Refurbishment

The new Ashfield Aquatic Centre plans were approved in June 2017 after comprehensive community engagement. The design will improve facilities for families and leisure users, water polo players, lap swimmers and learn to swim participants and will attract new visitors.

The refurbishment includes:

- Eight lane 50m pool replacing the existing 50m pool
- Water polo pool replacing the existing water polo pool
- Combined splash-pad and shallow water pool suitable for young children
- 1,000m<sup>2</sup> health and fitness facilities, including gym and studios, on level one of the new entrance building
- Café serving the Centre and new public area on Elizabeth Street
- Crèche and meeting room
- New administration area, and plant and equipment
- Existing indoor pool hall maintained in current condition
- Amenities, including family change rooms
- New shade sails over the combined splash-pad and shallow water pool
- New entrance building setback from Elizabeth Street
- New landscaped public area on Elizabeth Street
- Extension of the Bastable Street car park, including demolition of the Bastable Street Hall and playground, single entry via Elizabeth Street and single exit onto Bastable Street (activities in existing community hall will be transferred to the new crèche and meeting room).

### Affordable housing

Inner West Council has adopted a pioneering Affordable Housing Policy, which sets a city-leading 15 per cent target on large developments, and 30 per cent on government owned land in urban renewal areas to be set aside for affordable housing.

Following extensive community consultation on the draft policy which was strongly supported by the Inner West community, the Affordable Housing Policy was adopted in March 2017. The policy is strongly founded on economic viability principles and targets the gain in land value achieved when land is rezoned to a higher density residential use.

Council is currently working with the Department of Planning and Environment to obtain recognition of the policy in State Environmental Planning Policy (SEPP) 70 – Affordable Rental Housing, which would enable a transparent and streamlined approach to the delivery of affordable rental housing.

### Children and Family Services

In this reporting period, Inner West Council Children and Family Services:

- Provided high quality services across twelve Council owned centres – all rated ‘Exceeding’ this year under the Education and Care Services National Quality Framework
- Facilitated Family Day Care services, with 44 registered educators across the LGA at the end of 2016/17
- Hosted a total of 17,699 children and 15,058 adults (parents/carers) at Magic Yellow Bus play sessions across 7 parks, with an average attendance of 104 children and 89 adults (193 total) per session
- Continued a strong program of school holiday programs and other activities for children of all ages

## New childcare centres

Council commenced construction of two new childcare centres this year, which will help to alleviate the acute shortage of childcare places in the inner west. The two new centres will together accommodate 120 children.

The new centres, which were initiatives of the former Leichhardt and Marrickville Councils, are expected to open in early to mid-2018.

### New Steel Park (Marrickville) Centre

The Steel Park centre will be located close to popular existing facilities for families including the Marrickville PCYC and Waterplay Park playground.

The location near the Cooks River is also a site of significant Aboriginal cultural history. The building design, signage and artworks reflect and recognise the traditional owners of the land.

In this period, Council began engaging with the Aboriginal reference group to co-name the site and design the artwork and signage.

Construction has progressed onsite with minimal weather delays, with the ground works almost complete and structure commenced.

### New Mary Street (Lilyfield) Centre

The Mary Street centre in Leichhardt Park is located beside an existing children's playground and close to the Leichhardt Park Aquatic Centre (LPAC), also located in Mary Street. It will offer separate indoor and outdoor play areas for 0-2s, 2-3s and 3-5 year old children.

The \$4 million centre is set to open in early 2018. Internal building works were 95% complete at the end of 2016/17, with some delays due to vandalism, issues with the contractor, and complexity of the site – in particular with ensuring adequate electrical supply.

The centre boasts a number of environment-friendly features that will reduce its reliance on artificial heating and cooling. The Centre also promotes water conservation, by collecting rain water for reuse.

## Library and History services

In this reporting period, Inner West Council libraries:

- Lent 903,015 items to the community
- Were visited over 1.3 million times across eight library locations
- Continued a strong program of events, workshops and activities for people of all ages, abilities and cultural backgrounds

### New library for Dulwich Hill

Dulwich Hill's new Emanuel Tsardoulis Community Library was opened in September 2016. The library was named after the late Marrickville councillor, who passed away in 2014 at the age of 38.

The contemporary library space is larger than the original Dulwich Hill Library (now closed) and houses thousands of new books and DVDs.

The new space is also better suited to accommodate many of the regular community activities that take place in Inner West Council libraries.

## Children as Citizens

Children at Inner West Early Learning Centres were encouraged to express their opinions, choices and preferences on issues that impact their lives. The engagement included conversations, songs, drawings and a mapping of places children like to go in their local area.

This information was analysed and organised into the areas of the Strategic Priorities and will feed into the development of the *Creating Our Inner West 2036* – the new Community Strategic Plan for the Inner West local government area.

## Aligned Theme 2 – Key Achievements

Ashfield Theme	Leichhardt KSA	Marrickville KRA
<ul style="list-style-type: none"><li>• Unique and Distinctive Neighbourhoods</li><li>• Creative and Inclusive Community</li><li>• Attractive and Lively Town Centre</li></ul>	<ul style="list-style-type: none"><li>• Places Where We Live and Work</li></ul>	<ul style="list-style-type: none"><li>• A creative and cultural Marrickville</li></ul>

### Ashfield Town Centre upgrade

Council is fuelling the vibrancy of Ashfield main streets and contributing to greater economic activity, with construction on the town centre upgrade beginning on 31 May 2017. Council has appointed CA&I Pty Ltd as the contractor to undertake construction of the upgrade.

Upgrade works, scheduled to be completed in 12 months, span Hercules Street, The Esplanade, Markham Place and Brown Street. The works include:

- Wider footpaths with new paving
- New energy efficient lighting installed on multi-function poles
- Street furniture including seat bins, bike racks and bubbler
- Trees, landscaping and rain gardens
- Removal of old bus shelters and construction of a new shelter in Brown Street
- New deck and elevated walkway along The Esplanade

### Inner West Open Studio Trail

The former Leichhardt and Marrickville Open Studio Trails (LOST and MOST) combined into one event this year and expanded into the Ashfield area, following consultation with artists and the community.

Over four feature days across two weekends (13-14 and 20-21 May), Council showcased four different precincts, revealing what the inner west has to offer in its many creative strongholds. More than 100 studios, galleries and ARIs (Artist Run Initiatives) opened their doors for the Inner West Open Studio Trail, with strong attendance at tours, workshops and on the trail itself.

Highlights this year included a launch that integrated 'Art on the Greenway', a Newtown to Ashfield 'art on the train' tour, and a community activation and installation at Camperdown Park.

### Public Art – Perfect Match and Wall2Wall

Inner west residents once again embraced the *Perfect Match Contemporary Public Art Program*, which ran from 5 - 7 August 2016. Residents and art enthusiasts were invited to attend free events and tours to celebrate the 15 new street artworks commissioned through the program.

As part of the program, homeowners submit their wall for an artwork. Walls that are at least semi-public and are targeted by taggers are given preference, with winners 'matched' with an artist to develop a mural. In the 2016 round, 33 property owners nominated their properties for a piece of public art, with 44 applications from interested artists. For the 2017 round, an astounding 52 property owners and 70 artists applied, with a further 14 artworks scheduled for completion by August 2017.

Council's *Wall2Wall Mural Competition* enjoyed similar success in 2016/17, inviting artists to develop site specific designs that connect people to place and enliven tired tagged locations. Three new public artworks were added to the inner west's growing public art collection, with \$9000 of cash prizes awarded to the winning artists this year.

## Open Inner West festival

Council's ten day festival celebrating culture and diversity through storytelling, music, dance, art, theatre and food, was expanded across the new Inner West Local Government Area in June 2017.

As part of the festival, events and activities were organised by local community groups, schools and community organisations, with support from Council through a grants program.

Council received 24 applications valued at \$112,975, of which 15 projects were funded valued at a value of \$60,175.

Diverse communities from 57 cultures were part of the program - from Klub Koori to The Greek Sweets Festival, to Mongolian, Peruvian, and Balkan festivities, hip hop competitions, films, spoken word, live music and food tours.

The 2017 program was delivered on budget and on schedule.

## Flagship community events

Council continued to deliver its program of flagship community events across the local government area, with strong attendance recorded throughout the 2016/17 year, including:

- **Footprints EcoFestival** – 21 August 2016, with a full program of entertainment, workshops and hands-on environment themed experiences;
- **Ashfield's Tastes of Asia** – 7 October 2016
- **Summer Hill Feast of Flavours** – 9 October 2016
- **Bali Memorial Service** – 12 October 2016, with local church and community leaders joining the families and friend of those remembered in the memorial outside the Petersham Town Hall;
- **Marrickville Festival** – 23 October 2016, with more than 60,000 people, more than 87% local programming and 60% local stallholders participating;
- **Australia Day 2017** – Thursday 26 January with more than 27,000 attendees, 54% local stallholders and 80% local entertainers;
- **International Women's Day** – Wednesday 9 March 2017, with more than 300 attendees;
- **Barrio Portuguese Petersham Food & Wine Fair** – Sunday 12 March 2017, with more than 20,000 attendees; 69% local stallholders and 78% local entertainers;
- **Carnival of Cultures** – Sunday 19 March 2017, with more than 5,000 attendees (\* numbers were down due to poor weather);
- **Movies in the Park** – Saturday 8 April 2017, with more than 3,000 attendees, 40% local stallholders and 100% local entertainers;
- **ANZAC Commemorative Service 2017** – with more than 500 attendees;
- **Built Environment Awards** – incorporating the Marrickville Medal for Conservation, Sustainable Building Awards and Urban Photography Awards, on Wednesday 3 May 2017 with more than 200 entrants and 300 attendees;
- **Celebrate 2044** – Sunday 19 May 2017 with more than 2,000 attendees, 92% local stallholders and 100% local entertainers.



## Aligned Theme 3 – Key Achievements

Ashfield Theme	Leichhardt KSA	Marrickville KRA
<ul style="list-style-type: none"><li>• Thriving Local Economy</li></ul>	<ul style="list-style-type: none"><li>• Business in the Community</li></ul>	<ul style="list-style-type: none"><li>• A vibrant economy and well planned, sustainable urban environment and infrastructure</li></ul>

### Free WiFi roll-out

Council continued its rollout of free public WiFi this year, with access installed in Annandale Village shopping precinct and Leichhardt's Norton Street. Free WiFi offers an improved experience for visitors and helps to increase patronage for businesses.

The new locations join a growing list of free WiFi hotspots across the Inner West, now including:

- Inner West Council libraries and community centres
- Inner West Council aquatic centres and recreation facilities
- Darling Street (Balmain and Rozelle)
- Norton Street (Leichhardt)
- Booth and Johnson Streets (Annandale)
- Camperdown Memorial Rest Park (Newtown)
- Newtown Square Art Seat (Newtown)
- Alex Trevallion Plaza (Marrickville)
- Debbie and Abbey Borgia Recreation Centre (Marrickville)
- Steel Park / Waterplay park (Marrickville)

### Business boost for the inner west

In April, Council committed to provide a \$30,000 marketing package to assist local businesses experiencing a drop-off in trade due to road closures caused by WestConnex works.

An Economic Officer will work with local businesses to enhance market reach and reinvigorate interest in the Haberfield village, with a 'Shop Local' campaign promoting the village.

The package was adopted in June 2017 as part of the 2017/18 budget. As part of the budget, Council also adopted a 12-month embargo on outdoor dining fees across the local government area. This harmonised fees across the LGA to ensure a level playing field for businesses.

## Business Environment Awards

Council continued its support for sustainable business this year, with the Business Environment Awards celebrating the sustainability achievements of the inner west business community in November 2016.

More than 20 local businesses were recognised as winners or finalists in the seven award categories at the Awards.

Categories included Sustainability Leadership, Sustainable Innovation, Water Saver, Rethink Waste, Energy Smart, Community Leadership, and 'Beyond our Four Walls' – for influencing supply chains for sustainable outcomes.

Some of the key achievements of businesses recognised by Council at the 2016 Awards included:

- 178 tonnes of waste diverted
- 90% reduction in water use achieved by a creative space
- An office business reduced its carbon emissions by 14 tonnes/year by installing LED lights and new air conditioning
- One local pub installed 80 solar panels
- Local organisations engaged young children in reuse education programs and supported thousands of local households to fix and repurpose items.

## 'Shop Local' campaigns

Council conducted a 'Shop Local' campaign across the LGA this year to promote and market the local economy. As part of the campaign, customers who bought from local businesses were entered in a draw to win competition prizes, including dinner at restaurants and one of ten push bikes. Nearly 3,000 people entered the competition.

In late 2016 A Christmas Campaign was also conducted across the LGA, including new trees, street flags, and street activation including fairies and carol singers along with another 'shop local' message.

## Aligned Theme 4 – Key Achievements

Ashfield Theme	Leichhardt KSA	Marrickville KRA
<ul style="list-style-type: none"><li>• Living Sustainably</li></ul>	<ul style="list-style-type: none"><li>• Sustainable Environment</li><li>• Sustainable Services and Assets</li></ul>	<ul style="list-style-type: none"><li>• A vibrant economy and well planned, sustainable urban environment and infrastructure</li></ul>

### GreenWay missing links

The Cooks River to Iron Cove GreenWay has had an upgrade to the shared path and lighting between Marion Street and Parramatta Road, Leichhardt. This upgrade is the first of eleven GreenWay missing links to be jointly funded by the State Government and Inner West Council.

In 2016/17, Council was successful in securing an additional \$7.25 million in funding for the project from Transport for NSW and has matched this with a further \$7.25 million commitment to complete the remaining Greenway missing links. The missing links are due to be completed by 2020.

### Community Nurseries and Plant giveaways

Council's community nurseries at Marrickville and Rozelle continue to thrive in partnership with the community, producing impressive quantities of plants due to committed volunteers with support from Council staff.

Across During the year, volunteers contributed 7,350 hours to help propagate around 20,000 plants. Over the year, more than 8,000 plants were given away to residents and schools in the Inner West.

### Inner West park upgrades

#### Centenary Park (Croydon)

Brand new amenity facilities at Centenary Park were a welcome addition to Croydon, with construction for the new facilities occurring from January to August 2017. The new facilities include new toilets, change rooms, a canteen, referee's room, parent's room, storage rooms and a meeting room for community use.

The new building replaces existing facilities that date back to 1973. The project was supported by a grant of \$500,000 from the NSW Government Office of Sport and Recreation.

Council has also installed a new sports field irrigation system to help drain the fields during wet weather, and new lighting at the park to make it more usable all year round.

#### Camperdown Park (Camperdown)

Camperdown Park is now more popular than ever, thanks to a \$3.6 million upgrade completed this year.

Families are flocking to the new playground, while others enjoy the new teen zone (including outdoor ping pong tables), circuit path and boardwalk, path lighting, sports field steel picket fencing, advanced tree planting and landscaping, and a new amenities building replacing the old grandstand.

#### Marrickville Park (Marrickville)

The final stage of a \$3.3 million upgrade of Marrickville Park was completed in mid-2017, significantly improving park facilities and useability.

The upgrade includes a new Sporting Walk of Honour, new WWII memorial, new playground, picnic facilities, fitness station, sports amenities and public toilets, Tennis Club upgrade, loop path, lighting, multi-use court, sports oval picket fencing, as well as tree and garden planting.

### **King George Park Amenities Building (Rozelle)**

A new \$1 million amenities block at King George Park sporting ground in Rozelle was welcomed by local sports club players, parents and children in May 2017. The new facility features clubroom space, upgraded canteen and barbeque facilities, and an outdoor covered area overlooking the grounds.

King George Park is one of Council's most popular sporting grounds, used by thousands of local juniors from the Leichhardt Saints Football Club, Balmain Little Athletics and the Leichhardt Junior Rugby League Club.

The project originated when the three resident sporting clubs based at King George Park approached the former Leichhardt Council seeking support to construct a new amenities block at the sporting ground. Council contributed \$975,000 and received \$25,000 towards the project from the NSW Government's Sport and Recreation grant program.

### **Princes Highway Cycleway bridge over Cook River**

A new shared cycleway and footway over the Cooks River completed in 2016 connects Inner West Council with Bayside Council. The bridge provides a safer, more pleasant way for pedestrians and cyclists to continue along the popular and much-utilised Cooks River path.

The bridge is separated from traffic, improves connectivity and safety, and enhances the attractiveness of the Cooks River path for everyone. Local native plantings reflect the biodiversity of the Cooks River, with artwork incorporating Aboriginal story-telling and heritage.

The \$775,000 project, delivered by Inner West Council with part funding from Roads and Maritime Services, involved the repurposing of a TransGrid utility bridge. It was officially opened in November 2016.

### **Inner West 'War on Waste'**

- The Food and Garden Organics trial commenced its first collection in 2016, with 1,056 Marrickville residential households selected to participate. Using their green waste bins, households were able to send food scraps for recycling into compost rather than landfill. The trial got off to a great start, with over 10% of properties presenting a bin containing food for emptying in the first week, and participation increasing over the course of the trial. Audits identified that 11% of food waste generated (and previously placed in the garbage bin) was diverted for recycling into compost and that a further 1kg of food waste was avoided each week. Monitoring of presentation rates and tonnes collected has continued in the trial area and results are being analysed as part of service reviews.
- Community Compost Huts were successfully trialled at two sites in Marrickville in 2017, with over 100 households actively participating. The huts have been well-received by the local community and park users.
- The Food Fix program has continued to successfully engage residents about food waste through regular communications, skill-building workshops and community events.
- Council became a founding partner in Youth Food Movement's 'Cookluck Club' project in 2017, designed to reach youth and to build buzz through social media about food waste avoidance.

### **Sustainable investment policy**

At its 23 May 2017 meeting, Council adopted a new Investment Policy with a target of 70% non-fossil fuel investment portfolio by 30 June 2018.

The Policy gives preference to non-fossil fuel investments made in a financially responsible way, with a view to move to a 100% non-fossil fuel investment portfolio as soon as possible.

Council's non-fossil fuel investment share reached 77% of its investment portfolio in August 2017 – comfortably exceeding the target date and making Inner West Council the leading council for non-fossil fuel investments in NSW.

## Aligned Theme 5 – Key Achievements

Ashfield Theme	Leichhardt KSA	Marrickville KRA
<ul style="list-style-type: none"><li>Engaging and Innovative Local Democracy</li></ul>		<ul style="list-style-type: none"><li>An innovative, effective, consultative and representative Council</li></ul>

### Live streaming of Council meetings

In the spirit of open, accessible and transparent government, live streaming of Council meetings commenced from December 2016. Archives of recorded meetings have also been made available for community reference.

In the first six months of operation, Council averaged 380 views of its webcast for each meeting, more than five times the audience for Council meetings prior. Live streaming Council meetings is an important part of making councils more modern, relevant and accessible.

### Open and accessible Council communications

Council continued to provide quality, accurate and accessible information to the community in 2016/17 across a range of channels, including:

- The new Inner West Council website and former council websites – updated to ensure uninterrupted service delivery and integrated to reflect Council's latest range of services;
- Your Say Inner West – Council's online community engagement hub where residents can get involved in important projects that shape the future of the Inner West;
- Inner West Council's quarterly newsletter ('Inner West Council News') distributed to all households in the Inner West local government area;
- A regular social media presence on Facebook, Twitter, Instagram and YouTube;
- Weekly Council Column in Inner West Courier;
- Fortnightly Council e-Newsletters, monthly Your Say Inner West e-Newsletters, and regular service-specific newsletters (e.g. Libraries, Art Post and Enviro e-News).

### Community Engagement

Council continued to conduct best practice community engagement in 2016/17, with significant engagements including:

- Development, exhibition and adoption of the Inner West Community Engagement Framework that guides how Council will plan, implement and evaluate community engagement. The Framework will strengthen local democracy through guiding how Council will engage so that a broad range of perspectives are sought and the community has a strong voice in Council's decision-making.
- Development and promotion of Your Say Inner West, an online hub for the whole community that provides choices for the community to engage online in addition to traditional methods. During the 2016/17 year, there were more than 25,000 visits to the site and more than 2,500 people registered to receive the monthly engagement e-news.
- Foundations for development of Council's first Community Strategic Plan through a community survey, responses to an issues paper, a youth survey and photo competition, and Strategic Reference Group deliberations. This work continues through to next financial year.
- Community-wide engagement for Ashfield Aquatic Centre, planning proposals including Sydenham Station Creative Hub, parking strategy reviews, cycling infrastructure planning and Dulwich Hill Station Precinct streetscape plan, Statement of Vision and Priorities, Stronger Communities Fund.
- Engagement stalls held at Council's major events to provide community outreach.

## Community advocacy

### WestConnex

Council achieved some significant improvements for the community during the WestConnex roll-out in the reporting period, including:

- Obtaining a dedicated in-house Compliance Officer working to ensure the project complies with its conditions of approval;
- Gaining a guarantee that all residual lands associated with the project will be given back to the community;
- Securing undergrounding of the proposed Rozelle interchange;
- Abandonment of plans for a highly invasive construction dive site next to Sydney Secondary College in Leichhard

### Protecting our urban forest

In winter 2016, Council held a series of meetings with Ausgrid after widespread community concern about heavy pruning of street trees in many Inner West streets.

Council's Administrator met with Ausgrid's CEO and senior staff to press for a much reduced clearance in future, which Ausgrid has agreed to. This resulted in a much reduced cut in the winter of 2017.

SECTION 2:  
STATUTORY  
REPORTING



## Rates and Charges written off during 2016/17

Rates and Charges	
Pensioner Rebate (s575)	\$1,932,256
Voluntary Pensioner Rebates (domestic waste and stormwater)	\$1,225,903
Section 600 Abandonments	\$263,591
Postponed Write-offs	\$11,535
Properties Rateable to Non-Rateable	\$141,342

## Legal Proceedings

Legal Expenses	
Planning and Building	\$1,614,000
Debt Recovery	\$290,000
Other	\$193,000
<b>Total</b>	<b>\$2,097,000</b>

## Summary of the state of progress of each legal proceeding and result

Property Address	Other Party	Summary	Results/Status
<b>189 Rowntree Street, Birchgrove</b>	Carlos Sanchez & Anna Waterhouse	Alterations and additions to existing dwelling including demolition of front veranda, new bridge, lower ground and ground level addition, first floor addition and garage with terrace above. The proposal seeks variations to development standards.	Section 34 agreement
<b>43 Donnelly Street, Balmain</b>	Sonia Frangieh and Joseph Frangieh	Alterations and Additions to existing property.	Section 34 agreement
<b>22 Charlotte Street, Rozelle</b>	Jonathan Savell	The addition of a lower level containing media room, double garage and storage, beneath recently approved Complying Development consent for two-storey house. This application relies on a variation to floor space ratio and site coverage.	Section 34 agreement
<b>24 Henry Street, Leichhardt</b>	The Plan Shop	Demolition of existing dwelling, removal of several trees and construction of two attached dwellings, swimming pool an ancillary structures and Torrens title subdivision into two lots. Variation to the Floor Space Ratio development standard.	Section 34 agreement



Property Address	Other Party	Summary	Results/Status
<b>447-451 Parramatta Road, 32 Jarrett Street, Leichhardt</b>	Ceerose Pty Ltd	Demolition of all existing buildings (excluding part of the facade to Parramatta Road), remediation and excavation of the site and construction of mixed use development comprising four commercial tenancies and 43 residential dwellings above a basement car park. Variation to the Floor Space Ratio development standard.	Judgement - Appeal Upheld
<b>34 Glassop Street, Balmain</b>	Anthony J Cosco	Section 96 modification of D/2014/495 which approved demolition and construction of a new dwelling and garage. Modification comprises alterations to the dwelling, internal layout, window arrangement and swimming pool.	Section 34 agreement
<b>118 Louisa Road, Birchgrove</b>	Milestone (Aust) Pty Ltd	Substantial demolition of the existing dwelling and construction of a three-storey dwelling above a basement level containing a swimming pool and associated site works (including remediation and removal of one tree). Variation to Floor Space Ratio development standard.	Section 34 agreement
<b>64 Campbell Street, Balmain</b>	Grant Crowle	S96 Modification to D/2014/595 (DAREV/2015/14) to include photovoltaic panels to roof, widen roof link, kitchen to upper floor, external changes to North Eastern elevation.	Section 34 agreement
<b>11A Stack Street, Balmain East</b>	Jelena Simotas & Anor	Remove security cameras	Notice of Discontinuance
<b>4 Broderick Street, Balmain</b>	David Hannan	Demolish and remove fence erected on foreshore of property.	Notice of Discontinuance
<b>136 Louisa Road, Birchgrove</b>	Sheree Waks	Additional bedrooms and bathrooms and doors and laundry areas and moving of doors.	Judgement - Appeal Upheld
<b>37 Edna Street, Lilyfield</b>	Rudder Development Two Pty Ltd	Torrens Title Subdivision of the existing lot into six Torrens title lots, including associated civil infrastructure works. Construction of six semi-detached dwellings.	Judgment - Appeal dismissed
<b>45 Montague Street, Balmain</b>	Ow Family Pty Ltd	Demolition of the existing building and construction of a four-storey residential flat building containing seven dwellings and on-site parking with associated site works. Variations to the Site Coverage and Floor Space Ratio development standards.	Appeal discontinued
<b>101 Johnston Street, Annandale</b>	Shane Torpy	Alterations and additions to existing buildings of the heritage-listed site, including changes to the entry off Johnston Street and fit-out of the building fronting Johnston Lane to comprise one commercial tenancy, three residential dwellings and on-site parking.	Section 34 Agreement
<b>305-313 Parramatta Road, Leichhardt</b>	Ceerose Pty Ltd	Demolition of existing building and construction of a mixed use development comprising commercial/retail and dwellings atop of a basement carpark. Remediation of the site. The Application relies on a Clause 4.6 Exception to Floor Space Ratio.	Judgement - Appeal Dismissed
<b>377 Parramatta Road, Leichhardt</b>	Antonio Campos	Demolition of existing building and construction of new mixed use building including 8 dwellings, commercial tenancies and parking. Remediation of site.	Section 34 Agreement

Property Address	Other Party	Summary	Results/Status
<b>80 Young Street, Annandale</b>	Lawrence & Carolyn Reed	Section 82A review of D/2015/445 which refused removal of one Archontophoenix cunninghamiana (Bangalow Palm) and one Cupressus arizonica (Arizona Cypress) located in front yard and one Quercus robur (English Oak) located in rear yard of the subject site.	Judgement - Appeal Dismissed
<b>281 Annandale Street, Annandale</b>	Fiona Turner	Alterations and additions to dwelling including rear ground and first floor additions; New rear garage with studio over and raised terrace on filled rear yard; new boundary fencing.	Section 34 Agreement
<b>250 Annandale Street, Annandale</b>	Micrah Projects Pty Ltd	Modifications to approval for new single dwelling - including deletion of conditions, design amendments and new floor area.	Judgement - Appeal Upheld
<b>173-175 Norton Street, Leichhardt</b>	Ceeroose Pty Ltd	An amendment to DA (D/2014/717) for the demolition of the existing buildings and construction of a mixed use strata building, including providing an additional residential level above that currently approved to provide for a three bedroom residence.	Judgement - Appeal Dismissed
<b>65 Johnston Street, Annandale</b>	Karakatsis Holdings Pty Ltd & Nikki Beach One Pty Ltd	The modification includes the addition of 3rd storey loft rooms to units 1 & 3, the installation of 18 skylights and the construction of vehicular access driveway on the Johnston Street frontage.	Section 34 Agreement
<b>337 Darling Street, Balmain</b>	Mauro Poletti	Alterations and additions to class 4 dwelling on first floor. Fit out of retail premises for new salt float tank shop on ground and lower ground. Minor alterations to existing car park on lower ground. Hours of operation: Monday to Sunday 8am to 10pm.	Judgement - Appeal Upheld
<b>597 Darling Street, Rozelle</b>	Miczar Pty Ltd	Appeal concerning an order to comply with condition 1 of Development Approval M/2015/219 - D/2013/198 and associated plans by removing all unauthorised works and the installation and use are as a 4 car garage.	Section 34 agreement
<b>141-159 Allens Street, Leichhardt</b>	Leichhardt 141 Pty Ltd	Development consent D/2015/641 is modified by deleting deferred commencement condition 1 and inserting new condition.	Section 34 Agreement
<b>435-437 Parramatta Road, Leichhardt</b>	Andrew Sweeney	REFUSED- Section 96 application to modify D/2015/553 which approved alterations and additions to an existing commercial building to provide refurbished commercial unit and five residential units. Modification entails additional level.	Section 34 agreement
<b>6 Ann Street, Balmain</b>	Temara Lane	Alterations and additions to existing dwelling including new ground floor parking and new first floor addition to rear with balcony and upper floor living rooms.	Judgement - Appeal Upheld
<b>244A Wardell Road, Dulwich Hill</b>	Greg Boyce	Appeal against deemed refusal of DA for additional boarding rooms in existing boarding house.	Section 34 Agreement
<b>110-112 Addison Road, Marrickville</b>	Equity Site Holdings Pty Ltd	Appeal against deemed refusal of DA for shop top housing development.	Section 34 Agreement
<b>39 Phillip Street, Enmore</b>	Environa Studio Pty Ltd	Appeal against deemed refusal of section 96 application to split live-work units into retail spaces with separate units above.	Application approved by Court
<b>14 McGill Street, Lewisham</b>	14 McGill Street Lewisham Pty Ltd	Appeal against deemed refusal of s.96 application to delete conditions relating to site remediation .	Appeal discontinued

Property Address	Other Party	Summary	Results/Status
<b>15 McGill Street, Lewisham</b>	14 McGill Street Lewisham Pty Ltd	Appeal against deemed refusal of s.96 application to add 2 further units to approved residential flat building.	Section 34 Agreement
<b>429 New Canterbury Road, Dulwich Hill</b>	888 New Canterbury Road Pty Ltd	Appeal against refusal of s.96 application to introduce substation.	Section 34 Agreement
<b>429 New Canterbury Road, Dulwich Hill</b>	888 New Canterbury Road Pty Ltd	Appeal against deemed refusal of s.96 application to aerial bundle cables as opposed to undergrounding.	Section 34 Agreement
<b>20-22 Arthur Street, Marrickville</b>	Que Projects Pty Limited	Appeal against deemed refusal of DA to add 1 storey to approved residential flat building.	Appeal discontinued
<b>85-89 Silver Street, St Peters</b>	Alexander Milios	Appeal against deemed refusal of DA to subdivide existing land into 5 allotments and construct new housing on each lot.	Section 34 Agreement
<b>144 Livingstone Road, Marrickville</b>	Mahmoud Mearbany	Appeal against refusal of DA to erect a boarding house.	Section 34 Agreement
<b>386 Parramatta Road, Petersham</b>	Rosa Maiolo	Appeal against refusal of s.96 application to extend trading hours of Petersham Hotel	Judgement - Appeal Dismissed
<b>47-51 Princes Highway, St Peters</b>	Cloverland International Pty Ltd	Appeal against deemed refusal of DA for a mixed use development.	Section 34 Agreement
<b>1-7 Albany Road, Stanmore</b>	JK Canterbury Holdings Pty Ltd	Appeal against deemed refusal of DA for a child care centre.	Section 34 Agreement
<b>27 Foreman Street, Tempe</b>	Ray Ters	Appeal against refusal of DA for subdivision and erection of 2 attached dwellings.	Section 34 Agreement
<b>58 Ewart Street, Marrickville</b>	Zena Soleiman	Appeal against refusal of DA for boarding house.	Section 34 Agreement
<b>16 School Parade, Marrickville</b>	Medina Developments Pty Ltd	Appeal against refusal of DA for subdivision and erection of 2 attached dwelling houses.	Section 34 Agreement
<b>124 Crystal Street, Petersham</b>	Environa Studio Pty Ltd	Appeal against deemed refusal of DA for shop top housing.	Section 34 Agreement
<b>794 Parramatta Road, Lewisham</b>	Dimitrios Markakis	Appeal against refusal of DA for hotel accommodation.	Section 34 Agreement
<b>115 Livingstone Road, Marrickville</b>	Petrovski	Appeal against refusal of DA for boarding house expansion.	Judgement - Appeal Upheld
<b>11 Alfred Street, St Peters</b>	John and Eleni Cominos	Appeal against refusal of DA for subdivision and erection of 3 attached dwelling houses.	Section 34 Agreement
<b>73-75 Mary Street, St Peters</b>	JVMC Pty Ltd	Appeal against refusal of DA for markets.	Section 34 Agreement
<b>109 Salisbury Road, Stanmore</b>	Stanmore Developments Pty Ltd	Appeal against deemed refusal of s.96 application for alterations and additions to a residential flat building.	Section 34 Agreement
<b>119 Addison Road, Marrickville</b>	Matthew Lam	Appeal against refusal of DA for subdivision and erection of 2 attached dwellings.	Judgement - Appeal Dismissed
<b>22 Fisher Street, Petersham</b>	Greg Boyce	Appeal against deemed refusal of DA for boarding house.	Section 34 Agreement
<b>21 Lincoln Street, Stanmore</b>	Andrew Alexiou	Appeal against refusal of DA for erection of loft bedrooms on existing garages.	Judgement - Appeal Upheld
<b>11 Rich Street, Marrickville</b>	Cracknell & Lonergan Architects	Appeal against refusal of s.96 application for extended trading hours.	Judgement - Appeal Upheld

Property Address	Other Party	Summary	Results/Status
<b>34 Francis Street, Marrickville</b>	Patrick John Schmidt	Appeal against refusal of DA for tree removal.	Judgement - Appeal Dismissed
<b>78 Alt Street, Ashfield</b>	Mona Assad	Refusal - alterations and additions to the existing building for use as a child care centre providing 79 places for long day care and 20 for out of school hours (OOSH) with associated car parking and landscaping.	Judgement - Appeal Dismissed
<b>402 Liverpool Road, Croydon</b>	Glenn McCormack	Deemed refusal - construction of a four storey mixed use building with ground floor commercial and residential above with basement car parking.	Continuing
<b>17-19 Gower Street, Summer Hill</b>	Surfrock Pty Ltd	Appeal against Deferred commencement conditions and s.96 application.	Section 34 Agreement
<b>10 Crescent Street, Haberfield</b>	Filmer Architects Pty Limited	Refusal - side boundary fence.	Section 34 Agreement
<b>14 Hampden Street, Ashfield</b>	Daniel Thompson	Refusal of DA for Drive way crossing and carport.	Section 34 Agreement
<b>99A Bland Street, Ashfield</b>	Spiros Paul Antonatos	Refusal of Boarding House DA.	Judgement - Appeal Dismissed
<b>163 Vicotia Street, Ashfield</b>	Kaizen Properties (Ashfield) Pty Ltd	Refusal of DA for alterations and additions to the Sydney Private Hospital .	Section 34 Agreement
<b>26 Redmond Street, Leichhardt</b>	Matthew Dennis	Demolition of the existing house and removal of vegetation and construction of 3 attached dwellings. This application relies on a floor space ratio variation.	Appeal discontinued
<b>431 Darling Street, Balmain</b>	ArtMade Architectural Pty Ltd	Part demolition and ground and first floor additions and alterations to existing dwelling, demolition of rear garage and replacement with a new garage with first floor and associated decking over, new swimming pool and removal of tree.	Section 34 Agreement
<b>25 Annesley Street, Leichhardt</b>	Scott Meehan	Alterations and additions to existing dwelling, including new first floor, and associated works, including car space.	Section 34 Agreement
<b>12 Reuss Street, Birchgrove</b>	Paul Fitzgerald	Construction of a double garage with studio above at rear of site fronting Water Street.	Section 34 Agreement
<b>641-657 King Street, Newtown</b>	Gebrayel Development Pty Ltd & Alexander Catania	Demolish existing improvements and construct a part 4 and part 7 storey mixed use development comprising of 5 shops, 56 residential apartments and 6 serviced apartments, over 2 levels of basement.	Section 34 Agreement
<b>4 Fitzroy Street, Balmain</b>	Deborah Barnett	Section 96 application to modify D/2011/595 which approved alterations and additions to the existing dwelling. Modification includes excavation to provide laundry /cellar and new internal stairs.	Section 34 Agreement
<b>52-54 Lackey Street, Summer Hill</b>	John Haralambides	Additions and alterations to an existing commercial building, and the addition of a boarding house on level 1 and 2 above existing retail level.	Section 34 Agreement
<b>Hunter Baillie Church, Johnston Street, Annandale</b>	Ecol Pty Ltd	Removal of one Liquidambar styraciflua (Liquidambar) tree located on the western boundary (Collins Street frontage) of the Hunter Baillie Church.	Judgement - Appeal Upheld
<b>65 Church Street, Croydon</b>	Robyn Taylor Child Development & Educational Centres Pty Ltd	Proposal to increase capacity from fifty two children to a maximum of sixty children at a childcare centre.	Section 34 Agreement

Property Address	Other Party	Summary	Results/Status
<b>429-449 New Canterbury Road, Dulwich Hill</b>	888 New Canterbury Road Pty Ltd	To amend the basement storage ramp and access stairs, consolidate the currently approved seven ground floor retail tenancies into one tenancy and provide a consistent FFL, associated amendments to car parking and loading facility, amenities and internam reconfigurations.	Continuing
<b>9 Thornley Street, Leichhardt</b>	Tyler Rogers	Demolition of existing dwelling and swimming pool, Torrens title subdivision into two lots & construction of two new dwellings.	Section 34 Agreement
<b>2C Gladstone Street, Newtown</b>	Samcourt Pty Ltd	Demolition of existing structures, subdivision of the site into 16 allotments and construction of 16 individual shop top houses above basement parking.	Continuing
<b>16 Jarvie Street, Petersham</b>	James Bale	Alteration to existing rear ground floor including internal renovation, additions to existing ground floor footprint and a new level one. Removal of existing garage.	Judgement - Appeal Upheld
<b>27 Wharf Road, Birchgrove</b>	Geoff Ainsworth & Johanna Featherstone	Application to modify D/2016/190 which approved alterations and additions to existing dwelling and ancillary development. Amendments include changes to garage link, landscape treatment, privacy screen, stair link, garage door and footpath, glazing, stair, new external sheeting & as depicted in the amended plans.	Section 34 Agreement
<b>59 Thornley Street, Marrickville</b>	Karl Barrie	Part demolition of the premises, and alteration and additions to ground and first floor dwelling.	Section 34 Agreement
<b>41 Fisher Street, Petersham</b>	Elias Beaini	Demolition of single storey dwelling and construction of a 5 level mixed use development comprising of accommodation and shopfront.	Continuing
<b>10 Lilyfield Road, Rozelle</b>	Eldon and Jaime Ngawaka	Alterations and additions to existing dwelling including ground and first floors and removal of 7 x palm trees.	Continuing
<b>64 Evans Street, Rozelle</b>	Craig Day	S96 modification of D/2016/549 which approved New first floor addition to existing dwelling. Modification seeks deletion of Condition No. 2 and 3.	Section 34 Agreement
<b>69 Ryan Street, Lilyfield</b>	Damien Kamerman	Alteration and additions to existing residence, including new first floor addition, and associated works, including new swimming pool, new carport and access, new fencing and tree removal.	Continuing
<b>79 Allen Street, Leichhardt</b>	Sibita Pty Limited	Refused - Alterations and additions to existing building including ground level cool room, freezer and preparation area and side access, with spiral stair providing access to a new upper level containing bathroom with shower, kitchenette, lockers, staff area and office with timber deck as part of the commercial premises below.	Continuing
<b>31 Cameron Street, Birchgrove</b>	Gary Cowan	Demolition of the single storey rear extension of the Sir William Wallace Hotel and construction of 2 residential dwellings and conversion of the upper floor of the hotel to residential dwelling. Part excavation to the basement level and insertion of whisky bar and internal alterations.	Continuing

Property Address	Other Party	Summary	Results/Status
<b>177A Norton Street, Ashfield</b>	Tanesia Holdings Pty Ltd	Erect seven town house and associated car parking & demolish existing building.	Continuing
<b>63 Princes Highway, St Peters</b>	Orico Properties Pty Ltd	Demolition of existing structures and construction of a part 3, part 6 storey mixed use development including 4 ground floor commercial tenancies, 5 live/work units and 63 dwellings and basement car parking.	Continuing
<b>381 Liverpool Road, Ashfield</b>	Ashfield 381 Pty Ltd	Demolition of existing structures on site construction of 6 townhouses and two residential flat buildings containing 43 units.	Section 34 Agreement
<b>342 Unwins Bridge Road, Tempe</b>	Mark Leon Maloney	Demolish the existing improvements, carry out a Torrens title subdivision of land into 2 allotments, retain the existing dwelling and construct a detached dwelling house on the newly created allotment at the rear relating to the property situated at 342 Unwins Bridge Road Tempe.	Continuing
<b>37 Ramsay Street, Haberfield</b>	Robert Dening	Alterations and additions to the existing dwelling and existing outbuilding to create a detached secondary dwelling at 37 Ramsay Street Haberfield.	Continuing
<b>42 Merton Street, Rozelle</b>	Nathan Hall	Demolition of existing house and proposed two storey dwelling with garage and studio.	Section 34 Agreement
<b>136 Louisa Road, Birchgrove</b>	Sheree Waks & Borijov Maksimovic	Class 4 proceedings against owners of 136 Louisa Road, Birchgrove.	Class 4 proceedings consolidated with Class 1 proceedings
<b>12 Pine Street, Marrickville</b>	Dimitrios Poulikakos and Marika Kontellis	Enforcement proceedings regarding an allegedly illegally construction proceedings. Orders being sought to comply with relevant development consent.	Order enforced by Court
<b>52 Holmesdale Street, Marrickville</b>	Dat Tu and Thi Vu	Enforcement proceedings regarding alleged failure to comply with orders requiring removal of waste and materials from premises.	Order enforced by Court
<b>51 Garnett Street, Dulwich Hill</b>	Joseph Sieff	Enforcement proceedings regarding alleged failure to comply with orders requiring removal of waste and materials from premises.	Order enforced by Court
<b>77 Foster Street, Leichhardt</b>	Zeitouni & Anor	Enforcement proceedings regarding the removal of a metal fence and gate erected at the premises.	Order enforced by Court
<b>127 Salisbury Road, Camperdown</b>	Lenah Keyssecker	Enforcement proceedings regarding alleged failure to comply with orders requiring removal of waste and materials from premises.	Partial compliance/ Council to inspect
<b>36 Thornley Street, Leichhardt</b>	Romano and Zora Krelja	Enforcement proceedings regarding the unsafe condition of a chimney at the rear of the premises.	Ongoing
<b>25 Grove Street. St Peters</b>	John Kingscote	Enforcement proceedings regarding alleged failure to comply with orders requiring removal of waste and materials from premises.	Ongoing
<b>252 Albany Road, Petersham</b>	Frances Mak	Enforcement proceedings regarding alleged failure to comply with orders requiring removal of waste and materials from premises.	Order enforced by the Court

## Provision of Councillor Facilities and payment of expenses

Throughout this period Inner West Council did not have elected Councillors. The following section relates to the Administrator.

Administrator Fees, Payments and Provision of Facilities	Amount
Administrator Allowance	\$379,307.91
Conference and Seminars	Nil
Training	Nil
Telephone (excluding calls), Fax, Portable Computers and Internet Equipment & Consumables	Nil
Cost of telephone calls	Nil
Interstate Visits	Nil
Overseas Visits	Nil
Expenses of spouse/partner	Nil
Provision of Childcare	Nil
<b>Total</b>	<b>\$379,307.91</b>

## Overseas travel by the Administrator, Council staff and others representing Council

During the 2016/17 financial year the Administrator, Council Staff or others representing Council did not undertake any overseas visit as part of their Council duties.

## Companies in which Council held a controlling interest

Council did not hold a controlling interest in companies in the 2016/17 financial year.

## Work carried out on private land

No work was carried out on private land during 2016/17.

## External bodies that exercised functions delegated by Council

During 2016/17, Council delegated the following duties to external bodies:

- Propel Partnerships (After-hours contact centre services, Marrickville)
- The Message Centre (After-hours contact centre services, Leichhardt)
- Well Done Group Pty Ltd (After-hours contact centre services, Ashfield)
- Belgravia Leisure (Management and operation of the Annette Kellerman Aquatic Centre at Enmore Park and the Fanny Durack Aquatic Centre at Petersham Park)
- Police and Citizens Youth Clubs (Management and operation of the Debbie and Abbey Borgia Recreation and Community Centre in South Marrickville)
- Marrickville Youth Resource Centre (Management of the Jarvie Park Youth facility)

## Details of contracts awarded by Council during 2016/17

Contractor	Good and Services Provided	Total Amount Payable (Including GST)
Spik Services P/L	Design and Upgrade of Heritage Listed Former Baby Health Care Centre - Yeo Park, Ashfield, NSW 2131	\$174,745
Civil Works (NSW) P/L	Darling Street, Rozelle between Waterloo Street and Cambridge Street - Main street Upgrade Works	\$235,351
Civil Works (NSW) P/L	Marion Street, Leichhardt outside Leichhardt Marketplace - Main street Upgrade Works	\$134,789
Wilson Pedersen Landscapes P/L	Park Footpaths Renewals project	\$246,562
Mack Civil P/L	Kerb and Gutter Replacement and resheeting of Martin Street Haberfield	\$676,420
AJ Bristow & Sons P/L	Construction of New Child Care Centre, Debby & Abbey Borgia Centre, Marrickville	\$4,422,909
Globe Australia P/L	Pratten Park Turfing	\$150,150
K Jezzini Caretaking	Caretaking, Concierge & Minor Facility Management Services for Ashfield Council Buildings	\$231,000
Civil Works (NSW) P/L	Main street Improvement Works - Intersection of Johnson Street and Booth Street, Annandale	\$184,735
Robert Moore P/L, SVC Heritage & Design	Heritage and Urban Design Panel Members	\$218,400
Franks Automotive	Supplier of Bio-diesel	\$267,616
Murphy's Construction Group P/L	St Peters Town Hall Roof Renewal	\$494,318
Akbar Enterprises T/A ECS International Security and Investigations	Security Surveillance	\$189,103
CA&I Pty Ltd	Construction of the Ashfield Town Centre Upgrade	\$7,453,879
Cleanaway P/L	Collection of garbage, recycling material, garden organics, and clean-up material from residential and commercial properties in Ashfield, Haberfield, Summer Hill and parts of Croydon and Ashbury	\$14,000,000
Complete Urban P/L	Detailed designs for bicycle routes LR3 & LR18	\$164,835
JJ's Prestige Paving P/L, Mansour Paving (Aust) P/L, Sam the Paving Man P/L	Paving Maintenance & Restoration	Estimated \$750,000
Technology One	Corporate Computer System implementation and 5 year annual service delivery	\$9,406,562



## Corporations, partnerships, trusts, joint ventures

Organisation/s	Purpose
CRC for Water Sensitive Cities	Industry partner in the national CRC for Water Sensitive Cities Program that researches the key challenges to urban water reform required to transform cities into liveable, resilient, sustainable and productive cities.
Cooks River Alliance	Partnership of four councils bordering the Cooks River to focus on long-term improvement of the Cooks River catchment to a swimmable standard.
Parramatta River Catchment Group	Regional organisation of local councils, state agencies and community representatives that work together to improve the health of the Parramatta River catchment to a swimmable standard.
Sydney Coastal Councils Group	Co-operative organisation of 11 councils that advances sustainable management of Sydney's urban coastal environment.
The Green Living Centre	To deliver innovative and leading edge sustainability education.
Treading Lightly	A joint initiative of Inner West, Canada Bay and Burwood councils. The partnership has delivered a broad calendar of sustainability events and learning opportunities for the community including Bicycle Skills Training, Energy Efficiency in the Home, Growing Food in Small Spaces, and Composting and Worm-farming to help build and support community capacity for environmental sustainability.
SWIFT Consortia	A group of six inner west libraries that pool resources and share collection.
SSROC Southern Sydney Region of Councils	Association of 11 councils providing a forum for joint tendering, collaborative projects, the exchange of ideas and to act as an interface with other levels of government and key bodies.
Greenway Steering Committee	Community/governing body assisting with steering the implementation of the Cooks River to Iron Cove Greenway Masterplan and Coordination Strategy. The Committee includes representatives from the GreenWay Councils (IWC and CCB), the Friends of the GreenWay and the Inner West Environment Group.
Leichhardt/Annandale Business Chamber	Interface between Council and businesses within local neighbourhood.
Newtown Precinct Business Association	Interface between Council and businesses within local neighbourhood.
Ashfield Chamber of Business	Interface between Council and businesses within local neighbourhood.
Inner West Asian Business Association	Interface between Council and businesses within local neighbourhood.
Rozelle/Balmain Business Chambers	Interface between Council and businesses within local neighbourhood.
Marrickville Business Association	Interface between Council and businesses within local neighbourhood.
Access Community transport	Inner West Council works in partnership with Access Community Transport to deliver fortnightly Seniors Bus Outings to increase community connections and provide social and recreational opportunities for residents.
Anglicare - Parenting Programs	Inner West Council partnered with Anglicare to deliver a diverse range of parenting programs, aimed at parents, grandparents and carers during the past year.
Ashfield Local Area Command (Police)	Inner West Council partnered with Ashfield Local Area Command and members of the Inner West Domestic Violence Liaison Committee to present a White Ribbon Day event at Darrell Jackson Gardens, Summer Hill in November 2016.
Balmain and Leichhardt Fire Stations - Smoke Alarm Battery Replacement for the Elderly (SABRE) Program	Council's Home Modification and Maintenance Service has a partnership with Balmain and Leichhardt Fire Stations to provide free installation of smoke detectors and replacement batteries for residents who are unable to install/maintain their own.

Organisation/s	Purpose
Chinese Australian Settlement Services (CASS)	Inner West Council worked in partnership with CASS to provide a weekly Chinese Language Help Desk.
Co As It	Council works in partnership with Co As It to provide services to the community. One such example is the Leichhardt Dementia Café, 'D'café on Norton'.
Eastern Regional Local Government Aboriginal and Torres Strait Islander Forum (ERLGATSIF)	Council works in partnership with Bayside Council, City of Sydney, Randwick City Council, Waverley Council and Woollahra Council to address and participate at a regional level in the affairs, events and celebrations that impact the local Aboriginal and Torres Strait Islander communities. ERLGATSIF promotes reconciliation and produces the annual Pauline McLeod Awards (including the Pauline McLeod Primary Schools Art Competition and the Pauline McLeod High Schools Short Film Competition). Inner West Council hosted the ERLGATSIF Coordinator position throughout 2016-17.
Gadigal Information Service and National Centre for Centre for Indigenous Excellence	Inner West Council partners with Gadigal Information Service and the National Centre for Indigenous Excellence (NCIE) to produce the annual Yabun Movie Night, part of Council's summer outdoor movie program and the Yabun Festival.
Guide Dogs NSW/ACT, Blind Citizens NSW and People With Disability Australia	Local Councils are a significant and critical player in the creation of inclusive communities. Without the understanding and application of universal design through the development, maintenance and ongoing management of the public domain, people will not be able to effectively participate in their communities. Inner West Council collaborated with Guide Dogs NSW/ACT, Blind Citizens NSW and People With Disability Australia to produce "Pathways to Inclusion". This guide is based on consultation and research and provides practical advice to assist Councils to develop and implement their Inclusion Action Plans (as part of the NSW Disability Inclusion Act 2014) and monitor practical outcomes to make their local communities accessible. The guide has been promoted through LGNSW to Councils throughout NSW.
Haberfield Mens Shed, Common Ground, Leichhardt Mens Shed and the Bower	Inner West Council partnered with Haberfield Mens Shed, Common Ground, Leichhardt Mens Shed and the Bower to deliver the seniors festival.
Homelessness - Multi-Agency Outreach Project	Inner West Council has developed a collaborative approach to addressing the issue of homelessness and rough sleeping in the LGA. Council has partnered with Family and Community Services (FACS); NSW Housing; NSW Health; The Haymarket Centre; and Missionbeat Outreach to undertake outreach in hotspots.
Infants Home	Inner West Council partnered with the Infants' Home Child and Family Services in 2016 to deliver the Red Bug playgroup, held in Ashfield Park weekly during school terms.
Inner West Community and Refugee Welcome Centre	Inner West Council has partnered with Settlement Services International (SSI) and Sydney Justice and Peace Office to operate weekly programs and services to refugees from the Centre Council has established in Callan Park. Inner West Community and Refugee Welcome Centre has welcomed approximately 900 refugees to the Centre from March 2017 – September 2017. Part time Coordinator 10 hours per week is in place. There have been a number of health and wellbeing activities, some family and youth events also delivered at the Centre.
Inner West Open Studio Trail	The Inner West Council Open Studio Trail is a partnership with a diverse range of art studios and spaces across the Inner West. In 2017, over 100 art studios and spaces participated.
Inner West Domestic Violence Liaison Committee (IWDVLC) and Leichhardt/ Marrickville Domestic Violence Liaison Committee (LMDVLC)	Inner West Council works in partnership with Government and non-Government services and agencies who have an interest in violence prevention to raise awareness of domestic and family violence issues and enhance interagency responses and partnerships within the Ashfield, Burwood, Leichhardt, Marrickville Police Commands and surrounding areas.
Inner West Youth Alliance	Inner West Council works in partnership with neighbour Councils and local youth and community service providers that engage with, facilitate programs and advocate for young people aged 12 – 24 years, their families and support networks in the Burwood, Canada Bay, Inner West and Strathfield Local Government Areas.

Organisation/s	Purpose
Leichhardt Local Area Command (Police)	Inner West Council partnered with Leichhardt Local Area Command and members of the Leichhardt Marrickville Domestic Violence Liaison Committee to present a White Ribbon Day event at King George Park, Rozelle in November 2017.
Leichhardt Women's Community Health Centre	In 2017 Inner West Council partnered with Leichhardt Women's Community Health Centre to present the 2017 International Women's Day Twilight Supper in the Park.
Linked In Mentoring Program	The Linked In Youth Mentoring Program is a school based mentoring program delivered by Inner West Council in partnership with Sydney Secondary College (SSC). Students from the Balmain and Leichhardt campuses of SSC participate in the program across two terms with adult volunteers who act as role models and mentors.
Mary MacKillop Outreach - Ashfield Men's Shed	Inner West Council partnered with Mary MacKillop Outreach to provide the Ashfield Men's Shed program. This is a social group for retired men, war veterans and men living in boarding houses.
Marrickville Souths Fitness and Breakfast Club	Partnership between Weave, Barnardos Marrickville PCYC, Marrickville Youth Resource Centre, Sydney Airport and Inner West Council. The program runs during school term for 12-24 year olds and includes educating healthy eating choices, sports and recreation prior to assisting young people in attending school or work.
Metro Assist	Inner West Council works in partnership with Metro Assist to provide weekly multicultural social groups.
NSW Aboriginal Rugby League Knockout Carnival (Koori Knockout)	Inner West Council partnered with Redfern All-Blacks to present the Koori Knockout 2016. The Koori Knockout is one of the biggest Indigenous gatherings in Australia. The event was held over 4 days involving 130 teams from Aboriginal communities across NSW.
RAIN - Resourceful Australian Indian Network	Inner West Council works in partnership with RAIN to deliver a bi-monthly Social Support Group.
Spark Youth Theatre - Political Children	Spark Youth Theatre's show first presented at Ashfield Council Chambers in December 2016 was remounted with the Australian Theatre for Young People (ATYP) as part of the Mardi Gras Festival in March 2017.
Specialist Older Persons Mental Health Services	Inner West Council partnered Specialist Older Persons Mental Health Services to deliver mental health month activities.
Tedd Noffs Foundation - Street University	Inner West Council partnered with Street University, Tedd Noffs Foundation to deliver a range of programs and activities for free to young people 12-24 years, including dance and skating.
Sydney College of the Arts	Inner West Council partners with Sydney College of the Arts to deliver the Blooming Arts Mentoring Prize, an annual mentoring scholarship for an artists with a disability. Mentoring is provided by Sydney College of the Arts.

## Open Inner West Partnerships / Joint Ventures

Organisation/s	Purpose
Metro Assist	Joint partner for Open Inner West: Panel member for grant stream 2017
Gadigal Information Service Aboriginal Corporation	Joint partner for Open Inner West: Panel member for grant stream 2017
Addison Road Community Centre	Joint partner for Open Inner West: Program delivery
Refugee Council of Australia	Joint partner for Open Inner West: Program delivery
TAFE NSW	Joint partner for Open Inner West: Program delivery
2SER Radio	Joint partner for Open Inner West: Program delivery
FBI Radio	Joint partner for Open Inner West: Program delivery
Koori Radio	Joint partner for Open Inner West: Program delivery
Newtown Neighbourhood Centre	Joint partner for Open Inner West: Program delivery

## Grants, sponsorships, contributions and donations

Community Grants	Amount
ACC Cricket Club . Ashfield Cricket Club (Ashfield Croydon Centenary-CC)	\$1,500
Ashfield Boys High Parents & Citizens Association	\$5,000
Ashfield Probus Club Incorporated	\$1,500
Australian Federation of Chinese Organizations	\$2,000
Co.As.It (Italian Association of Assistance)	\$900
Haberfield Community Singers Inc	\$2,900
Resourceful Australian Indian Network Inc	\$5,000
Special Children Services Centre Inc.	\$2,000
Summer Hill Family Support Service (auspices under Weldon Children's Services)	\$3,300
Yoppy's Dance	\$4,600
Youth Off The Streets Limited	\$4,300
Autism Spectrum Australia (Aspect)	\$3,500
Chinese Parents Association - Children With Disabilities Inc	\$3,500
Dance for Parkinson's Australia-Sydney	\$7,500
Jakalene Martin	\$3,000
On behalf of The Gender Centre	\$7,500
Stepping Out Housing Program	\$6,500
Sydney Community College	\$6,500

Community Grants	Amount
The Schizophrenia Fellowship of NSW t/a Sunflower Health Services	\$2,000
The Sydney Threshold Choir	\$2,500
Village Church Annandale [Anglican Church]	\$2,500
ACON Health Limited (t/a as ACON)	\$5,000
Aftercare	\$3,400
Assisted Community Living (t/a ACL Disability Services & Gig Buddies Sydney)	\$2,000
Asylum Seekers	\$4,830
BRACCA - Brazilian Community Council of Aust	\$1,400
Chiswick Community Activities Group	\$2,400
Enactus UNSW	\$2,000
Ethnic Community Services Coop	\$5,000
Innari	\$2,000
Joining the Dots	\$3,400
Marrickville Legal Centre	\$500
Marrickville Youth Resource Centre	\$2,867
Mary Mackillop Outreach	\$500
Metro Assist	\$4,000
Multicultural Aged Care	\$2,500
NSW Federation of Community Language Schools	\$3,000
Polly's Club	\$880
Rainbow Families (formerly Rainbow Babies and Kids)	\$3,100
Rozelle Neighbourhood Centre	\$3,120
Team Sydney	\$2,100
The Physical Disability Council of NSW	\$4,000
The Shepherd Centre - For Deaf Children	\$500
Uniting (NSW ACT)	\$2,213
Youth Off the Streets	\$2,000
<b>Total</b>	<b>\$140,710</b>

Arts, Culture & Events Grants	Amount
Roomies Arts Inc.	\$3,200
Sandra Winkworth	\$1,300
Sydney Shaoxing Opera Troupe Inc.	\$1,500
Anglican Parish of Summer Hill	\$5,500
Australian Federation of Chinese Organizations	\$1,500
Ekushe Academy Australia INC	\$1,500
Anne Kwasner	\$4,000
Articulate project space	\$6,000
Blush Opera	\$5,000
Fools in Progress Inc.	\$5,000
Margaret Roberts	\$6,000
Sydney Underground Film Festival	\$6,000
The Metropolitan Orchestra	\$2,300
Anna Lise de Lorenzo, MakerSpace Traditional metal smithing blacksmiths' forge	\$7,500
Carla Stacey, Public Art & Marrickville High School	\$3,000
Damien Storer and Brett Boardman, Warrant Estate Grape Vines	\$1,500
Dare Kavanagh, Plastic UnFantastic	\$3,900
Dr Alexandra Crosby, Mapping Edges: Marrickville's Edible Gardens	\$3,250
Dr Greg Shapley, Please Touch the Art: An interactive playground	\$3,000
Emma Anna, The Marrickville Community	\$3,300
Jacinta Fintan, Stencil Art Prize Free Community and Schools Tour	\$2,200
Janine Marsham, Sizzle 2013	\$3,300
Jennifer MacRitchie, Polyphony and Marcus Whale	\$2,850
Jim Fishwick, Jetpack Sydney Fringe Season	\$3,600
Karina Libbey, Sydney Underground Film Festival	\$3,300
Matt Rule, King Street Crawl	\$3,300
Nick Pontikos / Bel Macedone, Aeon	\$4,500
Rachel Cox, Sad Grrls Festival 2016 Promotion	\$3,300
Rhiab Charida, Michale Khleifi Retrospective & Panel on Cinematic Documentary Storytelling	\$3,000
Stephen Jackson, Dreamtime Tree	\$2,000
Suzannah Williams, Communi-tie Sound Project	\$4,000
Victoria Gutierrez, Screen Teens	\$4,200
<b>Total</b>	<b>\$113,800</b>

Environment Grants	Amount
Summer Hill Public School Parents and Citizens Association	\$7,500
dLux MediaArts	\$7,500
Glovers Garden INC (located off Glover Street, Rozelle, alongside Callan Park Oval)	\$990
Michelle Connolly	\$6,600
The Exodus Foundation	\$2,000
WIRES [NSW Wildlife Information Rescue and Education Service] Inc.	\$3,000
Addison Road Community Centre Organisation	\$2,600
Australia Street Infants School Community Organisation	\$650
Francis Street Community Garden	\$800
Inner West Environment Group	\$2,000
Lewisham Public School P&C	\$930
Marrickville West Community Garden	\$500
St Michael's Stanmore P&F Association	\$1,000
Tempe Public School P&C	\$2,000
The Bower Reuse and Repair Centre	\$1,500
<b>Total</b>	<b>\$39,570</b>

Stronger Communities Grants	Amount
Addison Rd Cinema	\$28,500
Mark Taylor, Sydney Latin American Film Festival Inc	
Community amphitheatre and green outdoor classroom, Louise Brooks, Ashfield Boys High School Parents and Citizens Association	\$19,500
Community Expansion, Gordon Latham, Pratten Park Community Sports And Bowling Club Limited	\$50,000
Improvements to church community hall Ken Munro, Ashfield Baptist Church, auspiced by Ashfield Baptist Childcare Incorporated	\$12,000
Increasing health care and counselling utilising the latest Information Technology, Roxanne McMurray, Leichhardt Women's Community Health Centre Incorporated	\$15,488
Newtown Neighbourhood Centre (NNC) refurbishment, Simon Harris, Newtown Neighbourhood Centre Incorporated	\$15,100
Sea of Hands visits the Inner West Michael Andersen, ANTaR Incorporated	\$25,000
Strengthening Sustainability in Our Community: Solar and beyond, Tom McDonald, Marrickville Youth Resource Centre Incorporated	\$20,000
Styles Street Community Childcare Back Playground Redevelopment, Laura Hughes, Styles Street Children' S Community Long Day Care Centre Inc	\$10,000
TechKNOWLEDGE Rajika Gilhotra, Sunnyfield	\$41,562
Upgrade the Bower truck Pantech, Guido Verbist, The Bower Re-use And Repair Centre Co-operative	\$13,500
<b>Total</b>	<b>\$250,650</b>

Independent Artists Grants	Amount
Anna Kwasner	\$3,720
Anna McMahon	\$1,450
Claudia Osborne	\$4,500
Emily Copp	\$4,789
Imogen Gardam	\$1,000
Nadiezhdha Koroleva	\$3,141
Rhiannon Newton	\$5,000
Rowena Crowe	\$1,400
Valentina Schulte	\$2,000
Zahn Pithers	\$3,000
<b>Total</b>	<b>\$30,000</b>

Recreation Grants	Amount
Asylum Seekers Centre	\$1,500
At Ruben's	\$1,600
Bicycle Network	\$1,550
Empowered Sports Inc	\$1,200
Espirit Martial Arts	\$1,400
Good Shepherd Australia NZ	\$1,500
Half Moon Yoga	\$3,000
Marrickville Cricket Club	\$2,000
Marrickville Football Club	\$1,510
Marrickville Marauders Fencing Club	\$3,000
Marrickville West Public School Association	\$1,000
Marrickville Youth Resource Centre	\$2,000
New Dance Steps Therapy	\$1,440
PCYC Marrickville	\$2,500
Stanmore Hawks	\$800
Totem Skate School	\$2,000
Youth Off the Streets	\$2,000
<b>Total</b>	<b>\$30,000</b>



Annual Grants	Amount
Balmain for Refugees	\$15,000
Infants Home Child & Family Services	\$13,000
Leichhardt Celebrity Brass	\$15,000
Maliana / East Timor Liaison	\$7,900
Marrickville Youth Resource Centre (Jarvie Park Building Capacity)	\$32,074
Mary McKillop Outreach	\$25,000
NSW Writers Centre	\$21,000
Rozelle Neighbourhood Centre	\$22,959
STARS	\$5,000
Summer Hill Community Centre	\$43,000
<b>Total</b>	<b>\$199,933</b>

Open Inner West Grants	Amount
Australian Federation of Chinese Organisations INC	\$4,000
Brazilian Community Council of Australia INC	\$5,000
Destructive Steps Dance Association INC	\$4,000
Ethnic Community Services Cooperative	\$3,500
Folk Dance Australia Inc (Dusha Balkana)	\$5,000
Gadigal Information Service Aboriginal Corporation	\$5,000
Greek Welfare Centre: Community Services	\$4,900
Individual Artist Group: Suara Indonesia Dance	\$5,000
Individual Artist: Ganbold Lundaa (Lost Nomad Art)	\$2,500
Individual Artist: Nastia Gladushchenko	\$580
Individual Community Cultural Development Practitioner: Bronwyn Vaughan	\$800
Individual Community Cultural Development Practitioner: Eleni Christou (Community Kouzina)	\$2,875
Music and Opera Singers Trust LTD (MOST)	\$3,000
NSW Chinese Association INC	\$2,400
NSW Spanish & Latin American Association For Social Assistance (SLASA)	\$4,000
Sydney Friendship Group INC	\$5,000
Sydney Latin American Film Festival INC	\$4,000
<b>Total</b>	<b>\$61,555</b>

Local History Grants	Amount
Apia Leichhardt Tigers Football Club Inc	\$5,000
Ashfield and District Historical Society Inc.	\$5,000
Balmain Rowing Club	\$4,500
David Watson	\$5,000
Sue Castrique	\$3,250
University of Technology Sydney	\$3,900
<b>Total</b>	<b>\$26,650</b>

Other Support	Amount
Fringe Festival	\$30,000
Newtown Festival	\$14,195
Back to Balmain Committee (Back to Balmain event)	\$2,750
Leichhardt/Annandale Business Chambers (Norton Street Italian FESTA)	\$50,000
Blooming Arts Mentoring Scholarship	\$3,338
Strathfield Symphony Orchestra	\$1,849
<b>Total</b>	<b>\$102,132</b>

## Special Variation Expenditure

1. In 2015-16 the former Ashfield Council was granted a Special Rate Variation cumulative increase to its general income base by 38.4% over a 4 year period from 2015-16 to 2018-19 by IPART.  
This revenue was to be used to fund the Loan Repayments of the Ashfield Aquatic Centre upgrade works and key infrastructure renewal projects.  
In 2016-17 financial year Council did not borrow in relation to the Aquatic Centre Redevelopment and is forecast to be borrowed in the 2018/19 financial year.  
An amount of \$2.3 million was spent 2016-17 on renewal infrastructure renewals projects in accordance with the provisions in the SRV.
2. In 2015-16 IWC Marrickville was granted a Special Rate Variation of 3% above the rate peg of 2.4% to fund its infrastructure renewal program over a ten year period.  
In 2016-17 financial year an amount of \$1,954,577 was spent in relation to renewal of various infrastructure projects.

All unspent revenue from the Special Rate Variation has been quarantined by Council for future use as per the requirements of the SRV.

## Voluntary Planning Agreements

The following planning agreements were in force 2016/17:

Date agreement entered into	Land to which it applies	Parties to agreement	Benefits under the agreement and whether in addition to or instead of s.94 contributions (or fully or partly set-off)
26 June 2008	Balmain Leagues Club properties at Rozelle: 138-152 Victoria Road being lot 1 DP 528045 154-156 Victoria Road being lot 1 DP 109047 697 Darling Street being lot 104 DP 733658 1-7 Waterloo Street being lots 101 and 102 DP 629133, lots 37 and 38 DP 421 and lot 37 DP 190866.	Balmain Leagues Club Limited ACN 000 190 161 and Leichhardt Council	\$250,000 for upgrading of roads, footpath and traffic in the vicinity of the development (in addition to DA conditions of consent for roads works required by the development). \$500,000 by way of annual payments of \$50,000 for 10 years for grants to community groups. Monetary amounts indexed by CPI. In addition to s.94 contributions DA to include public pedestrian link to Darling Street, bridge over Victoria Road, community shuttle bus, designated taxi drop off area, free home delivery service with 5km radius, implement Aboriginal Participation in Construction Guidelines, bicycle facilities, and facilitate car sharing schemes.
14 September 2012	118-124 Terry Street Rozelle being lot 3/D DP 119, lot 2 DP 234045 and lot 1 DP 540118	Anka Constructions Pty Ltd ABN 12 008 749 013 and Leichhardt Council	The amount that would be payable under Leichhardt Council's s.94 Plans (estimated approx \$4,160,000) ignoring the Ministerial direction to cap contributions. Up to the cap amount, it is for any public purpose including but not limited to the items in the s.94 Plan. Above the cap amount, it is for affordable housing in the local government area. \$3,000 per square metre of additional floor space above 1.5:1, for any public purpose \$270,000 to the Affordable Housing Fund Dedication to Council of New Street as public road, constructed.
October 2013	362-372 New Canterbury Road, Dulwich Hill	Damonu Pty Ltd and Marrickville Council	Strata space Fitout allowance of \$200,000 Cash payment of \$700,000 in lieu of s.94 contribution
December 2013	Lewisham Towers, Lewisham	Meriton and Marrickville Council	New park 4 affordable housing units Strata space Off-site pedestrian improvements Cash (approx \$1m) In lieu of s.94 contribution
15 February 2014	22 George Street, Leichhardt: Lot 5 DP 1080665, Lots 6-9 DP 79950 Lots 10-13 DP 83665, Lots 1 and 2 DP 102461 Lot 1 DP 104359, Lot B DP 327352 Lot 1 DP 1108695 and Lot 15 DP 1081840 Now being lot 100 DP 1196620	KGS (Victoria) Pty Ltd ACN 000 038 719 and Minister for Planning and Infrastructure ABN 38 755 709 681	7 strata Affordable Housing lots to be transferred to the Minister or its nominee In addition s.94 contributions at maximum \$20,000 per lot

Date agreement entered into	Land to which it applies	Parties to agreement	Benefits under the agreement and whether in addition to or instead of s.94 contributions (or fully or partly set-off)
15 February 2014	30-40 George Street, Leichhardt being: Lot 1 DP 745978, Lot 1 DP 745979 Lot 1 DP 920105, Lot 1 DP 972151 Lot 16 DP 69760, Lot 5 DP 745976 Lot 6 DP 745976, Lot 7 DP 448755 and Lot 9 DP 666322	Terrence David Rowney and Minister for Planning and Infrastructure ABN 38 755 709 681	4 x 1 bedroom affordable housing strata lots to be transferred to the Minister or its nominee 2 x studio strata lots to be leased to a community housing provider for 10 years In addition to s.94 contributions at maximum \$20,000 per lot
2015	141 Allen Street, Leichhardt being lot 1 DP 632522 159 Allen Street, Leichhardt being lot X DP 381373	Leichhardt 141 Pty Ltd ACN 117 479 437 and Arquilla Bulk Trading Co Pty Ltd ABN 84 001 512 358 and Leichhardt Council	<p><i>For the lots if developed together:</i> The amount that would be payable under Leichhardt Council's s.94 Plans (estimated approx \$3,714,845) ignoring the Ministerial direction to cap contributions. Up to the cap amount, it is for any public purpose including but not limited to the items in the s.94 Plan. Above the cap amount, it is for affordable housing in the local government area. \$3,000 per square metre of additional floor space above 1.5:1, for any public purpose \$187,000 to the Affordable Housing Fund.</p> <p><i>For lot 1 if developed separately:</i> The amount that would be payable under Leichhardt Council's s.94 Plans (estimated approx \$2,843,919) ignoring the Ministerial direction to cap contributions. Up to the cap amount, it is for any public purpose including but not limited to the items in the s.94 Plan. Above the cap amount, it is for affordable housing in the local government area. \$3,000 per square metre of additional floor space above 1.5:1, for any public purpose \$142,023 to the Affordable Housing Fund.</p> <p><i>For lot X if developed separately:</i> The amount that would be payable under Leichhardt Council's s.94 Plans (estimated approx \$870,926) ignoring the Ministerial direction to cap contributions. Up to the cap amount, it is for any public purpose including but not limited to the items in the s.94 Plan. Above the cap amount, it is for affordable housing in the local government area. \$3,000 per square metre of additional floor space above 1.5:1, for any public purpose \$45,026 to the Affordable Housing Fund.</p>
November 2015	1-15 West Street, Petersham	P & N Sieman Pty Ltd and Marrickville Council	Cash payment of \$270,000 to be expended within Petersham Park In addition to s.94 contribution
December 2015	801-807 New Canterbury Road, Dulwich Hill	801 NCR Pty Ltd and Maxxso Pty Ltd and Marrickville Council	Cash payment \$1m in lieu of s.94 contributions Cash payment \$400,000 for expenditure on any public infrastructure / benefits Council considers appropriate

Date agreement entered into	Land to which it applies	Parties to agreement	Benefits under the agreement and whether in addition to or instead of s.94 contributions (or fully or partly set-off)
December 2015	14 McGill Street, Lewisham	14 McGill St Pty Ltd and Marrickville Council	Cash payment approx \$1m in lieu of s.94 contributions Cash Payment of \$280,000 for expenditure on public domain works in McGill Street or in the Greenway
March 2016	429-449 New Canterbury Road, Dulwich Hill	429 Cheriah Pty Ltd and 888 New Canterbury Road Pty Ltd and Marrickville Council	Cash payment (est \$1.3m) in lieu of s.94 contributions Cash payment (\$800,000) for expenditure on public domain in Dulwich Hill, Seaview Street community centre or toilet strategy for Hoskins Park

## Activities undertaken by Council to implement its equal employment opportunity management plan

Activities undertaken by Council to implement EEO management plan actions included:

- Bi-Annual staff survey on HR to capture staff satisfaction and opportunities for improvement
- Optional EEO and demographic information collected from candidates that apply for IWC vacant positions
- Access to EEO, Bullying and harassment policies in online welcome packs to all new staff
- EEO questionnaire (optional) to collect recent data on new starters, included in Welcome packs
- Recruitment and Selection training workshops, to increase the numbers of trained staff and availability of mixed genders on panels
- Application and interview techniques for staff to improve and assist their career development in applying for vacant positions
- Continued participation in the CALD community language aid scheme
- Review of E-Recruitment Systems options for implementation: Assists in eliminating LG style of application, assist with providing assistance with meeting legislative requirements and providing data for EEO statistics, ease of submitting applications.
- Continued support for 'LGBTI' community and diversity in the workplace through Pride in Diversity membership.

## Compliance with Carers Recognition Act

### Educational Strategies

- Council developed the Inner West Inclusion Action Plan. Actions relevant to carers include:
  - Investigate the provision of spaces and programs for peer support for people in unpaid assistant roles.
  - Continue Council's roles, in alignment with the Disability Inclusion Act including: liaison, advocacy, information provision and planning.
  - Provide and promote resources for managers on successful leadership of diverse employees, including employees with a disability and their assistants (for example Australian Human Rights Commission '2010 Workers with a Mental Illness: A Practical Guide for Managers').
- Council hosted presentations and opportunities for social interaction through the Not So Young Club. Topics included medicine management and a Trustee and Guardian talk on Power of Attorney and Enduring Guardianship
- Council hosted a World Elder Abuse Awareness Day event.
- Council collaborated with Ethnic Community Services Cooperative, Inner West agencies, Burwood Council and Canterbury Bankstown Council to deliver the annual Multicultural Dementia Forum which this year included an expo for people with dementia and their carers.
- Council liaised with COTA to promote peer education programs about Consumer Directed Care and wellbeing programs.
- Council promoted a wide range of educational activities through the local aged services interagency and seniors' databases, such as those provided by Inner West Training Calendar, STARS (Canterbury City Community Centre) in conjunction with Alzheimer's Australia and via the Sydney Local Health District Dementia Advisor for the Inner West.

## Consultation and liaison with Carers

- Inner West Council Home Maintenance and Modification Service and Gardening and Handyperson Service:
  - This Council managed service assists clients and their carers to live safely and independently within their homes.
  - Consultation is undertaken with both clients and carers at the time of request of service and following the service. An annual survey is conducted for direct feedback and revision of service policy, service provision and guidelines.
  - Consultation is also undertaken with local Commonwealth Home Support Programme (CHSP) and Community Care Supports Program (CCSP), funded service providers through the Inner West Disability Forum, Inner West Community Care Forum and the Canterbury Marrickville Sector Support Forum for service planning and improvements.
- Council provided opportunities for peer support and informal interaction and consultation with service providers through the Leichhardt Dementia Café and the Marrickville Dementia Café for people with dementia and their carers.
- Health and wellbeing programs such as Council's Active and Connected Program targets seniors who are carers as well. Council actively promoted these programs via a range of networks to reach carers groups.
- Council delivered a Dementia Dance program in Petersham for people with dementia and their carers.
- Council held community consultation workshops to develop the Inner West Inclusion Action Plan.
- Council participated in the Inner West Community Care Forum, Inner West Council Aged Services Interagency, Canterbury and Marrickville Sector Support Forum, Balmain Hospital Community Advisory Committee and the Inner West Disability Forum.
- Council provided free 'stress less' creative wellbeing programs and 'local social' monthly coffee get-togethers and promoted these to carers.
- For Carers Week 2016 Council hosted grandparents' day events across the Inner West, targeted at grandparent carers.
- Council convened the Inner West Aged Services Interagency. A planning day is held annually which drives the work of the interagency in collaborative projects to target needs of older people in the Inner West as well as prioritise actions for future ageing strategies.
- Council arranged a consultation with the aged services interagency to provide feedback to Partners in Culturally Appropriate Care (PICAC) as part of their national recommendations for My Aged Care in relation to barriers for people from culturally and linguistically diverse backgrounds.
- Council established the Inner West Elder Abuse Collaborative to develop an interagency response to the NSW policy. Carers groups are represented.
- Council promoted a wide range of programs for carers using the aged services interagency and seniors' databases such as those provided by Commonwealth Carelink and Respite Service and Carers NSW.
- Council partnered with Marrickville Health Centre to deliver gentle exercise programs for seniors. The programs actively target carers.
- Council promoted the Active and Connected Program through a talk to the Turkish Women's Group at Marrickville Health Centre. The group engages carers.

## Staff who are carers

Council provides a range of flexible work patterns to enable staff with carer's responsibilities to better manage work and carers responsibilities, including full-time, part-time and casual work; flexible working hours; and rostered day off systems.

Council also considers requests for flexibility to substantive working arrangements for carers responsibilities on an individual basis taking into account operational requirements.

Due to the amalgamation of the three former Councils, improvements to the current HR practices to support staff who are carers has not been prioritised to be reviewed in this year. Council's focus has been on placing staff into the new organisation structure.

## Stormwater management services

Council has continued to apply the annual Stormwater Management Service Charge to rates in accordance with the Local Government (General) Amendment (Stormwater) Regulation 2006. The charge enables Council to work towards delivering the following objectives:

1. Reduce the use of potable mains water in Council facilities and public spaces.
2. Manage the stormwater system and its impacts on the urban environment.
3. Support regional projects to improve the health of the Cooks River, Botany Bay, Lower Parramatta River, Sydney Harbour and their catchments.
4. Implement sustainable urban water management.

Major initiatives undertaken in 2016-2017 with a funding contribution from the Stormwater Management Service Charge were:

- Remote camera inspections of underground stormwater pipes in selected locations to determine service risks and pipe conditions to allow for works planning and servicing as required.
- Stormwater drainage renewal, improvement and upgrade works across the network to improve the performance of the drainage system.
- Updating stormwater infrastructure data base from camera inspection surveys.
- Catchment and water management planning.
- Stormwater quality improvement initiatives through the implementation of Water Sensitive Urban Design (WSUD) projects to reduce the impact of stormwater discharge into waterways.
- Initiatives to improve knowledge through research, collaborations, and participation in projects to improve water quality and environmental outcomes.
- The continuation of the Flood Risk Management process in order to identify the nature and extent of flooding within the local government area to enable Council to plan and manage the impacts of floods and mitigate flood hazards.

## Coastal protection services

Inner West Council has not levied an annual charge for coastal protection services in 2016/17.

## Environmental Upgrade Agreements

Inner West Council hasn't entered into any EUA's during 2016/17.

## Companion Animals Act and Regulation Activities 2016/17

Council conducts a range of activities relating to enforcing and ensuring compliance with the Companion Animals Act and Regulation. This includes maintaining a Companion Animals Act Policy. This year a total of \$33,651.85 in funding (not including salaries) was spent on companion animal management activities.

### Lodgement of pound data and dog attacks with department

- Pound data collection returns were lodged with the department
- Data regarding dog attacks during the reporting period was lodged with the department

### Community education programs

Council carried out a number of companion animal community education programs, including:

- Maintained Council's Inner West Pets Facebook group
- Maintained companion animal information on Council's website
- Free Engraved Pet Tag program
- Local event stalls
- Proactive park patrol programs
- Distribution of promotional magnets, key rings and pooch pouches
- A-frame type notice boards in parks
- Responsible Pet ownership messages placed in various media

## De-sexing of dogs and cats

Strategies Council has in place to promote and assist the de-sexing of dogs and cats include:

- Council's contracted pound desexes all re-homed Companion Animals.
- Council has adopted a Companion Animal Action Plan that addresses the promotion and support for desexing Companion Animal
- The benefits of desexing are promoted on Council's website, social media and various other media avenues

## Alternatives to euthanasia

Strategies in place to comply with the requirement under section 64 (Companion Animals Act) to seek alternatives to euthanasia for unclaimed animals:

- Council has adopted key criteria in the selection process for Council's contracted Pound Facility. Council seeks an organisation that has a successful existing re-homing program or is actively building their current program.
- Council liaises with other organisations outside Council's contracted animal impounding facility to rehome unclaimed animals.

## Off leash areas

Off leash areas provided in the Council area are:

- |  |  |                                       |
|--|--|---------------------------------------|
| 1. Cohen Park, Annandale                     | 15. O'Dea Reserve, Camperdown                | 28. Enmore Park, Marrickville         |
| 2. Smith Hogan and Spindlers Park, Annandale | 16. Bede Spillane Reserve, Croydon           | 29. Henson Park, Marrickville         |
| 3. Whites Creek Valley Park, Annandale       | 17. Johnson Park, Dulwich Hill               | 30. Marrickville Park, Marrickville   |
| 4. Ann Cashman Reserve, Balmain              | 18. Enmore TAFE Park, Enmore                 | 31. McNeilly Park, Marrickville       |
| 5. Birrung Park, Balmain                     | 19. 36th Battalion Park, Leichhardt          | 32. Camperdown Memorial Park, Newtown |
| 6. Elkington Park, Balmain                   | 20. Blackmore Park, Leichhardt               | 33. Petersham Park, Petersham         |
| 7. Ewenton Park, Balmain                     | 21. Hawthorne Canal Reserve, Leichhardt      | 34. Bridgewater Park, Rozelle         |
| 8. Illoura Reserve, Balmain                  | 22. Pioneers Memorial Park, Leichhardt       | 35. Easton Park, Rozelle              |
| 9. Lookes Ave Reserve, Balmain               | 23. War Memorial Park, Leichhardt            | 36. King George Park, Rozelle         |
| 10. Paringa Reserve, Balmain                 | 24. Morton Park, Lewisham                    | 37. Weekley Park, Stanmore            |
| 11. Propeller Park, Balmain                  | 25. Callan Park (2x sports field), Lilyfield | 38. Cadigal Reserve, Summer Hill      |
| 12. Punch Park, Balmain                      | 26. Leichhardt Oval #2, Leichhardt           | 39. Sydenham Green (x2), Sydenham     |
| 13. Birchgrove Park, Birchgrove              | 27. Leichhardt Oval #3, Leichhardt           | 40. Tempe Lands, Tempe                |
| 14. Mort Bay Park, Birchgrove                |  |                                       |

## Trial off leash areas

Off leash areas currently on trial in the Council area are:

- HJ Mahoney Reserve, Marrickville

## Use of Companion Animal Fund money for management and control of companion animals

Activity	Cost
Animal control equipment	\$985.15
Kennel maintenance	\$112.50
Impounding Fees	\$30,659.20
Ranger staff training	\$1,395.00
Education	\$500.00
<b>Total</b>	<b>\$33,651.85</b>



## General Manager and senior staff remuneration

The Former General Managers and Senior Staff remuneration table covers the period from May 2016 to July 2016, other than one Former General Manager who left in August 2016.

Former General Managers and Senior Staff remuneration		
	Total Former General Managers	Total Former Senior Staff
Base Salary	\$175,423.27	\$170,638.76
Redundancy Paid	\$717,325.75	\$663,524.37
Annual Leave on Termination	\$67,187.46	\$86,991.65
LSL on Termination	\$473,956.37	\$352,633.32
Superannuation	\$16,079.14	\$16,878.10
Non Cash Benefit	\$30,986.49	\$37,094.03
FBT year ( 01/04/2016 - 30/03/2017)	\$6,944.16	\$8,278.50
<b>Total</b>	<b>\$1,487,902.64</b>	<b>\$1,336,038.73</b>

An Interim General Manager was appointed in September 2016.

Current General Manager remuneration				
Base Salary	Employer's contribution to superannuation	Total value non-cash benefit	Total FBT for non-cash benefit	Total
\$344,620.11	\$34,995.24	Nil	\$2,083.21	<b>\$381,698.56</b>

Three Senior Staff were appointed in November 2016.

Current Senior Staff remuneration total				
Base Salary	Employer's contribution to superannuation	Total value non-cash benefit	Total FBT for non-cash benefit	Total
\$526,834.02	\$45,968.58	Nil	\$6,167.64	<b>\$578,970.24</b>

## Government Information (Public Access) Act 2009

### Clause 7A:

Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review.

Reviews carried out by the agency	Information made publicly available by the agency
1	n/a

### Clause 7B:

The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications).

Total number of applications received
121

### Clause 7C:

The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure).

Number of Applications Refused	Wholly	Partly	Total
0	0	1	1
% of Total	0%	100%	100%

## Statistical information about access applications to be included in annual report

Table A: Number of applications by type of applicant and outcome*								
	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information Not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/deny whether information is held	Application Withdrawn
Media	0	1	0	0	0	0	0	1
Members of Parliament	0	2	1	0	0	0	0	0
Private sector business	6	6	0	1	7	0	0	6
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (by legal representative)	14	4	1	3	4	0	0	5
Members of the public (other)	43	8	3	0	7	0	0	8
<b>Total</b>	<b>63</b>	<b>21</b>	<b>5</b>	<b>4</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>20</b>
% of Total	48%	16%	3.8%	3%	13.5%	0%	0%	15%

\*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome*								
	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information Not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/deny whether information is held	Application Withdrawn
Personal information applications*	4	3	0	0	2	0	0	2
Access applications (other than personal information applications)	57	15	4	4	16	0	0	16
Access applications that are partly personal information applications and partly other	2	3	1	0	0	0	0	1
<b>Total</b>	<b>63</b>	<b>21</b>	<b>5</b>	<b>4</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>19</b>
% of Total	48.8%	15.5%	3.8%	3.1%	14%	0%	0%	14.7%

\*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

**Table C: Invalid applications**

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	9
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	8

**Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act**

	Number of times consideration used*	% of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	1	100%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
<b>Total</b>	<b>1</b>	

\*More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application).

**Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act**

	Number of times consideration used*	% of Total
Responsible and effective government	1	3%
Law enforcement and security	2	6.5%
Individual rights, judicial processes and natural justice	22	73%
Business interests of agencies and other persons	5	16.5%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
<b>Total</b>	<b>30</b>	

\*More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application).

**Table F: Timeliness**

	Number of applications	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	93	84.5%
Decided after 35 days (by agreement with applicant)	17	15.5%
Not decided within time (deemed refusal)	0	0%
<b>Total</b>	<b>110</b>	

**Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)**

	Decision varied	Decision upheld	Total	% of Total
Internal review	0	1	1	100%
Review by Information Commissioner*	0	0	0	0%
Internal review following recommendation under section 93 of Act	0	0	0	0%
Review by NCAT	0	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	
% of Total	0%	0%	100%	

\*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)	
	Number of applications for review
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0
<b>Total</b>	<b>1</b>

Table I: Applications transferred to other agencies	
	Number of applications transferred
Agency-Initiated Transfers	1
Applicant - Initiated Transfers	0
<b>Total</b>	<b>1</b>

## Public Interest Disclosures

During 2016-17, the first IWC Public Interest Disclosures Policy and Procedure was developed and adopted, and Public Interest Disclosure training was commenced for all nominated PID Officers across Council, delivered by the NSW Ombudsman's Office. Two Public Interest Disclosures were received by Council during this period.

	Number made by public officials performing their day to day functions	Number under a statutory or other legal obligation	Number of all other PIDS
Number of public officials who made PIDs directly	2	0	0
Number of PIDs received	2	0	0
Of PIDs received, number primarily about:			
• <i>Corrupt Conduct</i>	2	0	0
• <i>Maladministration</i>	0	0	0
• <i>Serious and Substantial Waste</i>	0	0	0
• <i>Government Information Contravention</i>	0	0	0
• <i>Local Government Pecuniary Interest contravention</i>	0	0	0
Number of PIDs finalised	2	0	0



# SECTION 3: AUDITED FINANCIAL STATEMENTS

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the period 13 May 2016 to 30 June 2017

## Introduction

Each year, all New South Wales councils are required to present a set of audited financial statements to their elected council and community.

The format of the financial statements is standard across all NSW councils. It complies with the accounting and reporting requirements of Australian Accounting Standards, and requirements set down by the Office of Local Government.

## About the statements

This section includes general purpose financial statements for the 2016/17 financial year and the beginning of Council's administration period – from **13 May 2016 to 30 June 2017**.

### Primary Financial Statements

The financial statements incorporate five “primary” financial statements:

- 1. The Income Statement**  
Summarises Council's financial performance for the year, listing all income and expenses.  
This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.
- 2. The Statement of Comprehensive Income**  
Primarily records changes in the fair values of Council's Infrastructure, Property, Plant & Equipment.
- 3. The Statement of Financial Position**  
A 30 June snapshot of Council's financial position indicating its Assets, Liabilities & “Net Wealth”.
- 4. The Statement of Changes in Equity**  
The overall change for the year (in dollars) of Council's “Net Wealth”.
- 5. The Statement of Cash Flows**  
Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

### Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 5 primary financial statements.

### About the Auditor's Reports

Council's financial statements are required to be audited by external accountants. In NSW, the Auditor provides two audit reports:

1. An opinion on whether the financial statements present fairly the Council's financial performance and position; and
2. Their observations on the conduct of the Audit including commentary on the Council's financial performance and financial position.



# Inner West Council

## General Purpose Financial Statements

for the period 13 May 2016 to 30 June 2017

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### Overview

- (i) These financial statements are General Purpose Financial Statements and cover the operations for Inner West Council.
- (ii) Inner West Council is a body politic of NSW, Australia – being constituted as a local government area by proclamation and is duly empowered by the *Local Government Act 1993* (LGA).

This is the first set of financial statements issued by Inner West Council formed by the Local Government (Council Amalgamations) Proclamation 2016 under the Local Government Act 1993 (NSW) on 12 May 2016, which amalgamated the former Ashfield Council, Leichhardt Council and Marrickville Council, refer Note 29 for further details.

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

- (iii) All figures presented in these financial statements are presented in Australian currency.
- (iv) These financial statements were authorised for issue by the Council on 27 October 2017. Council has the power to amend and reissue these financial statements.

Inner West Council

General Purpose Financial Statements  
for the period 13 May 2016 to 30 June 2017

Statement by Councillors and Management  
made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

The attached General Purpose Financial Statements have been prepared in accordance with:

the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,  
the Australian Accounting Standards and professional pronouncements, and  
the Local Government Code of Accounting Practice and Financial Reporting.

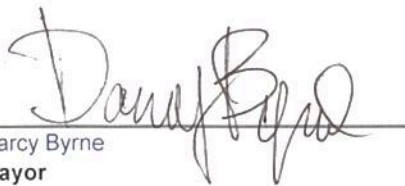
To the best of our knowledge and belief, these financial statements:

present fairly the Council's operating result and financial position for the period 13 May 2016  
to 30 June 2017, and

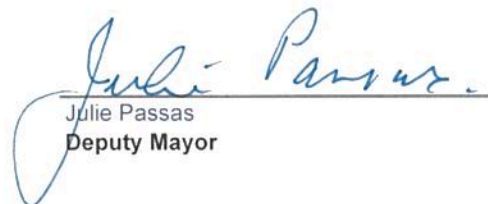
accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

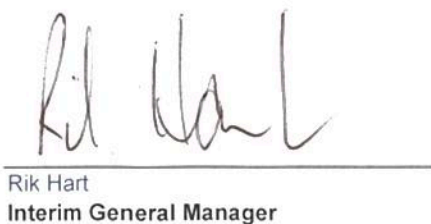
Signed in accordance with a resolution of Council made on 24 October 2017.



Darcy Byrne  
Mayor



Julie Passas  
Deputy Mayor



Rik Hart  
Interim General Manager



Pav Kuzmanovski  
Responsible Accounting Officer

## Inner West Council

### Income Statement

for the period 13 May 2016 to 30 June 2017

\$ '000	Notes	Actual to 30/6/17
<b>Income from continuing operations</b>		
<i>Revenue:</i>		
Rates and annual charges	3a	152,854
User charges and fees	3b	46,263
Interest and investment revenue	3c	7,444
Other revenues	3d	28,596
Grants and contributions provided for operating purposes	3e,f	30,878
Grants and contributions provided for capital purposes	3e,f	49,030
<i>Other income:</i>		
Net gains from the disposal of assets	5	–
Net share of interests in joint ventures and associates using the equity method	19	436
<b>Total income from continuing operations</b>		<b>315,501</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	4a	119,569
Borrowing costs	4b	1,305
Materials and contracts	4c	71,577
Depreciation and amortisation	4d	30,849
Impairment	4d	2,565
Other expenses	4e	28,417
Interest and investment losses	3c	–
Net losses from the disposal of assets	5	3,564
<b>Total expenses from continuing operations</b>		<b>257,846</b>
<b>Operating result from continuing operations</b>		<b>57,655</b>
<b>Discontinued operations</b>		
Net profit/(loss) from discontinued operations	24	–
<b>Net operating result for the period</b>		<b>57,655</b>
<b>Gain on local government amalgamation</b>		
Assets and liabilities transferred from former councils	29	2,200,149
<b>Net result for the period</b>		<b>2,257,804</b>
<b>Net operating result attributable to Council</b>		2,257,804
<b>Net operating result attributable to non-controlling interests</b>		–
<b>Net operating result for the period before grants and contributions provided for capital purposes and gain on amalgamation</b>		<b>8,625</b>

## Inner West Council

## Statement of Comprehensive Income

for the period 13 May 2016 to 30 June 2017

\$ '000	Notes	Actual to 30/6/17
<b>Net result for the year</b> (as per Income Statement)		<b>2,257,804</b>
<b>Other comprehensive income:</b>		
Amounts which will not be reclassified subsequently to the operating result		
Gain (loss) on revaluation of I,PP&E	20b (ii)	55,918
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>55,918</b>
Amounts which will be reclassified subsequently to the operating result when specific conditions are met		
Nil		–
<b>Total other comprehensive income for the period</b>		<b>55,918</b>
<b>Total comprehensive income for the period</b>		<b>2,313,722</b>
<b>Total comprehensive income attributable to Council</b>		<b>2,313,722</b>
<b>Total comprehensive income attributable to non-controlling interests</b>		<b>–</b>

## Inner West Council

Statement of Financial Position  
as at 30 June 2017

\$ '000	Notes	Actual 2017
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	6a	18,668
Investments	6b	145,588
Receivables	7	17,027
Inventories	8	207
Other	8	2,340
Non-current assets classified as 'held for sale'	22	–
<b>Total current assets</b>		<b>183,830</b>
<b>Non-current assets</b>		
Investments	6b	40,550
Receivables	7	216
Inventories	8	–
Infrastructure, property, plant and equipment	9	2,163,814
Investments accounted for using the equity method	19	3,025
Investment property	14	–
Intangible assets	25	–
Other	8	–
<b>Total non-current assets</b>		<b>2,207,605</b>
<b>TOTAL ASSETS</b>		<b>2,391,435</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Payables	10	25,579
Income received in advance	10	1,296
Borrowings	10	4,688
Provisions	10	30,950
<b>Total current liabilities</b>		<b>62,513</b>
<b>Non-current liabilities</b>		
Payables	10	–
Borrowings	10	13,356
Provisions	10	1,844
<b>Total non-current liabilities</b>		<b>15,200</b>
<b>TOTAL LIABILITIES</b>		<b>77,713</b>
<b>Net assets</b>		<b>2,313,722</b>
<b>EQUITY</b>		
Retained earnings	20	2,257,804
Revaluation reserves	20	55,918
Other reserves	20	–
<b>Total equity</b>		<b>2,313,722</b>

## Inner West Council

### Statement of Changes in Equity for the period 13 May 2016 to 30 June 2017

	Notes	Retained earnings	Asset revaluation reserve (Refer 20b)	Other reserves (Refer 20b)	Total equity
<b>\$ '000</b>					
<b>Opening balance</b>					
a. Correction of prior period errors	20 (c)	-	-	-	-
b. Changes in accounting policies (prior year effects)	20 (d)	-	-	-	-
<b>Revised opening balance</b>		-	-	-	-
<b>c. Net result for the year</b>		<b>2,257,804</b>	-	-	<b>2,257,804</b>
d. Other comprehensive income					
- Revaluations: IPP&E asset revaluation reserve	20b (ii)	-	55,918	-	<b>55,918</b>
- Revaluations: other reserves	20b (ii)	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-
- Joint ventures and associates	19b	-	-	-	-
- Other reserves movements	20b (ii)	-	-	-	-
<b>Other comprehensive income</b>		<b>-</b>	<b>55,918</b>	<b>-</b>	<b>55,918</b>
<b>Total comprehensive income (c&amp;d)</b>		<b>2,257,804</b>	<b>55,918</b>	<b>-</b>	<b>2,313,722</b>
e. Distributions to/(contributions from) non-controlling interests		-	-	-	-
f. Transfers between equity		-	-	-	-
<b>Equity – balance at end of the reporting period</b>		<b>2,257,804</b>	<b>55,918</b>	<b>-</b>	<b>2,313,722</b>

This statement should be read in conjunction with the accompanying notes.

## Inner West Council

### Statement of Cash Flows

for the period 13 May 2016 to 30 June 2017

\$ '000	Notes	Actual to 30/6/17
<b>Cash flows from operating activities</b>		
<b>Receipts:</b>		
Rates and annual charges		172,701
User charges and fees		47,280
Investment and interest revenue received		6,725
Grants and contributions		71,136
Bonds, deposits and retention amounts received		1,066
Other		36,843
<b>Payments:</b>		
Employee benefits and on-costs		(118,762)
Materials and contracts		(81,844)
Borrowing costs		(1,630)
Other		(32,611)
<b>Net cash provided (or used in) operating activities</b>	11b	<b>100,904</b>
<b>Cash flows from investing activities</b>		
<b>Receipts:</b>		
Sale of investment securities		216,338
Sale of infrastructure, property, plant and equipment		4,334
<b>Payments:</b>		
Purchase of investment securities		(251,595)
Purchase of infrastructure, property, plant and equipment		(59,268)
<b>Net cash provided (or used in) investing activities</b>		<b>(90,191)</b>
<b>Cash flows from financing activities</b>		
<b>Receipts:</b>		
Nil		
<b>Payments:</b>		
Repayment of borrowings and advances		(7,618)
<b>Net cash flow provided (used in) financing activities</b>		<b>(7,618)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>3,095</b>
Plus: <b>cash transferred on amalgamation of councils</b>	29	15,573
<b>Cash and cash equivalents – end of the year</b>	11a	<b>18,668</b>
Additional Information:		
plus: <b>Investments on hand – end of year</b>	6b	186,138
<b>Total cash, cash equivalents and investments</b>		<b>204,806</b>

Please refer to Note 11 for information on the following:

- Non-cash financing and investing activities
- Financing arrangements
- Net cash flow disclosures relating to any discontinued operations

This statement should be read in conjunction with the accompanying notes.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

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n/a – not applicable



## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

##### (a) Basis of preparation

The local government Council Amalgamations Proclamation 2016 under the Local Government Act 1993 (NSW) transferred the assets and liabilities of 3 former councils:

- Ashfield Council
- Leichhardt Council
- Marrickville Council

to Inner West Council as at 12 May 2016.

Pursuant to the Proclamation on 12 May 2016 at 12.10 pm, the financial statements have been prepared for the period commencing on the date of establishment of Inner West Council, being 13 May 2016 and ending on 30 June 2017.

Future reporting periods will be from 1 July to 30 June of the relevant years.

Assets and liabilities of Former Ashfield Council, Leichhardt Council and Marrickville councils acquired as a result of amalgamation have been recognised by the Inner West Council at \$2,200,149,000.

Inner West Council has as a result of a comprehensive revaluation recognised former councils' assets at their fair value as at the date of transfer 13 May 2016.

The fair value of the net assets has been shown as a gain on local government amalgamation in the income statement and further information is provided in Note 29.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the Local Government Act 1993 (NSW) and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not for-profit entity for the purpose of preparing these financial statements.

##### (i) New and amended standards adopted by Council

There have been no new accounting standards adopted in this year's financial statements which have had any material impact on reported financial position, performance or cash flows.

##### (ii) Early adoption of standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2016.

##### (iii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of property, plant and equipment and investment property.

##### (iv) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

##### **Critical accounting estimates and assumptions**

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Estimated fair values of infrastructure, property, plant and equipment.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

##### **Significant judgements in applying the Council's accounting policies**

##### **Impairment of Receivables**

Council has made a significant judgement about the impairment of a number of its receivables in Note 7.

##### **(b) Revenue recognition**

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below.

Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

##### **(i) Rates, annual charges, grants and contributions**

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Control over granted assets/contributed assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those

conditions were un-discharged at reporting date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

##### **(ii) User charges and fees**

User charges and fees (including parking fees and fines) are recognised as revenue when the service has been provided or when the penalty has been applied, whichever first occurs.

##### **(iii) Sale of infrastructure, property, plant and equipment**

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

##### **(iv) Interest**

Interest income is recognised using the effective interest rate at the date that interest is earned.

##### **(v) Rent**

Rental income is accounted for on a straight-line basis over the lease term.

##### **(vi) Dividend income**

Revenue is recognised when the Council's right to receive the payment is established, which is generally when shareholders approve the dividend.

##### **(vii) Other income**

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

##### **(c) Principles of consolidation**

These consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

##### (i) The Consolidated Fund

In accordance with the provisions of section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's consolidated fund unless it is required to be held in the Council's trust fund.

The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the consolidated fund:

- *General Purpose Operations;*
- *Other – CivicRisk Metro; and*
- *Other – CivicRisk Mutual Pools.*

Due to their immaterial value and nature, the following committees, entities and operations have been excluded from consolidation:

- Oval Management Committee
- Park Management Committee

##### (ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (NSW) (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of, or in accordance with the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports.

Trust monies and property held by Council but not subject to the control of Council have been excluded from these reports. A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

##### (iii) Interests in other entities

###### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Council has control. Control is established when the Council is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those

returns through its power to direct the relevant activities of the entity.

Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

The results of all controlled entities for the financial year to 30 June 2017 and the financial position at that date have been included in these consolidated financial statements with any significant transactions which occurred between 13 May 2016 and 30 June 2017 in the books of the controlled entity have been excluded.

Detailed information relating to the entities that Council controls can be found at Note 19(a).

###### Joint arrangements

###### Joint ventures

Joint ventures represent operational arrangements where the joint control parties have rights to the net assets of the arrangement.

Any interests in joint ventures are accounted for using the equity method and are carried at cost.

Under the equity method, Council's share of the operation's profits/(losses) are recognised in the income statement, and its share of movements in retained earnings and reserves are recognised in the balance sheet.

Detailed information relating to Council's joint ventures can be found at Note 19 (b).

###### Associates

Where Council has the power to participate in the financial and operating decisions of another entity, (i.e. where Council is deemed to have 'significant influence' over another entities' operations but neither controls nor jointly controls the entity), then Council accounts for such interests using the equity

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

method of accounting – in a similar fashion to joint ventures.

Such entities are usually termed associates.

Any interests in Associates are accounted for using the equity method and are carried at cost.

Detailed information relating to Council's interest in associates can be found at Note 19 (b).

#### County Councils

Council is not a member of any county councils.

#### (d) Leases

All leases entered into by Council are reviewed and classified on inception date as either a finance lease or an operating lease.

##### Finance leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

##### Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

#### (e) Cash and cash equivalents

For Statement of Cash Flows (and Statement of Financial Position) presentation purposes, cash and cash equivalents includes;

- cash **on hand**,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments **with original maturities of three months or less** that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into cash and cash equivalents for presentation of the Cash Flow Statement.

#### (f) Investments and other financial assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and
- **available-for-sale financial assets**.

Each classification depends on the purpose or intention for which the investment was acquired and at the time it was acquired.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

Management determines each investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

##### **(i) Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets that are 'held for trading'.

A financial asset is classified in the 'held for trading' category if it is acquired principally for the purpose of selling in the short term.

Derivatives are classified as held for trading unless they are designated as hedges.

Assets in this category are primarily classified as current assets as they are primarily held for trading and/or are expected to be realised within 12 months of the balance sheet date.

##### **(ii) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

##### **(iii) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the 'loans and receivables' classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

##### **(iv) Available-for-sale financial assets**

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

##### **Financial assets – reclassification**

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

##### General accounting and measurement of financial instruments:

##### (i) Initial recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at 'fair value through profit or loss', directly attributable transactions costs.

Purchases and sales of investments are recognised on trade-date – the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

##### (ii) Subsequent measurement

**Available-for-sale financial assets** and **financial assets at fair value through profit and loss** are subsequently carried at fair value.

**Loans and receivables** and **held-to-maturity** investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as '**fair value through profit or loss**' category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as '**available-for-sale**' are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as '**available-for-sale**' are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

##### Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

##### (iii) Types of investments

Council has an approved Investment Policy in order to invest in accordance with (and to comply with) section 625 of the *Local Government Act* and s212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its Investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

##### (g) Fair value estimation – financial instruments

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

#### (h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding rates and annual charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectability of receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (i.e. an allowance account) relating to receivables is established when objective evidence shows that Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the

present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the Income Statement.

#### (i) Inventories

##### (i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

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.

##### (ii) Inventory held for distribution

Inventory held for distribution is held at cost, adjusted where applicable for any loss of service potential.

##### (iii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

#### (j) Infrastructure, property, plant and equipment (I,PP&E)

##### Acquisition of assets

Council's non-current assets are continually revalued (over a 5-year period) in accordance with the fair valuation policy as mandated by the Office of Local Government.

At balance date, the following classes of I,PP&E were stated at their fair value:

- **Plant and equipment** (as approximated by depreciated historical cost)
- **Operational land** (internal valuation)
- **Community land** (Valuer General)
- **Land improvements** (external valuation)
- **Buildings – specialised/non-specialised** (internal valuation)
- **Other structures** (external valuation)
- **Roads assets including roads, bridges and footpaths** (external valuation)
- **Bulk earthworks** (external valuation)
- **Stormwater drainage** (external valuation)
- **Water and sewerage networks** (external valuation)
- **Swimming pools** (external valuation)
- **Other open space/recreational assets** (external valuation)
- **Other infrastructure** (external valuation)
- **Other assets** (as approximated by depreciated historical cost)

##### Initial recognition

On initial recognition, an asset's cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (i.e. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date – being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

##### Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

##### Asset revaluations (including indexation)

In accounting for asset revaluations relating to infrastructure, property, plant and equipment:

- increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve,
- to the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss,



## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

- net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income Statement.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalue the asset to that amount.

Full revaluations are undertaken for all assets on a 5-year cycle.

#### Capitalisation thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

##### Land

Council land	100% Capitalised
Open space	100% Capitalised
Land under roads (purchases after 30/6/08)	100% Capitalised

##### Plant and Equipment

Furniture and Fittings	> \$1,000
Office Equipment	> \$1,000
Other Plant and Equipment	> \$5,000

##### Buildings and Land Improvements

Buildings	> \$5,000
Depreciable Land Improvements	> \$1,000
Other Structures	> \$5,000

##### Stormwater Assets

Stormwater Assets	> \$5,000
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##### Transport Assets

Road construction and reconstruction	> \$5,000
Reseal/Re-sheet and major repairs	> \$5,000
Bridge construction and reconstruction	> \$5,000
Footpath	> \$5,000
Kerb and Gutter	> \$5,000
Traffic Facilities	> \$3,000

##### Other Assets

Wharves	> \$5,000
Seawalls	> \$5,000
Open space and recreation	> \$1,000

##### Other Infrastructure Assets

Swimming Pools	> \$5,000
Other Open Space/Recreational Assets	> \$1,000

Other Infrastructure	> \$5,000
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#### Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight-line method in order to allocate an asset's cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP & E include:

##### Plant and Equipment

- Office Equipment	2 to 10 years
- Office furniture	2 to 10 years
- Vehicles and Earth Moving Equipment	2 to 10 years
- Other plant and equipment	2 to 10 years

##### Open Space and Recreation

- Playground equipment	10 to 100 years
- Benches, seats etc	10 to 100 years
- Park Improvements	10 to 100 years
- Walls	10 to 100 years

##### Buildings

- Buildings: Structures	50 to 150 years
- Buildings: Components	10 to 60 years

##### Stormwater Drainage

- Stormwater Drainage Assets	150 years
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##### Transportation Assets

- Roads - Formation	Infinite
- Pavement	150 years
- Surface	25 to 30 years
- Bridges	20 to 150 years
- Traffic Facilities	10 to 80 years
- Footpaths	40 to 80 years
- Kerb and Gutter	100 years
- Carparks	25 to 150 years
- Other Assets	
- Parking Meters	10 years

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

##### Other Infrastructure Assets

- Bulk earthworks	Infinite
- Seawalls	50 years
- Wharves	10 to 80 years
- Land Improvements	10 to 100 years
- Fences, Stairs, Retaining Walls, etc	10 to 100 years
- Swimming Pools	10 to 150 years

All asset residual values and useful lives are reviewed and adjusted (if appropriate) at each reporting date.

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 – refer Note 1 (s) on asset impairment.

##### Disposal and derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

##### (k) Land

Land (other than land under roads) is in accordance with Part 2 of Chapter 6 of the *Local Government Act (1993)* classified as either operational or community.

This classification of land is disclosed in Note 9 (a).

##### (l) Land under roads

Land under roads is land under roadways and road reserves, including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

##### (m) Intangible assets

Council has not classified any assets as intangible.

##### (n) Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council.

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Representations are currently being sought across state and local government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

##### (o) Rural fire service assets

Under section 119 of the *Rural Fires Act 1997*, 'all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed'.

At present, Council do not have any rural fire service assets.

##### (p) Investment property

Investment property comprises land and/or buildings that are principally held for long-term rental yields, capital gains or both, that is not occupied by Council. Investment property is carried at fair value, representing an in-house valuation based on a discounted cash flow analysis.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

Annual changes in the fair value of investment properties are recorded in the Income Statement as part of 'other income'.

At present, Council have not classified any assets as investment property.

#### **(q) Provisions for close down, restoration and for environmental clean-up costs – including tips and quarries**

Close down, restoration and remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations that are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, restoration and remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the Income Statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4 (b).

Other movements in the provisions for close down, restoration and remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the Income Statement.

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the balance sheet date.

These costs are charged to the Income Statement.

Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwind of the discount, which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example, in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

Specific information about Council's provisions relating to close down, restoration and remediation costs can be found at Note 26.

#### **(r) Non-current assets (or disposal groups) 'held for sale' and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either **(i)** their carrying amount and **(ii)** fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles, which are turned over on a regular basis. Plant and motor vehicles are retained in non-current assets under the classification of infrastructure, property, plant and equipment – unless the assets are to be traded in after 12 May and the replacement assets were already purchased and accounted for as at 12 May.

For any assets or disposal groups classified as non-current assets 'held for sale', an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets 'held for sale' are not depreciated or amortised while they are classified as 'held for sale'.

Non-current assets classified as 'held for sale' are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of Council that has been disposed of or is classified as 'held for sale' and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the Income Statement.

#### **(s) Impairment of assets**

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where an asset is not held principally for cash-generating purposes (for example infrastructure assets) and would be replaced if the Council was deprived of it, then depreciated replacement cost is used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill and other intangible assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

#### **(t) Payables**

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

#### **(u) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### (v) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

#### (w) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

#### (x) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events,
- it is more likely than not that an outflow of resources will be required to settle the obligation, and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

##### (y) Employee benefits

###### (i) Short-term obligations

Short-term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be wholly settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

All other short-term employee benefit obligations are presented as payables.

Liabilities for non-vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages and salaries, annual leave and vesting sick leave are all classified as current liabilities.

###### (ii) Other long-term employee benefit obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be wholly settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how long service leave can be taken, all long service leave for employees with 4 or more years of service has been classified as current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

###### (iii) Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

###### Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the 'Local Government Superannuation Scheme – Pool B'.

This scheme has been deemed to be a 'multi-employer fund' for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

with AASB 119) because the assets to the scheme are pooled together for all Councils.

However the position is monitored annually and the actuary has estimated that as at 30 June 2017 the prior period deficit still exists.

Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

Council's share of that deficiency cannot be accurately calculated as the scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the scheme require immediate payment to correct the deficiency.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### (iv) Employee benefit on-costs

Council has recognised at period end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation and workers compensation expenses which will be payable upon the future payment of certain leave liabilities accrued as at 12/05/16.

#### (z) Self-insurance

Council does not self-insure.

#### (aa) Allocation between current and non-current assets and liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

#### Exceptions

In the case of liabilities where Council 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 it is not expected to be settled within the next 12 months.

In the case of inventories that are 'held for trading', these are also classified as current even if not expected to be realised in the next 12 months.

#### (ab) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does, however, have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

#### Goods and Services Tax (GST)

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

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

Operating cash flows within the Cash Flow Statement are on a gross basis, i.e. they are inclusive of GST where applicable.

Investing and financing cash flows are treated on a net basis (where recoverable from the ATO), i.e. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows that are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable).

#### **(ac) New accounting standards and interpretations issued not yet effective**

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and which have not been applied.

As at the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective.

*Effective for annual reporting periods beginning on or after 1 January 2017:*

- AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15
- AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15
- AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities
- AASB 2016-7 Amendments to Australian Accounting Standards - Deferral of AASB 15 for Not-for-Profit Entities
- AASB 124 – Related Party Disclosures

*Effective for annual reporting periods beginning on or after 13 February 2017:*

- AASB 2017-2 Amendments to Australian Accounting Standards - Further Annual Improvements 2014- 16 Cycle

*Effective for annual reporting periods beginning on or after 13 December 2017:*

- AASB 2017-1 Amendments to Australian Accounting Standards - Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments

*Effective for annual reporting periods beginning on or after 1 January 2018*

- AASB 9 Financial Instruments (December 2009)
- AASB 15 Revenue from Contracts with Customers
- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)
- AASB 2014-1 Amendments to Australian Accounting Standards (Part E)
- AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)AASB 1057 Application of Australian Accounting Standards
- AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15
- AASB 2016-5 Amendments to Australian Accounting Standards – Classification and Measurement of Share-based Payment Transactions
- AASB 2016-6 Amendments to Australian Accounting Standards - Applying AASB 9 Financial Instruments with AASB 4 Insurance Contracts

*Effective for annual reporting periods beginning on or after 1 January 2019:*

- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities
- AASB 1058 Income of Not-for-Profit Entities
- AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities

The full impact of these standards has yet to be ascertained or quantified but will range from additional and/or revised disclosures to changes in



## Inner West Council

### Notes to the Financial Statements for the period 13 May 2016 to 30 June 2017

#### Note 1. Summary of significant accounting policies (continued)

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how certain transactions and balances are accounted for.

##### **(ad) Rounding of amounts**

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

##### **(ae) Disclaimer**

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 2(a). Council functions/activities – financial information

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).				
	Income from continuing operations	Expenses from continuing operations	Operating result from continuing operations	Grants included in income from continuing operations	Total assets held (current & non-current)
	Actual 13/5/16 to 30/6/17	Actual 13/5/16 to 30/6/17	Actual 13/5/16 to 30/6/17	Actual 13/5/16 to 30/6/17	Actual 13/5/16 to 30/6/17
Governance	5,020	4,832	188	317	53,353
Administration	54,129	63,176	(9,047)	19,459	1,043,333
Public order and safety	7,317	12,268	(4,951)	2	290
Health	1,456	2,967	(1,511)	–	–
Environment	33,778	49,860	(16,082)	981	127,657
Community services and education	11,714	25,169	(13,455)	2,693	22,750
Housing and community amenities	13,361	15,493	(2,132)	29	20,188
Recreation and culture	21,299	48,344	(27,045)	3,661	218,232
Mining, manufacturing and construction	968	3,256	(2,288)	1,295	–
Transport and communication	20,717	31,728	(11,011)	1,326	902,607
Economic affairs	532	753	(221)	–	–
<b>Total functions and activities</b>	<b>170,291</b>	<b>257,846</b>	<b>(87,555)</b>	<b>29,763</b>	<b>2,388,410</b>
Share of gains/(losses) in associates and joint ventures (using the equity method)	436	–	436	–	3,025
General purpose income <sup>1</sup>	144,774	–	144,774	10,001	–
<b>Operating result from continuing operations</b>	<b>315,501</b>	<b>257,846</b>	<b>57,655</b>	<b>39,764</b>	<b>2,391,435</b>

1. Includes: rates and annual charges (incl. ex-gratia), untied general purpose grants and unrestricted interest and investment income.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 2(b). Council functions/activities – component descriptions

**Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:**

##### **GOVERNANCE**

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policy-making committees, public disclosure (e.g. GIPA), and legislative compliance.

##### **ADMINISTRATION**

Includes corporate support and other support services, engineering works, and any Council policy compliance.

##### **PUBLIC ORDER AND SAFETY**

Includes Council's fire and emergency services levy, fire protection, emergency services, enforcement of regulations and animal control.

##### **HEALTH**

Includes immunisation, food control, health centres etc.

##### **ENVIRONMENT**

Includes noxious plants and insect/vermin control; other environmental protection; solid waste management, including domestic waste; other waste management; other sanitation; and garbage, street cleaning, drainage and stormwater management.

##### **COMMUNITY SERVICES AND EDUCATION**

Includes administration and education; social protection (welfare); migrant, Aboriginal and other community services and administration (excluding accommodation – as it is covered under 'housing and community amenities'); youth services; aged and disabled persons services; children's services, including family day care; child care; and other family and children services.

##### **HOUSING AND COMMUNITY AMENITIES**

Includes public conveniences; street lighting; town planning; other community amenities, including housing development and accommodation for families and children, aged persons, disabled persons, migrants and Indigenous persons.

##### **RECREATION AND CULTURE**

Includes public libraries; museums; art galleries; community centres and halls, including public halls and performing arts venues; sporting grounds and venues; swimming pools; parks; gardens; lakes; and other sporting, recreational and cultural services.

##### **MINING, MANUFACTURING AND CONSTRUCTION**

Includes building control.

##### **TRANSPORT AND COMMUNICATION**

Urban local, urban regional, includes sealed and unsealed roads, bridges, footpaths and parking areas.

##### **ECONOMIC AFFAIRS**

Includes tourism and area promotion; industrial development promotion; and other business undertakings.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 3. Income from continuing operations

\$ '000	Notes	Actual 13/5/16 to 30/6/17
<b>(a) Rates and annual charges</b>		
<b>Ordinary rates</b>		
Residential		73,230
Business		35,435
<b>Total ordinary rates</b>		<b>108,665</b>
<b>Special rates</b>		
Urban street		180
Environmental levy		217
<b>Total special rates</b>		<b>397</b>
<b>Annual charges</b> (pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Domestic waste management services		40,484
Stormwater management services		1,829
Waste management services (non-domestic)		1,189
Section 611 charges		290
<b>Total annual charges</b>		<b>43,792</b>
<b>TOTAL RATES AND ANNUAL CHARGES</b>		<b>152,854</b>

Council has used 2016 year valuations provided by the NSW Valuer General in calculating its rates.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 13/5/16 to 30/6/17
<b>(b) User charges and fees</b>		
<b>Specific user charges</b> (per s.502 – specific 'actual use' charges)		
Domestic waste management services		197
Waste management services (non-domestic)		941
<b>Total user charges</b>		<b>1,138</b>
<b>Other user charges and fees</b>		
<b>(i) Fees and charges – statutory and regulatory functions (per s.608)</b>		
Building services – other		272
Private works – section 67		361
Regulatory/ statutory fees		6,136
Town planning		1,029
Town planning (includes court awards – fines and costs)		230
Building services		276
Regulatory – compliance		1,075
Regulatory fees – other		870
<b>Total fees and charges – statutory/regulatory</b>		<b>10,249</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s.608))</b>		
Aged care		147
Child care		15,075
Community centres		1,530
Hoarding fees		373
Leisure centre		7,858
Meals on wheels		310
Park rents		896
Parking fees		4,628
Pool (admissions)		2,189
Recreation – oval hire, rents		110
Other		1,760
<b>Total fees and charges – other</b>		<b>34,876</b>
<b>TOTAL USER CHARGES AND FEES</b>		<b>46,263</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 3. Income from continuing operations (continued)

\$ '000	Notes	Actual 13/5/16 to 30/6/17
<b>(c) Interest and investment revenue (including losses)</b>		
<b>Interest</b>		
– Interest on overdue rates and annual charges (incl. special purpose rates)		598
– Interest earned on investments (interest and coupon payment income)		6,421
– Interest (other)		403
<b>Amortisation of premiums and discounts</b>		
– ‘Held to maturity’ investments		5
<b>Other</b>		
		17
<b><u>TOTAL INTEREST AND INVESTMENT REVENUE</u></b>		<b><u>7,444</u></b>
<b>Interest revenue is attributable to:</b>		
<b>Unrestricted investments/financial assets:</b>		
Overdue rates and annual charges (general fund)		598
General Council cash and investments		5,738
<b>Restricted investments/funds – external:</b>		
Development contributions		
– Section 94		1,040
Domestic waste management operations		68
<b>Total interest and investment revenue recognised</b>		<b><u>7,444</u></b>
<b>(d) Other revenues</b>		
Rental income – other council properties		6,924
Ex gratia rates		592
Fines – parking		16,044
Fines – other		998
Legal fees recovery – other		442
Credit card transaction fee		154
Insurance claim recoveries		7
Street furniture income		653
Health inspection administration fees		62
Bus shelter income		476
Other		2,244
<b><u>TOTAL OTHER REVENUE</u></b>		<b><u>28,596</u></b>

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 3. Income from continuing operations (continued)

\$ '000	13/5/16 to 30/6/17 Operating	13/5/16 to 30/6/17 Capital
<b>(e) Grants</b>		
<b>General purpose (untied)</b>		
Financial assistance – general component	5,895	–
Financial assistance – local roads component	510	–
Pensioners' rates subsidies – general component	752	–
<b>FAG grant amount received in advance:</b>		
Financial assistance – general component	2,191	–
Financial assistance – local roads component	653	–
<b>Total general purpose</b>	<b>10,001</b>	<b>–</b>
<b>Specific purpose</b>		
Pensioners' rates subsidies:		
– Domestic waste management	317	–
Aged care	498	–
Child care	831	–
Community care	135	–
Engineering grants	–	1,360
Environmental protection	324	10
Library – per capita	413	–
LIRS subsidy	104	165
Meals on wheels subsidy	175	–
Street lighting	449	–
Transport (roads to recovery)	–	902
Transport (other roads and bridges funding)	–	4,909
Transport (roads to recovery, flood works, 3x3)	21	896
Better waste and recycling fund	295	–
New Council implementation fund	3,000	–
Community services	1,842	–
Amalgamation Grant	7,000	5,000
Miscellaneous community grants	25	–
Other	1,085	7
<b>Total specific purpose</b>	<b>16,514</b>	<b>13,249</b>
<b>Total grants</b>	<b>26,515</b>	<b>13,249</b>
<b>Grant revenue is attributable to:</b>		
– Commonwealth funding	1,479	1,234
– State funding	18,942	11,678
– Other funding	6,094	337
	<b>26,515</b>	<b>13,249</b>

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 3. Income from continuing operations (continued)

\$ '000	Notes	13/5/16 to 30/6/17 Operating	13/5/16 to 30/6/17 Capital
<b>(f) Contributions</b>			
<b>Developer contributions:</b>			
<b>(s93 &amp; s94 – EP&amp;A Act, s64 of the LGA):</b>			
S 93F – contributions using planning agreements		–	146
S 94 – contributions towards amenities/services		–	26,052
S 94A – fixed development consent levies		–	1,395
<b>Total developer contributions</b>	17	<b>–</b>	<b>27,593</b>
<b>Other contributions:</b>			
Other councils – joint works/services		534	–
Paving		2,757	287
Recreation and culture		–	250
Roads and bridges		–	893
RMS contributions (regional roads, block grant)		972	308
Stronger Communities Fund		–	5,000
Other		100	1,450
<b>Total other contributions</b>		<b>4,363</b>	<b>8,188</b>
<b>Total contributions</b>		<b>4,363</b>	<b>35,781</b>
<b><u>TOTAL GRANTS AND CONTRIBUTIONS</u></b>		<b><u>30,878</u></b>	<b><u>49,030</u></b>

\$ '000	Actual 13/5/16 to 30/6/17
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## (g) Unspent grants and contributions

**Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:**

Unexpended at the close of the previous reporting period (former Councils)	59,610
<b>Add:</b> grants and contributions recognised in the current period but not yet spent:	63,008
<b>Add:</b> grants and contributions received for the provision of goods and services in a future period	8,472
<b>Less:</b> grants and contributions recognised in a previous reporting period now spent:	(48,151)
<b>Net increase (decrease) in restricted assets during the period</b>	<b>23,329</b>

<b>Unexpended and held as restricted assets</b>	<b><u>82,939</u></b>
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**Comprising:**

– Specific purpose unexpended grants	24,652
– Developer contributions	58,287
	<b><u>82,939</u></b>



## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 4. Expenses from continuing operations

\$ '000	Notes	Actual 13/5/16 to 30/6/17
<b>(a) Employee benefits and on-costs</b>		
Salaries and wages		87,082
Employee termination costs		2,103
Travel expenses		12
Employee leave entitlements (ELE)		17,647
Superannuation		11,088
Workers' compensation insurance		2,364
Fringe benefit tax (FBT)		745
Training costs (other than salaries and wages)		1,194
Other		987
<b>Total employee costs</b>		<b>123,222</b>
Less: capitalised costs		(3,653)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>		<b>119,569</b>
Number of 'full-time equivalent' employees (FTE) at period end		<b>1,091</b>
<b>(b) Borrowing costs</b>		
<b>(i) Interest bearing liability costs</b>		
Interest on loans		1,303
<b>Total interest bearing liability costs expensed</b>		<b>1,303</b>
<b>(ii) Other borrowing costs</b>		
Interest applicable on interest free (and favourable) loans to Council		2
<b>Total other borrowing costs</b>		<b>2</b>
<b>TOTAL BORROWING COSTS EXPENSED</b>		<b>1,305</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 13/5/16 to 30/6/17
<b>(c) Materials and contracts</b>		
Raw materials and consumables		31,949
Contractor and consultancy costs		22,936
Auditors remuneration <sup>(1)</sup>		389
Infringement notice contract costs (SEINS)		992
Legal expenses:		
– Legal expenses: planning and development		1,614
– Legal expenses: debt recovery		290
– Legal expenses: other		193
Operating leases:		
– Operating lease rentals: minimum lease payments <sup>(2)</sup>		1,093
Tipping fees		11,585
Other		536
<b>Total materials and contracts</b>		<b>71,577</b>
Less: capitalised costs		–
<b>TOTAL MATERIALS AND CONTRACTS</b>		<b>71,577</b>
<b>1. Auditor remuneration</b>		
a. During the period, the following fees were incurred for services provided by the Auditor-General:		
<b>(i) Audit and other assurance services</b>		
– Audit and review of financial statements: Auditor-General		177
<b>Total Auditor-General remuneration</b>		<b>177</b>
b. During the period, the following fees were incurred for services provided by the other Council's Auditors:		
<b>(i) Audit and other assurance services <sup>1</sup></b>		
– Audit and review of financial statements: Council's Auditor		200
– Due diligence services		12
<b>Total remuneration of other Council's Auditors</b>		<b>212</b>
<b>Total Auditor remuneration</b>		<b>389</b>
<sup>1</sup> The auditor remuneration relates in part to the previous financial years.		
<b>2. Operating lease payments are attributable to:</b>		
Computers		315
Motor vehicles		36
Other		742
		<b>1,093</b>

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 13/5/16 to 30/6/17
<b>(d) Depreciation, amortisation and impairment</b>		
<b>Depreciation and amortisation</b>		
Plant and equipment		3,029
Office equipment		982
Furniture and fittings		166
Land improvements (depreciable)		651
Infrastructure:		
– Buildings		6,298
– Other structures		1,922
– Roads		8,844
– Bridges		175
– Footpaths		1,723
– Other road assets		1,289
– Stormwater drainage		1,589
– Swimming pools		1,125
– Other open space/recreational assets		1,370
– Wharves		84
– Sea walls		431
– Carparks		174
Other assets		
– Other		1
Domestic waste assets		
– Mobile garbage bins		376
– Domestic waste vehicles		620
<b>Total gross depreciation and amortisation costs</b>		<b>30,849</b>
Less: capitalised costs		–
<b>Total depreciation and amortisation costs</b>		<b>30,849</b>
<b>Impairment</b>		
Community Land		2,565
<b>Total impairment costs</b>		<b>2,565</b>
<b>TOTAL DEPRECIATION AND IMPAIRMENT COSTS EXPENSED</b>		<b>33,414</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	Actual 13/5/16 to 30/6/17
<b>(e) Other expenses</b>		
Advertising		1,140
Bad and doubtful debts		1,743
Bank charges		608
Computer software charges		910
Contributions/levies to other levels of government		
– Department of planning levy		299
– Emergency services levy (includes FRNSW, SES, and RFS levies)		2,837
– NSW fire brigade levy		718
– SEINS processing fees		1,150
– Waste levy		3,272
Administration and Committee fees <sup>1</sup>		894
Donations, contributions and assistance to other organisations (Section 356)		1,366
Electricity and heating		2,066
Insurance		3,016
Street lighting		3,056
Subscriptions and publications		90
Telephone and communications		932
Valuation fees		332
Water rates		868
Gas		341
Library Books		464
Other		2,315
<b>Total other expenses</b>		<b>28,417</b>
Less: capitalised costs		–
<b>TOTAL OTHER EXPENSES</b>		<b>28,417</b>

<sup>1</sup> Represents fees for advisory committees of the newly amalgamated councils, such as IAG, LRAC and the administrator.

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 5. Gains or losses from the disposal of assets

\$ '000	Notes	Actual 13/5/16 to 30/6/17
<b>Property</b> (excl. investment property)		
Proceeds from disposal – property		2,211
Less: carrying amount of property assets sold/written off		(696)
<b>Net gain/(loss) on disposal</b>		<b>1,515</b>
<b>Plant and equipment</b>		
Proceeds from disposal – plant and equipment		2,123
Less: carrying amount of plant and equipment assets sold/written off		(3,075)
<b>Net gain/(loss) on disposal</b>		<b>(952)</b>
<b>Infrastructure</b>		
Proceeds from disposal – infrastructure		–
Less: carrying amount of infrastructure assets sold/written off		(4,127)
<b>Net gain/(loss) on disposal</b>		<b>(4,127)</b>
<b>Financial assets</b>		
Proceeds from disposal/redemptions/maturities – financial assets		216,338
Less: carrying amount of financial assets sold/redeemed/matured		(216,338)
<b>Net gain/(loss) on disposal</b>		<b>–</b>
<b>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</b>		<b>(3,564)</b>

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 6a. – Cash assets and Note 6b. – investments

\$ '000	Notes	2017 Actual Current	2017 Actual Non-current
<b>Cash and cash equivalents (Note 6a)</b>			
Cash on hand and at bank		18,668	–
<b>Total cash and cash equivalents</b>		<b>18,668</b>	<b>–</b>
<b>Investments (Note 6b)</b>			
– Long term deposits		142,588	13,073
– NCD's, FRN's (with maturities > 3 months)		3,000	24,283
– Mortgage backed securities		–	1,201
– Fixed bonds (ADIs)		–	1,993
<b>Total investments</b>		<b>145,588</b>	<b>40,550</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS</b>		<b>164,256</b>	<b>40,550</b>

<sup>1</sup> Those investments where time to maturity (from date of purchase) is < 3 mths.

**Investments were classified at year end in accordance with  
AASB 139 as follows:**

**Investments**

**a. 'Held to maturity'**

<b>Investments</b>	145,588	40,550
	<b>145,588</b>	<b>40,550</b>

Refer to Note 27. Fair value measurement for information regarding the fair value of investments held.

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 6c. Restricted cash, cash equivalents and investments – details

\$ '000	2017 Actual Current	2017 Actual Non-current
Total cash, cash equivalents and investments	164,256	40,550
<b>attributable to:</b>		
External restrictions (refer below)	65,372	40,550
Internal restrictions (refer below)	47,913	–
Unrestricted	50,971	–
	<b>164,256</b>	<b>40,550</b>

13/5/16 to 30/6/17 \$ '000	Transferred from former Councils	Transfers to restrictions	Transfers from restrictions	Closing balance
-------------------------------	--	------------------------------	-----------------------------------	--------------------

## Details of restrictions

## External restrictions – included in liabilities

Nil

## External restrictions – other

Developer contributions – general	(D)	57,799	19,032	(18,544)	58,287
Specific purpose unexpended grants	(F)	2,226	22,426	–	24,652
Domestic waste management	(G)	12,316	24,204	(19,848)	16,672
Stormwater management	(G)	1,713	863	(757)	1,819
Watershed		229	17	(187)	59
SRV Income		1,000	7,821	(5,355)	3,466
Debbie and abbey borgia sinking fund		378	43	–	421
Mainstreet levy		395	12	(12)	395
3.5% levy reserve		614	1,571	(2,034)	151
<b>External restrictions – other</b>		<b>76,670</b>	<b>75,989</b>	<b>(46,737)</b>	<b>105,922</b>
<b>Total external restrictions</b>		<b>76,670</b>	<b>75,989</b>	<b>(46,737)</b>	<b>105,922</b>

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 6c. Restricted cash, cash equivalents and investments – details (continued)

13/5/16 to 30/6/17 \$ '000	Transferred from former Councils	Transfers to restrictions	Transfers from restrictions	Closing balance
<b>Internal restrictions</b>				
Employees leave entitlement	12,302	22,492	(2,257)	32,537
Carry over works	2,211	–	(2,211)	–
Deposits, retentions and bonds	6,463	6,350	(281)	12,532
FAG reserve	–	2,844	–	2,844
Other	67,086	66,079	(133,165)	–
<b>Total internal restrictions</b>	<b>88,062</b>	<b>97,765</b>	<b>(137,914)</b>	<b>47,913</b>
<b>TOTAL RESTRICTIONS</b>	<b>164,732</b>	<b>173,754</b>	<b>(184,651)</b>	<b>153,835</b>

- D** Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).
- F** Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1 (b))
- G** Domestic waste management (DWM) and other special rates/levies/charges are externally restricted assets and must be applied for the purposes for which they were raised.



## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 7. Receivables

\$ '000	Notes	2017	
		Current	Non-current
<b>Purpose</b>			
Rates and annual charges		4,882	388
Interest and extra charges		684	154
User charges and fees		3,085	–
Private works		2	–
Accrued revenues			
– Interest on investments		1,062	–
– Other income accruals		435	–
Fines		5,421	–
Government grants and subsidies		903	–
Net GST receivable		2,104	–
Other debtors		1,211	–
<b>Total</b>		<b>19,789</b>	<b>542</b>
<b>Less: provision for impairment</b>			
Rates and annual charges		(241)	(172)
Interest and extra charges		(77)	(154)
User charges and fees		(433)	–
Fines		(2,011)	–
<b>Total provision for impairment – receivables</b>		<b>(2,762)</b>	<b>(326)</b>
<b>TOTAL NET RECEIVABLES</b>		<b>17,027</b>	<b>216</b>
<b>Externally restricted receivables</b>			
Domestic waste management		904	–
Stormwater management		68	–
Other			
– Urban centres levy		5	–
<b>Total external restrictions</b>		<b>977</b>	<b>–</b>
<b>Internally restricted receivables</b>			
Nil			
<b>Unrestricted receivables</b>		<b>16,050</b>	<b>216</b>
<b>TOTAL NET RECEIVABLES</b>		<b>17,027</b>	<b>216</b>

**Notes on debtors above:**

- (i) Rates and annual charges outstanding are secured against the property.
- (ii) Doubtful rates debtors are provided for where the value of the property is less than the debt outstanding.  
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates and charges at 8.00% (2016 8.50%).  
Generally all other receivables are non-interest bearing.
- (iv) Please refer to Note 15 for issues concerning credit risk and fair value disclosures.

## Inner West Council

Notes to the Financial Statements  
for the period 13 May 2016 to 30 June 2017

## Note 8. Inventories and other assets

\$ '000	Notes	2017	
		Current	Non-current
<b>(a) Inventories</b>			
<b>(i) Inventories at cost</b>			
Stores and materials		180	–
Trading stock		27	–
<b>Total inventories at cost</b>		<b>207</b>	<b>–</b>
<b>(ii) Inventories at net realisable value (NRV)</b>			
Nil		–	–
<b><u>TOTAL INVENTORIES</u></b>		<b><u>207</u></b>	<b><u>–</u></b>
<b>(b) Other assets</b>			
Prepayments		2,340	–
<b><u>TOTAL OTHER ASSETS</u></b>		<b><u>2,340</u></b>	<b><u>–</u></b>

**Externally restricted assets**

There are no restrictions applicable to the above assets.

Inner West Council

Notes to the Financial Statements  
for the period 13 May 2016 to 30 June 2017

Note 9a. Infrastructure, property, plant and equipment

Asset class	IPP&E transferred from former Councils as at 13/5/2016			Asset movements during the reporting period								as at 30/6/2017		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to P&L	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
<b>\$ '000</b>														
Capital work in progress	21,925	–	21,925	19,044	5,733	–	–	(5,649)	–	–	–	41,053	–	41,053
Plant and equipment	31,103	19,303	11,800	–	4,991	(1,490)	(3,029)	–	–	–	–	32,181	19,910	12,271
Office equipment	11,202	8,265	2,937	–	557	–	(982)	–	–	–	–	11,759	9,247	2,512
Furniture and fittings	7,196	6,066	1,130	–	–	–	(166)	–	–	–	–	7,196	6,232	964
<b>Land:</b>														
– Operational land	394,765	–	394,765	–	–	(696)	–	–	–	–	–	394,069	–	394,069
– Community land	293,202	–	293,202	–	3,000	–	–	–	(2,565)	–	–	293,637	–	293,637
Land improvements – non-depreciable	1,814	–	1,814	–	–	–	–	–	–	59	–	1,873	–	1,873
Land improvements – depreciable	19,166	7,532	11,634	–	915	(651)	(651)	57	38,935	348	–	66,094	14,856	51,238
Car parks – non-depreciable	2,347	–	2,347	–	–	–	–	–	–	76	–	2,423	–	2,423
Car parks – depreciable	8,067	1,987	6,080	133	87	–	(174)	–	–	135	–	8,338	2,077	6,261
<b>Infrastructure:</b>														
– Buildings	308,062	90,956	217,106	3,096	7,566	(3,771)	(6,298)	1,024	–	–	–	311,626	92,903	218,723
– Other structures	63,702	14,342	49,360	97	373	(76)	(1,922)	32	(38,935)	3,204	–	20,266	8,134	12,132
– Roads	319,527	132,358	187,169	6,835	1,842	(8,844)	(8,844)	2,053	–	67,000	–	388,606	132,551	256,055
– Bridges	13,096	4,508	8,588	–	620	(164)	(175)	1,133	–	370	–	14,830	4,459	10,371
– Footpaths	103,876	33,437	70,439	4,023	1,233	(22)	(1,723)	716	–	593	–	108,633	33,373	75,260
– Other road assets	45,244	9,797	35,447	1,095	573	–	(1,289)	–	–	(1,989)	–	42,159	8,322	33,837
– Bulk earthworks (non-depreciable)	532,629	–	532,629	–	–	–	–	–	–	(20,284)	–	512,345	–	512,345
– Sea walls	36,227	11,970	24,257	23	–	–	(431)	39	–	3,732	–	37,403	9,783	27,620
– Wharves	5,965	2,279	3,686	–	–	–	(84)	–	–	468	–	6,162	2,092	4,070
– Stormwater drainage	167,722	47,916	119,806	1,254	1,030	(94)	(1,589)	304	–	4,592	–	173,853	48,550	125,303
– Swimming pools	58,217	5,872	52,345	54	–	–	(1,125)	–	–	–	–	58,271	6,997	51,274
– Other open space/recreational assets	29,611	4,465	25,146	1,692	3,002	–	(1,370)	291	–	(2,390)	–	30,996	4,625	26,371
– Other infrastructure	78	–	78	–	–	–	(1)	–	–	4	–	81	–	81
<b>Other assets:</b>														
– Library books	13,318	11,733	1,585	–	–	(1,585)	–	–	–	–	–	–	–	–
<b>Domestic waste assets:</b>														
– Mobile garbage bins	3,390	1,807	1,583	–	–	–	(376)	–	–	–	–	3,390	2,183	1,207
– Domestic waste vehicles	3,907	423	3,484	–	–	–	(620)	–	–	–	–	3,907	1,043	2,864
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.</b>	<b>2,495,358</b>	<b>415,016</b>	<b>2,080,342</b>	<b>37,346</b>	<b>31,522</b>	<b>(7,898)</b>	<b>(30,849)</b>	<b>–</b>	<b>–</b>	<b>(2,565)</b>	<b>55,918</b>	<b>2,530,098</b>	<b>407,337</b>	<b>2,163,814</b>

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Refer to Note 27. Fair value measurement for information regarding the fair value of other infrastructure, property, plant and equipment.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 9b. Externally restricted infrastructure, property, plant and equipment

\$ '000 Class of asset	Actual 2017		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
<b>Domestic waste management</b>			
Domestic waste vehicles	5,391	1,678	3,713
Mobile garbage bins	3,391	2,183	1,208
<b>Total DWM</b>	<b>8,782</b>	<b>3,861</b>	<b>4,921</b>
<b>TOTAL RESTRICTED I,PP&amp;E</b>	<b>8,782</b>	<b>3,861</b>	<b>4,921</b>

#### Note 9c. Infrastructure, property, plant and equipment – current year impairments

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Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 10a. Payables, borrowings and provisions

\$ '000	Notes	2017	
		Current	Non-current
<b>Payables</b>			
Goods and services – operating expenditure		8,194	–
Goods and services – capital expenditure		793	–
Accrued expenses:			
– Borrowings		30	–
– Salaries and wages		427	–
– Other expenditure accruals		2,836	–
Security bonds, deposits and retentions		12,532	–
Unearned income		495	–
Other		272	–
<b>Total payables</b>		<b>25,579</b>	<b>–</b>
<b>Income received in advance</b>			
Payments received in advance		1,296	–
<b>Total income received in advance</b>		<b>1,296</b>	<b>–</b>
<b>Borrowings</b>			
Loans – secured <sup>1</sup>		4,688	13,356
<b>Total borrowings</b>		<b>4,688</b>	<b>13,356</b>
<b>Provisions</b>			
<b>Employee benefits:</b>			
Annual leave		9,616	–
Sick leave		586	–
Long service leave		19,802	1,601
Other leave		253	–
ELE on-costs		543	136
Sub-total – aggregate employee benefits		30,800	1,737
Excess insurance		150	107
<b>Total provisions</b>		<b>30,950</b>	<b>1,844</b>
<b>TOTAL PAYABLES, BORROWINGS AND PROVISIONS</b>		<b>62,513</b>	<b>15,200</b>
<b>(i) Liabilities relating to restricted assets</b>			
		2017	
		Current	Non-current
<b>Externally restricted Liabilities</b>			
Domestic waste management		448	–
Liabilities relating to externally restricted assets		448	–
<b>Internally restricted assets</b>			
Nil			
<b>Total liabilities relating to restricted assets</b>		<b>448</b>	<b>–</b>
<b>Total liabilities relating to unrestricted assets</b>		<b>62,065</b>	<b>15,200</b>
<b>TOTAL PAYABLES, BORROWINGS AND PROVISIONS</b>		<b>62,513</b>	<b>15,200</b>

<sup>1</sup> Loans are secured over the general rating income of Council

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 15.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 10a. Payables, borrowings and provisions (continued)

\$ '000	Actual 2017
<b>(ii) Current liabilities not anticipated to be settled within the next twelve months</b>	
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.	
Provisions – employees benefits	18,000
Payables – security bonds, deposits and retentions	8,338
	<u>26,338</u>

#### Note 11. Statement of cash flows – additional information

\$ '000	Notes	Actual 2017
<b>(a) Reconciliation of cash assets</b>		
Total cash and cash equivalent assets	6a	18,668
Less bank overdraft	10	–
<b>Balance as per the Statement of Cash Flows</b>		<u>18,668</u>
<b>(b) Reconciliation of net operating result to cash provided from operating activities</b>		
<b>Net result from Income Statement</b>		<b>57,655</b>
<b>Adjust for non-cash items:</b>		
Depreciation and amortisation		30,849
Net losses/(gains) on disposal of assets		3,564
Non-cash capital grants and contributions		(9,600)
Impairment losses recognition – I,PP&E		2,565
Amortisation of premiums, discounts and prior period fair valuations		
– ‘Held to maturity’ financial assets		(5)
– Interest exp. on interest-free loans received by Council (previously fair valued)		2
Share of net (profits) or losses of associates/joint ventures		(436)
<b>+/- Movement in operating assets and liabilities and other cash items:</b>		
Decrease/(increase) in receivables		21,045
Increase/(decrease) in provision for doubtful debts		(873)
Decrease/(increase) in inventories		76
Decrease/(increase) in other assets		(216)
Increase/(decrease) in payables		(2,263)
Increase/(decrease) in accrued interest payable		(327)
Increase/(decrease) in other accrued expenses payable		(83)
Increase/(decrease) in other liabilities		(1,771)
Increase/(decrease) in employee leave entitlements		988
Increase/(decrease) in other provisions		(266)
<b>Net cash provided from/(used in) operating activities from the Statement of Cash Flows</b>		<u>100,904</u>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 11. Statement of cash flows – additional information (continued)

\$ '000	Notes	Actual 2017
<b>(c) Non-cash investing and financing activities</b>		
S94 contributions 'in kind'		9,600
<b>Total non-cash investing and financing activities</b>		<b>9,600</b>
<b>(d) Financing arrangements</b>		
<b>(i) Unrestricted access was available at balance date to the following lines of credit:</b>		
Bank overdraft facilities <sup>(1)</sup>		2,000
Credit cards/purchase cards		282
<b>Total financing arrangements</b>		<b>2,282</b>

1. The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice. Interest rates on overdrafts are interest rates on loans and other payables are disclosed in Note 15.

#### **(ii) Secured loan liabilities**

Loans are secured by a mortgage over future years rate revenue only.

#### Note 12. Commitments for expenditure

\$ '000	Notes	Actual 2017
<b>(a) Capital commitments (exclusive of GST)</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
<b>Property, plant and equipment</b>		
Buildings		7,340
Plant and equipment		169
Infrastructure		7,984
Other		1,587
<b>Total commitments</b>		<b>17,080</b>
<b>These expenditures are payable as follows:</b>		
Within the next year		17,080
<b>Total payable</b>		<b>17,080</b>
<b>Sources for funding of capital commitments:</b>		
Unrestricted general funds		17,080
<b>Total sources of funding</b>		<b>17,080</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 12. Commitments for expenditure (continued)

\$ '000	Notes	Actual 2017
<b>(b) Finance lease commitments</b>		
Nil		
<b>(c) Operating lease commitments (non-cancellable)</b>		
<b>a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:</b>		
Within the next year		876
Later than one year and not later than 5 years		467
Later than 5 years		–
<b>Total non-cancellable operating lease commitments</b>		<b>1,343</b>

**b. Non-cancellable operating leases include the following assets:**

Includes Motor vehicles, photocopiers, computers, gym equipment.

**Conditions relating to operating leases:**

- All operating lease agreements are secured only against the leased asset.
- No lease agreements impose any financial restrictions on Council regarding future debt etc.

#### (d) Investment property commitments

Nil

#### (e) Investment in joint operations – commitments

For capital commitments and other commitments relating to investments in joint operations, refer to Note 19 (c)



## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 13a. Statement of performance measurement – indicators (consolidated)

\$ '000	Amounts 2017	Indicator 2017	Benchmark
<b>Local government industry indicators – consolidated</b>			
<b>1. Operating performance ratio</b>			
Total continuing operating revenue <sup>(1)</sup> excluding capital grants and contributions less operating expenses	<b>11,753</b>	<b>4.42%</b>	>0.00%
Total continuing operating revenue <sup>(1)</sup> excluding capital grants and contributions	<b>266,035</b>		
<b>2. Own source operating revenue ratio</b>			
Total continuing operating revenue <sup>(1)</sup> excluding all grants and contributions	<b>235,157</b>	<b>74.64%</b>	>60.00%
Total continuing operating revenue <sup>(1)</sup>	<b>315,065</b>		
<b>3. Unrestricted current ratio</b>			
Current assets less all external restrictions <sup>(2)</sup>	<b>117,481</b>	<b>3.29x</b>	>1.5x
Current liabilities less specific purpose liabilities <sup>(3, 4)</sup>	<b>35,727</b>		
<b>4. Debt service cover ratio</b>			
Operating result <sup>(1)</sup> before capital excluding interest and depreciation/impairment/amortisation	<b>46,472</b>	<b>5.21x</b>	>2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<b>8,923</b>		
<b>5. Rates, annual charges, interest and extra charges outstanding percentage</b>			
Rates, annual and extra charges outstanding	<b>5,464</b>	<b>3.05%</b>	< 5% Metro
Rates, annual and extra charges collectible	<b>178,973</b>		
<b>6. Cash expense cover ratio</b>			
Current year's cash and cash equivalents plus all term deposits	<b>174,329</b>	<b>8.63 mths</b>	> 3 mths
Payments from cash flow of operating and financing activities	<b>20,205</b>		

## Notes

(1) Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

(2) Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

(3) Refer to Note 10(a).

(4) Refer to Note 10(a)(ii) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 14. Investment properties

\$ '000

Council has not classified any land or buildings as 'investment properties'.

#### Note 15. Financial risk management

##### Risk management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council 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 Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

	Carrying Amount 2017	Fair Value 2017
<b>Financial assets</b>		
Cash and cash equivalents	18,668	71,662
Investments		
– 'Held to maturity'	186,138	132,760
Receivables	17,243	18,271
<b>Total financial assets</b>	<b>222,049</b>	<b>222,693</b>
<b>Financial liabilities</b>		
Payables	25,579	25,585
Loans/advances	18,044	18,931
<b>Total financial liabilities</b>	<b>43,623</b>	<b>44,516</b>

Fair value is determined as follows:

- **Cash** and **cash equivalents**, **receivables**, **payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings** and **held-to-maturity** investments – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) '**at fair value through profit and loss**' or (ii) '**available-for-sale**' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Refer to Note 27. Fair value measurement for information regarding the fair value of financial assets and liabilities.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 15. Financial risk management (continued)

\$ '000

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Minister's investment order. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The risks associated with the investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

#### (a) Market risk – price risk and interest rate risk

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

13/5/16 to 30/6/17	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
Possible impact of a 10% movement in market values	13,596	13,596	(13,596)	(13,596)
Possible impact of a 1% movement in interest rates	1,214	1,214	(1,214)	(1,214)

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 15. Financial risk management (continued)

\$ '000

##### (b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

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

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

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

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2017	2017
	Rates and annual charges	Other receivables
<b>(i) Ageing of receivables – %</b>		
Current (not yet overdue)	100%	100%
	<b>100%</b>	<b>100%</b>
<b>(ii) Ageing of receivables – value</b>		
<b>Rates and annual charges</b>	<b>Rates and annual charges</b>	<b>Other receivables</b>
Current	2,520	5,272
< 1 year overdue	1,491	2,779
1 – 2 years overdue	269	1,653
2 – 5 years overdue	146	1,665
> 5 years overdue	844	3,692
	<b>5,270</b>	<b>15,061</b>
<b>(iii) Movement in provision for impairment of receivables</b>		<b>2017</b>
Balance at the beginning of the year (former Councils)		3,961
+ new provisions recognised during the year		1,357
– amounts already provided for and written off this year		(2,230)
<b>Balance at the end of the year</b>		<b>3,088</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 15. Financial risk management (continued)

\$ '000

##### (c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Subject to no maturity	payable in:						Total cash outflows	Actual carrying values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
<b>13/5/16 to 30/6/17</b>									
Trade/other payables	12,532	8,448	1,974	875	875	875	–	25,579	<b>25,579</b>
Loans and advances	–	5,358	4,678	3,972	2,291	1,459	1,924	19,682	<b>18,044</b>
<b>Total financial liabilities</b>	<b>12,532</b>	<b>13,806</b>	<b>6,652</b>	<b>4,847</b>	<b>3,166</b>	<b>2,334</b>	<b>1,924</b>	<b>45,261</b>	<b>43,623</b>

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities and interest rate structures.

The following interest rates were applicable to Council's borrowings at balance date:

	2017	
	Carrying value	Average interest rate
Trade/other payables	25,579	0.00%
Loans and advances – fixed interest rate	18,044	5.34%
	<u>43,623</u>	

#### Note 16. Material budget variations

In accordance with the Supplementary Code 25, this note is not required for new Councils.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 17. Statement of developer contributions

\$ '000

Council recovers contributions, raises levies and enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions and levies and the value of all remaining funds which are 'restricted' in their future use.

#### SUMMARY OF CONTRIBUTIONS AND LEVIES

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	850	186	-	11	(128)	-	919	-
Traffic facilities	2,435	1,504	-	26	(2,336)	-	1,629	-
Parking	320	25	-	5	(147)	-	203	-
Open space	20,675	9,810	9,600	339	(18,910)	-	21,514	-
Community facilities	5,895	1,907	-	105	(2,120)	-	5,787	-
Open space and recreation	11,257	1,932	-	252	(1,406)	-	12,035	-
Community services and facilities	2,393	342	-	58	(570)	-	2,223	-
Transport and access	6,939	114	-	129	(30)	-	7,152	-
Administration	293	293	-	5	(333)	-	258	-
Plan preparation	463	338	-	12	-	-	813	-
<b>S94 contributions – under a plan</b>	<b>51,520</b>	<b>16,451</b>	<b>9,600</b>	<b>942</b>	<b>(25,980)</b>	<b>-</b>	<b>52,533</b>	<b>-</b>
<b>S94A levies – under a plan</b>	<b>2,859</b>	<b>1,395</b>	<b>-</b>	<b>56</b>	<b>(1,026)</b>	<b>-</b>	<b>3,284</b>	<b>-</b>
<b>Total S94 revenue under plans</b>	<b>54,379</b>	<b>17,846</b>	<b>9,600</b>	<b>998</b>	<b>(27,006)</b>	<b>-</b>	<b>55,817</b>	<b>-</b>
S93F planning agreements	3,420	146	-	42	(1,138)	-	2,470	-
<b>Total contributions</b>	<b>57,799</b>	<b>17,992</b>	<b>9,600</b>	<b>1,040</b>	<b>(28,144)</b>	<b>-</b>	<b>58,287</b>	<b>-</b>

## Inner West Council

Notes to the Financial Statements  
for the period 13 May 2016 to 30 June 2017

## Note 17. Statement of developer contributions (continued)

\$ '000

**S94 CONTRIBUTIONS – UNDER A PLAN**

## CONTRIBUTION PLAN NUMBER 1 - Open Space and Recreation (former Leichhardt)

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Effective 18 January 2005	11,257	1,932	-	252	(1,406)	-	12,035	-
<b>Total</b>	<b>11,257</b>	<b>1,932</b>	<b>-</b>	<b>252</b>	<b>(1,406)</b>	<b>-</b>	<b>12,035</b>	<b>-</b>

## CONTRIBUTION PLAN NUMBER 2 - Community Services and Facilities (former Leichhardt)

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Effective 24 September 1996	193	-	-	4	-	-	197	-
Effective 23 August 2005	2,200	342	-	54	(570)	-	2,026	-
<b>Total</b>	<b>2,393</b>	<b>342</b>	<b>-</b>	<b>58</b>	<b>(570)</b>	<b>-</b>	<b>2,223</b>	<b>-</b>

## Inner West Council

Notes to the Financial Statements  
for the period 13 May 2016 to 30 June 2017

## Note 17. Statement of developer contributions (continued)

\$ '000

**S94 CONTRIBUTIONS – UNDER A PLAN**

## CONTRIBUTION PLAN NUMBER 3 - Transport and Access (former Leichhardt)

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Effective 3 November 1999	6,939	114	-	129	(30)	-	7,152	-
<b>Total</b>	<b>6,939</b>	<b>114</b>	<b>-</b>	<b>129</b>	<b>(30)</b>	<b>-</b>	<b>7,152</b>	<b>-</b>

## 2004 S94 Developer Contributions Plan (former Marrickville)

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	674	1	-	6	(128)	-	553	-
Traffic facilities	1,613	860	-	8	(2,031)	-	450	-
Parking	246	25	-	2	(147)	-	126	-
Open space	6,429	520	-	72	(3,425)	-	3,596	-
Community facilities	3,113	45	-	56	(261)	-	2,953	-
Administration	17	46	-	1	(1)	-	63	-
<b>Total</b>	<b>12,092</b>	<b>1,497</b>	<b>-</b>	<b>145</b>	<b>(5,993)</b>	<b>-</b>	<b>7,741</b>	<b>-</b>



## Inner West Council

Notes to the Financial Statements  
for the period 13 May 2016 to 30 June 2017

## Note 17. Statement of developer contributions (continued)

\$ '000

**S94 CONTRIBUTIONS – UNDER A PLAN**

## 2014 S94 Developer Contributions Plan (former Marrickville)

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Traffic facilities	239	257	–	4	(305)	–	195	–
Open space	7,573	2,369	9,600	86	(15,065)	–	4,563	–
Community facilities	1,600	1,543	–	25	(1,859)	–	1,309	–
Administration	276	247	–	4	(332)	–	195	–
<b>Total</b>	<b>9,688</b>	<b>4,416</b>	<b>9,600</b>	<b>119</b>	<b>(17,561)</b>	<b>–</b>	<b>6,262</b>	<b>–</b>

## CONTRIBUTION PLAN NUMBER (former Ashfield)

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	176	185	–	5	–	–	366	–
Traffic facilities	583	387	–	14	–	–	984	–
Parking	74	–	–	3	–	–	77	–
Open space	6,673	6,921	–	181	(420)	–	13,355	–
Community facilities	1,182	319	–	24	–	–	1,525	–
Plan preparation	463	338	–	12	–	–	813	–
<b>Total</b>	<b>9,151</b>	<b>8,150</b>	<b>–</b>	<b>239</b>	<b>(420)</b>	<b>–</b>	<b>17,120</b>	<b>–</b>

## Inner West Council

Notes to the Financial Statements  
for the period 13 May 2016 to 30 June 2017

## Note 17. Statement of developer contributions (continued)

\$ '000

**S94A LEVIES – UNDER A PLAN**

## CONTRIBUTION PLAN NUMBER (former Marrickville)

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
S94A Levies	1,967	949	-	36	(1,026)	-	1,926	-
<b>Total</b>	<b>1,967</b>	<b>949</b>	<b>-</b>	<b>36</b>	<b>(1,026)</b>	<b>-</b>	<b>1,926</b>	<b>-</b>

## CONTRIBUTION PLAN NUMBER (former Ashfield)

PURPOSE	S94 Funds transferred from former Councils	Contributions received during the period		Interest earned in period	Expenditure during period	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Other	892	446	-	20	-	-	1,358	-
<b>Total</b>	<b>892</b>	<b>446</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>1,358</b>	<b>-</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 18. Contingencies and other assets/liabilities not recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

#### LIABILITIES NOT RECOGNISED:

##### 1. Guarantees

###### (i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The schemes most recent full actuarial review indicated that the net assets of the scheme were not sufficient to meet the accrued benefits of the schemes defined benefit member category with member councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

###### (ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

###### (iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

###### (iv) Other guarantees

Council has provided no other guarantees other than those listed above.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 18. Contingencies and other assets/liabilities not recognised (continued)

\$ '000

##### LIABILITIES NOT RECOGNISED (continued):

##### 2. Other liabilities

###### (i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

###### (ii) S94 plans

Council levies section 94/94A contributions upon various development across the Council area through the required contributions plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

###### (iii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

###### (iv) Contingent Liabilities

Council agreed to guarantee a loan for \$0.5 million between the NSW Minister for Sport and Recreation and Balmain Tigers Rugby League Football Club for the redevelopment of Leichhardt Oval. The associated funding agreement places various obligations on both Council and Balmain Tigers Rugby League Football Club. In the event that Balmain Tigers Rugby League Football Club is unable to meet its obligations under the agreement, there may be consequential financial obligations for Council.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 18. Contingencies and other assets/liabilities not recognised (continued)

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\$ '000

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##### **ASSETS NOT RECOGNISED:**

##### **(i) Land under roads**

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

##### **(ii) Infringement notices/fines**

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 19. Interests in other entities

\$ '000

Council's objectives can and in some cases are best met through the use of separate entities and operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other councils, bodies and other outside organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of council's (i) interest and (ii) control and the type (form) of entity/operation, as follows;

##### Controlled entities (subsidiaries)

*Note 19(a)*

Operational arrangements where Council's control (but not necessarily interest) exceeds 50%.

##### Joint ventures and associates

*Note 19(b)*

Joint ventures are operational arrangements where the parties that have joint control have rights to the net assets of the arrangement.

Associates are separate entities where Council has significant influence over the operations (but neither controls nor jointly controls them).

##### Joint operations

*Note 19(c)*

Operational arrangements where the parties that have joint control have rights to specific assets and obligations for specific liabilities relating to the arrangement rather than a right to the net assets of the arrangement.

##### Unconsolidated structured entities

*Note 19(d)*

Unconsolidated structured entities represent "special vehicles" that Council has an interest in but which are not controlled by Council and therefore not consolidated as a subsidiary, joint arrangement or associate. Attributes of structured entities include restricted activities, a narrow and well-defined objective and insufficient equity to finance its activities without financial support.

##### Subsidiaries, joint arrangements and associates not recognised

*Note 19(e)*

	Council's share of net income Actual 13/5/16 to 30/6/17	Council's share of net assets Actual 2017
Joint ventures	(82)	273
Associates	518	2,752
<b>Total</b>	<b>436</b>	<b>3,025</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 19. Interests in other entities (continued)

\$ '000

##### (a) Controlled entities (subsidiaries) – being entities and operations controlled by Council

Council has no interest in any controlled entities (subsidiaries).

##### (b) Joint ventures and associates

Council has incorporated the following joint ventures and associates into its consolidated financial statements.

##### (a) Net carrying amounts – Council's share

Name of entity	Nature of relationship	Measurement method	2017
CivicRisk Mutual	Joint venture	Equity method	273
CivicRisk Metro	Associate	Equity method	2,752
<b>Total carrying amounts – material joint ventures and associates</b>			<b>3,025</b>

##### (b) Details

Name of entity	Principal activity	business
CivicRisk Mutual	Local govt. insurance coverage	Penrith NSW
CivicRisk Metro	Local govt. insurance coverage	Penrith NSW

##### (c) Relevant interests and fair values

Name of entity	Quoted	Interest in	Interest in	Proportion of
	fair value	outputs	ownership	voting power
	2017	2017	2017	2017
CivicRisk Mutual	273	4%	4%	6%
CivicRisk Metro	2,752	24%	24%	14%

##### (d) Summarised financial information for joint ventures and associates

	CivicRisk Mutual	Metro Pool
	2017	2017
<b>Statement of financial position</b>		
<b>Current assets</b>		
Other current assets	6,745	5,766
<b>Non-current assets</b>	<b>5,889</b>	<b>18,168</b>
<b>Current liabilities</b>		
Other current liabilities	3,314	1,593
<b>Non-current liabilities</b>		
Non-current financial liabilities (excluding trade and other payables and provisions)	2,830	10,730
<b>Net assets</b>	<b>6,490</b>	<b>11,611</b>
<b>Council's share of net assets (%)</b>	<b>4.2%</b>	<b>23.7%</b>
<b>Council's share of net assets (\$)</b>	<b>273</b>	<b>2,752</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 19. Interests in other entities (continued)

\$ '000

##### (c) Joint operations

Council has no interest in any joint operations.

##### (d) Unconsolidated structured entities

Council has no unconsolidated structured entities

#### Note 20. Retained earnings, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

\$ '000	Notes	Actual 2017
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##### (a) Retained earnings

###### Movements in retained earnings were as follows:

a. Net result for the year		2,257,804
Balance at end of the reporting period		<u>2,257,804</u>

##### (b) Revaluation reserves

###### (ii) Reconciliation of movements in reserves:

###### Infrastructure, property, plant and equipment revaluation reserve

Revaluations for the year	9(a)	55,918
Balance at end of year		<u>55,918</u>

###### TOTAL VALUE OF RESERVES

55,918

###### (iii) Nature and purpose of reserves

###### Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment revaluation reserve is used to record increments/decrements of non-current asset values due to their revaluation.

##### (c) Correction of error/s relating to a previous reporting period

Council made no correction of errors during the current reporting period.

##### (d) Voluntary changes in accounting policies

Council made no voluntary changes in any accounting policies during the year.



## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 21. Financial result and financial position by fund

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Council utilises only a general fund for its operations.

#### Note 22. 'Held for sale' non-current assets and disposal groups

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Council did not classify any non-current assets or disposal groups as 'held for sale'.

#### Note 23. Events occurring after the reporting date

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Events that occur between the end of the reporting period (30 June 2017) and the date when the financial statements are 'authorised for issue' have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable 'authorised for issue' date relating to these General Purpose Financial Statements.

Accordingly, the 'authorised for issue' date is 27/10/17.

Events that occur after the reporting period represent one of two types:

**(i) Events that provide evidence of conditions that existed at the reporting period**

These financial statements (and the figures therein) incorporate all 'adjusting events' that provided evidence of conditions that existed at 30 June 2017.

**(ii) Events that provide evidence of conditions that arose after the reporting period**

These financial statements (and figures therein) do not incorporate any 'non-adjusting events' that have occurred after 30 June 2017 and which are only indicative of conditions that arose after 30 June 2017.

**Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.**

#### Note 24. Discontinued operations

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Council has not classified any of its operations as 'discontinued'.

#### Note 25. Intangible assets

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Council is unaware of any control over intangible assets that warrant recognition in the financial statements.

#### Note 26. Reinstatement, rehabilitation and restoration liabilities

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Council has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets/operations.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 27. Fair value measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

– Infrastructure, property, plant and equipment

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

13/5/16 to 30/6/17	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
<b>Recurring fair value measurements</b>					
<b>Infrastructure, property, plant and equipment</b>					
Operational land	13/05/16	–	394,069	–	394,069
Community land	30/06/17	–	–	293,637	293,637
Land improvements – non-depreciable	30/06/17	–	–	1,873	1,873
Land improvements – depreciable	30/06/17	–	–	51,238	51,238
Car parks – non-depreciable	30/06/17	–	–	2,423	2,423
Car parks – depreciable	30/06/17	–	–	6,261	6,261
Buildings	13/05/16	–	–	218,723	218,723
Other structures	30/06/17	–	–	12,132	12,132
Roads	30/06/17	–	–	256,055	256,055
Bridges	30/06/17	–	–	10,371	10,371
Footpaths	30/06/17	–	–	75,260	75,260
Other road assets	30/06/17	–	–	33,837	33,837
Bulk earthworks (non-depreciable)	30/06/17	–	–	512,345	512,345
Sea walls	30/06/17	–	–	27,620	27,620
Wharves	30/06/17	–	–	4,070	4,070
Stormwater drainage	30/06/17	–	–	125,303	125,303
Swimming pools	30/06/13	–	–	51,274	51,274
Other open space/recreational assets	30/06/17	–	–	26,371	26,371
Other infrastructure	30/06/17	–	–	81	81
<b>Total infrastructure, property, plant and equipment</b>		<b>–</b>	<b>394,069</b>	<b>1,708,874</b>	<b>2,102,943</b>

#### (2) Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 27. Fair value measurement (continued)

\$ '000

##### **(3) Valuation techniques used to derive level 2 and level 3 fair values**

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

##### **Buildings**

For the purpose of the amalgamation, the Council performed an internal valuation of the Buildings at 13 May 2016. The fair value on amalgamation of the Buildings was derived by using the carrying amount of the Buildings from the former Councils and the Building Activity index. The average index used was 6.1% per annum.

##### **Land (Community and Operational Land)**

Community land was revalued at 30 June 2017. The valuations for Council's community land is undertaken by the Council's internal valuations team using the actual Valuer General's valuation performed for rating purposes.

Operational Land was last valued at 13 May 2017 by applying the Housing NSW index to the former Councils carrying amounts based on the last revaluation by the former Councils. The average index was 10.2% per annum.

##### **Infrastructure, property, plant and equipment (IPP&E)**

Fair values of Buildings fair values were determined by JRA Pty Ltd. The gross value of the infrastructure assets are determined by unit rate to total volume which is normally square metres, cubic metres or lineal metres.

The unit rates, which is a key unobservable input, is determined using rates stipulated in contracts with third party suppliers. Infrastructure assets were revalued at 30 June 2017.

continued on next page

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 27. Fair value measurement (continued)

\$ '000

##### (4). Fair value measurements using significant unobservable inputs (level 2 and 3)

The following tables present the changes in level 2 and 3 fair value asset classes.

	Level 2 Operational Land	Level 3 Remaining assets	Total
Balance on transfer from former Councils	394,765	1,641,133	2,035,898
Transfers from/(to) another asset class	–	5,648	5,648
Purchases (GBV)	–	38,543	38,543
Disposals (WDV)	(696)	(4,127)	(4,823)
Depreciation and impairment	–	(25,676)	(25,676)
FV gains – other comprehensive income	–	55,918	55,918
FV gains – Income Statement <sup>1</sup>	–	(2,565)	(2,565)
<b>Closing balance – 30/6/17</b>	<u>394,069</u>	<u>1,708,874</u>	<u>2,102,943</u>

##### (5). Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

#### Note 28. Related party disclosures

In accordance with the Supplementary Code 25, this note is not required for new Councils.

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 29. Local Government amalgamation

\$ '000

The local government 'Local Government (Council Amalgamations) Proclamation 2016' ('the Proclamation') 1993 Government Act under the Local (NSW) transferred the assets and liabilities of the former Ashfield Council, Leichhardt Council and Marrickville Council to Inner West Council Council as at 13 May 2016.

	Notes	Actual 13/5/16 to 30/6/17
<b>Gain on local government amalgamation</b>		
Assets and liabilities transferred from former councils	a (i)	1,903,852
Accounting policy adjustments	a (ii)	296,297
		<u>2,200,149</u>

#### a. Assets and liabilities transferred from former councils

##### (i) Carrying amount of assets and liabilities transferred

Assets and liabilities of:

Ashfield Council  
Leichhardt Council  
Marrickville Council

have been recognised by the Council at fair value.

Council has as a result of a comprehensive revaluation recognised former councils' assets at their fair value as at the date of transfer 13 May 2016.

The fair value of the net assets has been shown as a gain on local government amalgamation in the income statement and further information is provided on the next page.

continued on next page

## Inner West Council

## Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

## Note 29. Local Government amalgamation (continued)

\$ '000

## a. Assets and liabilities transferred from former councils (continued)

## (i) Carrying amount of assets and liabilities transferred (continued)

	Ashfield Council	Leichhardt Council	Marrickville Council	Gain on local government amalgamation
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	1,810	5,111	8,652	15,573
Investments	22,500	59,498	43,285	125,283
Receivables	4,981	14,335	17,792	37,108
Inventories	37	58	188	283
Other	276	843	1,005	2,124
<b>Total current assets</b>	<b>29,604</b>	<b>79,845</b>	<b>70,922</b>	<b>180,371</b>
<b>Non-current assets</b>				
Investments	–	10,990	14,159	25,149
Receivables	307	–	–	307
Inventories	–	–	–	–
Infrastructure, property, plant and equipment	318,210	610,426	1,151,699	2,080,335
Investments accounted for using the equity method	–	–	2,589	2,589
<b>Total non-current assets</b>	<b>318,517</b>	<b>621,416</b>	<b>1,168,447</b>	<b>2,108,380</b>
<b>TOTAL ASSETS</b>	<b>348,121</b>	<b>701,261</b>	<b>1,239,369</b>	<b>2,288,751</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables (excluding bank overdraft)	5,797	10,539	13,396	29,732
Bank overdraft	–	–	–	–
Income received in advance	129	1,009	–	1,138
Borrowings	470	1,822	5,323	7,615
Provisions	4,787	11,841	13,509	30,137
<b>Total current liabilities</b>	<b>11,183</b>	<b>25,211</b>	<b>32,228</b>	<b>68,622</b>
<b>Non-current liabilities</b>				
Payables	–	–	–	–
Income received in advance	–	–	–	–
Borrowings	2,524	5,047	10,474	18,045
Provisions	419	477	1,039	1,935
<b>Total non-current liabilities</b>	<b>2,943</b>	<b>5,524</b>	<b>11,513</b>	<b>19,980</b>
<b>TOTAL LIABILITIES</b>	<b>14,126</b>	<b>30,735</b>	<b>43,741</b>	<b>88,602</b>
<b>Net assets transferred</b>	<b>333,995</b>	<b>670,526</b>	<b>1,195,628</b>	<b>2,200,149</b>

## Inner West Council

### Notes to the Financial Statements

for the period 13 May 2016 to 30 June 2017

#### Note 29. Local Government amalgamation (continued)

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\$ '000

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##### a. Assets and liabilities transferred from former councils (continued)

##### (ii) Adjustments between former council carrying amount of assets and fair values recognised

The following adjustments were made to the carrying amount of the assets and liabilities received as part of the amalgamation in order to recognise them at fair value at the proclamation date.

	Actual 2017
<b>Adjustments made to recognise net assets at fair value</b>	
Changes in asset values due to comprehensive valuation process	296,297
<b>Total adjustments</b>	<u>296,297</u>

##### (iii) Rates and Non-Reciprocal Grants income

The rates and non-reciprocal grants revenue for the period from 13 May 2016 to 30 June 2016 were recorded in the financial statements of the former councils in accordance with AASB 1004 Contributions.

The assets transferred to Council include a portion of rates and non-reciprocal grants that were received but related to the period after the former councils ceased to exist.



## INDEPENDENT AUDITOR'S REPORT

### Report on the general purpose financial statements

#### Inner West Council

To the Councillors of the Inner West Council

### Opinion

I have audited the accompanying financial statements of Inner West Council (the Council), which comprise the statement of financial position as at 30 June 2017, the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 13 May 2016 to 30 June 2017, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

In my opinion,

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been presented, in all material respects, in accordance with the requirements of this Division
  - are consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2017, and of its financial performance and its cash flows for the period 13 May 2016 to 30 June 2017 in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils



- precluding the Auditor-General from providing non-audit services.

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

### **The Councillors' Responsibility for the Financial Statements**

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

### **Auditor's Responsibility for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, Note 2(a) and Note 16 budget variation explanations
- on the attached Special Schedules
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Caroline Karakatsanis  
Director, Financial Audit Services

27 October 2017  
SYDNEY

Darcy Byrne,  
Mayor  
Inner West Council  
2-14 Fisher St  
PETERSHAM NSW 2049

Contact: Caroline Karakatsanis  
Phone no: 9275 7100  
Our ref: D1727460/1743

27 October 2017

Dear Mayor

**Report on the Conduct of the Audit  
for the period ended 30 June 2017  
Inner West Council**

I have audited the general purpose financial statements of Inner West Council (the Council) for the period ended 30 June 2017 as required by s415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's general purpose financial statements.

This Report on the Conduct of the Audit (the Report) for the Council for the period ended 30 June 2017 is issued in accordance with section 417 of the Act. Section 417(3) requires me to consider and report on matters pertinent to the Council's financial statements and audit. This Report should be read in conjunction with my audit opinion on the general purpose financial statements issued under s417(2) of the Act.

**Council Amalgamation**

The Council was formed on 12 May 2016 by the Local Government Minister's proclamation (Local Government (Council Amalgamations) Proclamation 2016). 30 June 2017 is therefore the first financial reporting period for Inner West Council and comparative ratio analysis could therefore not be done for this report. My report comments on the absolute values due to lack of comparative and/or budget information.

**INCOME STATEMENT**

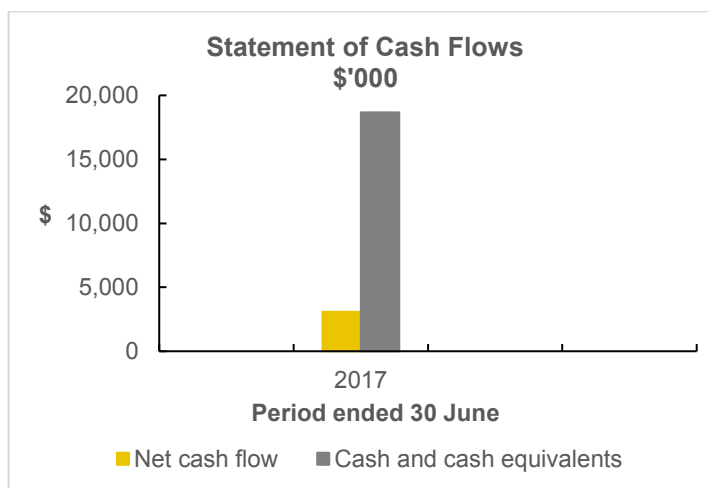
**Operating result**

	<b>2017</b>
	<b>\$m</b>
<b>Rates and annual charges revenue</b>	<b>152.9</b>
<b>Grants and contributions revenue</b>	<b>79.9</b>
<b>Operating result for the year</b>	<b>57.7</b>
<b>Net operating result before capital amounts</b>	<b>8.6</b>

- Rates and annual charges consist of the rates and charges for the period 1 July 2016 to 30 June 2017. The rates for the period 13 May to 30 June 2016 were accounted for by the former Councils as required by the Australian Accounting Standards.
- Capital Grant and contributions include the New Council implementation grant of \$10 million and the Stronger Communities fund of \$15 million which are non-recurring.
- The Operating Result for the year is affected by the additional grants above and the extra expenses for the period 13 May 2016 to 30 June 2016.

## STATEMENT OF CASH FLOWS

- Council has a considerable amount of cash and generated a positive cash-flow for the first period.



## FINANCIAL POSITION

### Cash and Investments

Restricted Cash and Investments	2017	Commentary
	\$m	
External restrictions	105.9	○ External restrictions mainly relating to developer contributions, Specific purpose grants and Domestic waste funds.
Internal restrictions	47.9	○ Internal restrictions primarily relating to employee leave entitlements and Deposits, retentions and bonds.
Unrestricted	51.0	
<b>Cash and investments</b>	<b>204.8</b>	○ Significant amount of unrestricted cash.

### Debt

The Council has long term loans and borrowing facilities with various maturities. The loans are repayable over their term. No drawdowns have exceeded the approved drawdowns.

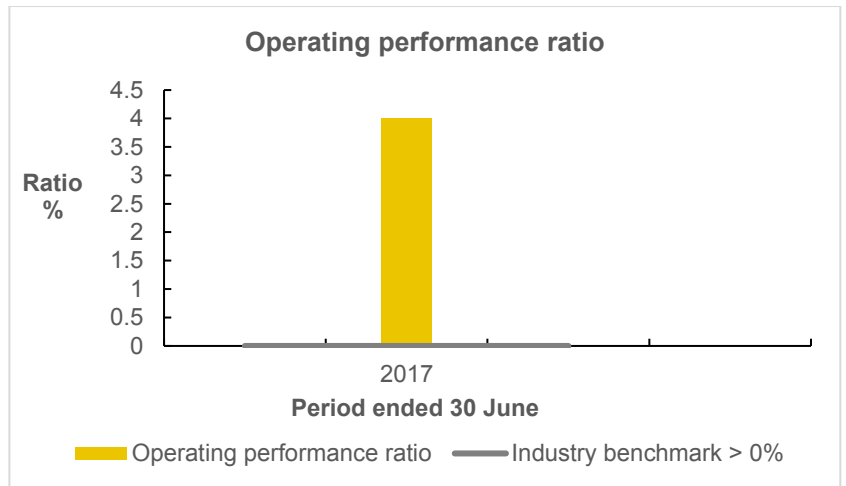
## PERFORMANCE RATIOS

The definition of each ratio analysed below (except for the 'building and infrastructure renewals ratio') is included in Note 13 of the Council's audited general purpose financial statements. The 'building and infrastructure renewals ratio' is defined in Council's Special Schedule 7.

## Operating performance ratio

- Council exceeded the benchmark of breakeven. The ratio was impacted by the additional amalgamation grants received as well as a higher level of expenditure related to amalgamation. The ratio was also affected by the longer accounting period expenses with no corresponding rates revenue.

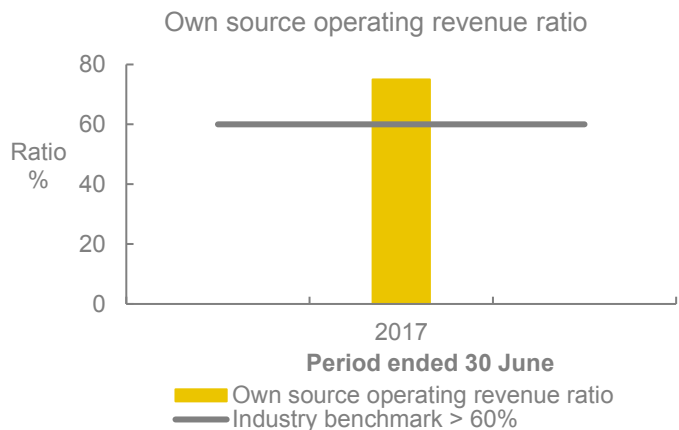
The 'operating performances ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by the Office of Local Government (OLG) is greater than zero per cent.



## Own source operating revenue ratio

- The council exceeded the own source benchmark of 60 per cent due to the high rates base with a special rate variation for the former Ashfield Council and significant revenue from fees and charges and regulatory fees.

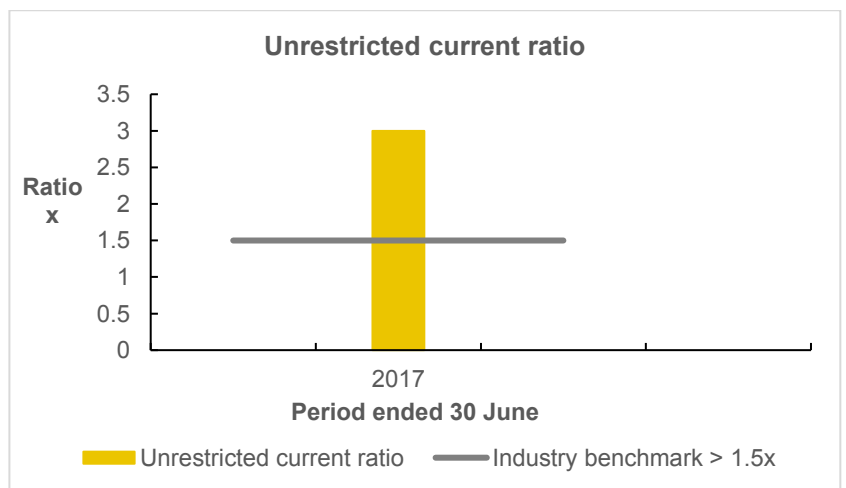
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



## Unrestricted current ratio

- Council exceeds the benchmark due to the significant cash reserves from the former Councils and the additional grants received in the year.

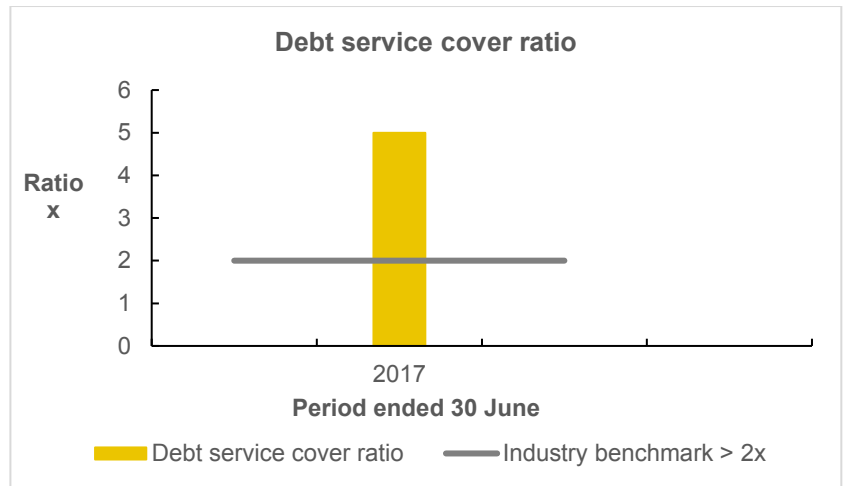
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



## Debt service cover ratio

- Council exceeded the industry benchmark due to the low level of debt and the positive operating result.

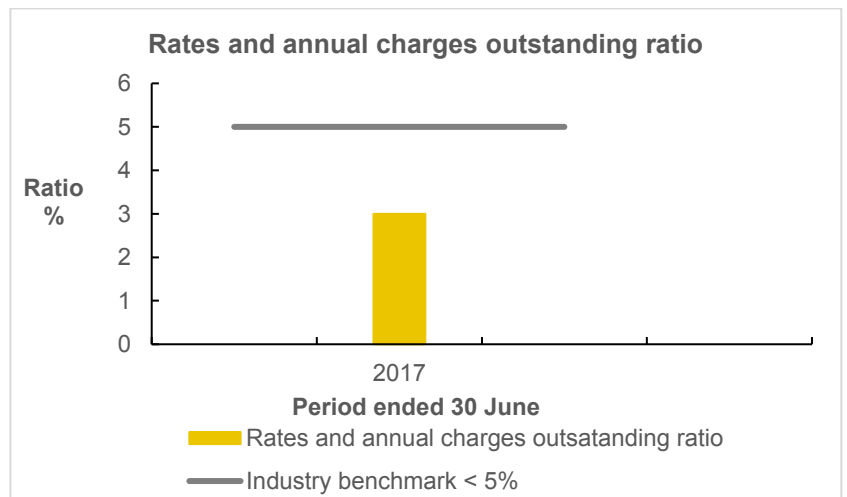
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



## Rates and annual charges outstanding ratio

- Council met the benchmark indicating that the Council's rate recovery measures are effective in collecting and reducing outstanding debts.

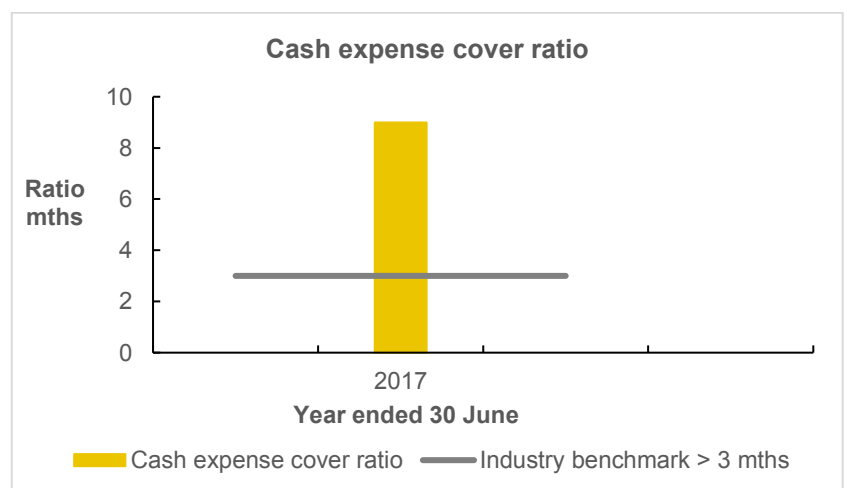
The 'rates and annual charges outstanding ratio' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 5 per cent for metro councils.



## Cash expense cover ratio

- Council exceeded the benchmark of greater than three months due to the significant cash reserves and investment balances at the end of the year.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

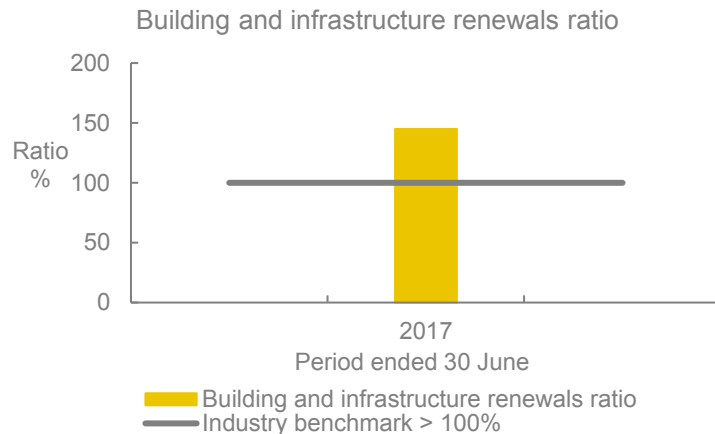


## Building and infrastructure renewals ratio

- Council met the benchmark due to planned asset renewals which is higher than the rate of depreciation.

The 'building and infrastructure renewals ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating. The benchmark set by OLG is greater than 100 per cent.

This ratio is sourced from information contained in council's Special Schedule 7 which has not been audited.



## OTHER MATTERS

### Council Entities

The Council has no Council entities.

### New accounting standards implemented

No new accounting standards were adopted in the current financial year.

### Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements.

The Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the general purpose financial statements
- staff provided all accounting records and information relevant to the audit.

Caroline Karakatsanis  
Director, Financial Audit Services

27 October 2017  
SYDNEY

cc: Rik Hart, Interim General Manager, Inner West Council  
Tim Hurst, Acting Chief Executive of the Office of Local Government

# Inner West Council

SPECIAL SCHEDULES

for the period 13 May 2016 to 30 June 2017

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## Inner West Council

### Special Schedules

for the period 13 May 2016 to 30 June 2017

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<b>Special Schedule 3</b>	Water Supply Operations – incl. Income Statement	n/a
<b>Special Schedule 4</b>	Water Supply – Statement of Financial Position	n/a
<b>Special Schedule 5</b>	Sewerage Service Operations – incl. Income Statement	n/a
<b>Special Schedule 6</b>	Sewerage Service – Statement of Financial Position	n/a
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<sup>1</sup> Special Schedules are not audited (with the exception of Special Schedule 8).

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### Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
  - the Australian Bureau of Statistics (ABS),
  - the NSW Office of Water (NOW), and
  - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
  - the incorporation of Local Government financial figures in national statistics,
  - the monitoring of loan approvals,
  - the allocation of borrowing rights, and
  - the monitoring of the financial activities of specific services.



## Inner West Council

## Special Schedule 1 – Net Cost of Services

for the period 13 May 2016 to 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
<b>Governance</b>	<b>4,832</b>	<b>20</b>	<b>5,000</b>	<b>188</b>
<b>Administration</b>	<b>63,176</b>	<b>35,132</b>	<b>18,997</b>	<b>(9,047)</b>
<b>Public order and safety</b>				
Fire service levy, fire protection, emergency services	3,670	–	–	(3,670)
Beach control	–	–	–	–
Enforcement of local government regulations	8,497	7,307	–	(1,190)
Animal control	101	10	–	(91)
Other	–	–	–	–
<b>Total public order and safety</b>	<b>12,268</b>	<b>7,317</b>	<b>–</b>	<b>(4,951)</b>
<b>Health</b>	<b>2,967</b>	<b>1,456</b>	<b>–</b>	<b>(1,511)</b>
<b>Environment</b>				
Noxious plants and insect/vermin control	–	–	–	–
Other environmental protection	3,556	1,138	–	(2,418)
Solid waste management	32,210	31,761	–	(449)
Street cleaning	9,939	8	–	(9,931)
Drainage	1,209	35	–	(1,174)
Stormwater management	2,946	836	–	(2,110)
<b>Total environment</b>	<b>49,860</b>	<b>33,778</b>	<b>–</b>	<b>(16,082)</b>
<b>Community services and education</b>				
Administration and education	2,277	91	–	(2,186)
Social protection (welfare)	1,523	143	–	(1,380)
Aged persons and disabled	2,933	1,048	–	(1,885)
Children's services	18,436	10,432	–	(8,004)
<b>Total community services and education</b>	<b>25,169</b>	<b>11,714</b>	<b>–</b>	<b>(13,455)</b>
<b>Housing and community amenities</b>				
Public cemeteries	–	–	–	–
Public conveniences	249	–	–	(249)
Street lighting	3,883	303	–	(3,580)
Town planning	11,128	4,456	8,596	1,924
Other community amenities	233	6	–	(227)
<b>Total housing and community amenities</b>	<b>15,493</b>	<b>4,765</b>	<b>8,596</b>	<b>(2,132)</b>
<b>Water supplies</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Sewerage services</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

## Inner West Council

**Special Schedule 1 – Net Cost of Services** (continued)  
 for the period 13 May 2016 to 30 June 2017

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
<b>Recreation and culture</b>				
Public libraries	9,170	338	200	(8,632)
Museums	–	–	–	–
Art galleries	–	–	–	–
Community centres and halls	7,467	2,385	3,800	(1,282)
Performing arts venues	–	–	–	–
Other performing arts	–	–	–	–
Other cultural services	3,059	98	–	(2,961)
Sporting grounds and venues	1,115	172	–	(943)
Swimming pools	11,845	7,856	64	(3,925)
Parks and gardens (lakes)	14,298	523	5,733	(8,042)
Other sport and recreation	1,390	130	–	(1,260)
<b>Total recreation and culture</b>	<b>48,344</b>	<b>11,502</b>	<b>9,797</b>	<b>(27,045)</b>
<b>Fuel and energy</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Agriculture</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Mining, manufacturing and construction</b>				
Building control	3,256	968	–	(2,288)
Other mining, manufacturing and construction	–	–	–	–
<b>Total mining, manufacturing and const.</b>	<b>3,256</b>	<b>968</b>	<b>–</b>	<b>(2,288)</b>
<b>Transport and communication</b>				
Urban roads (UR) – local	14,183	3,335	5,441	(5,407)
Urban roads – regional	356	119	318	81
Sealed rural roads (SRR) – local	–	–	–	–
Sealed rural roads (SRR) – regional	–	–	–	–
Unsealed rural roads (URR) – local	–	–	–	–
Unsealed rural roads (URR) – regional	–	–	–	–
Bridges on UR – local	174	–	70	(104)
Bridges on SRR – local	–	–	–	–
Bridges on URR – local	–	–	–	–
Bridges on regional roads	–	–	–	–
Parking areas	4,644	9,391	–	4,747
Footpaths	3,115	423	–	(2,692)
Aerodromes	–	–	–	–
Other transport and communication	9,256	456	1,164	(7,636)
<b>Total transport and communication</b>	<b>31,728</b>	<b>13,724</b>	<b>6,993</b>	<b>(11,011)</b>
<b>Economic affairs</b>				
Camping areas and caravan parks	–	–	–	–
Other economic affairs	753	532	–	(221)
<b>Total economic affairs</b>	<b>753</b>	<b>532</b>	<b>–</b>	<b>(221)</b>
<b>Totals – functions</b>	<b>257,846</b>	<b>120,908</b>	<b>49,383</b>	<b>(87,555)</b>
<b>General purpose revenues</b> <sup>(1)</sup>		<b>144,774</b>		<b>144,774</b>
<b>Share of interests – joint ventures and associates using the equity method</b>	<b>–</b>	<b>436</b>		<b>436</b>
<b>NET OPERATING RESULT</b> <sup>(2)</sup>	<b>257,846</b>	<b>266,118</b>	<b>49,383</b>	<b>57,655</b>

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges (2) As reported in the Income Statement

## Inner West Council

Special Schedule 2(a) – Statement of Long Term Debt (all purpose)  
for the period 13 May 2016 to 30 June 2017

Classification of debt	Principal outstanding at beginning of the year (former Councils)		New loans raised during the year	Debt redemption during the year		Transfers to sinking funds	Interest applicable for year	Principal outstanding at the end of the year	
	Current	Non-current		From revenue	Sinking funds			Current	Non-current
<b>Loans (by source)</b>									
Commonwealth Government	-	-	-	-	-	-	-	-	-
NSW Treasury Corporation	-	-	-	-	-	-	-	-	-
Other State Government	-	-	-	-	-	-	-	-	-
Public subscription	-	-	-	-	-	-	-	-	-
Financial institutions	7,615	18,040	-	7,618	-	-	1,303	4,688	13,349
Other	-	-	-	-	-	-	-	-	-
<b>Total loans</b>	<b>7,615</b>	<b>18,040</b>	<b>-</b>	<b>7,618</b>	<b>-</b>	<b>-</b>	<b>1,303</b>	<b>4,688</b>	<b>13,349</b>
<b>Other long term debt</b>									
Ratepayers advances	-	-	-	-	-	-	-	-	-
Government advances	-	-	-	-	-	-	-	-	-
Finance leases	-	-	-	-	-	-	-	-	-
Deferred payments	-	-	-	-	-	-	-	-	-
<b>Total long term debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total debt</b>	<b>7,615</b>	<b>18,040</b>	<b>-</b>	<b>7,618</b>	<b>-</b>	<b>-</b>	<b>1,303</b>	<b>4,688</b>	<b>13,349</b>
									<b>18,037</b>

Notes: excludes (i) internal loans and (ii) principal inflows/outflows relating to loan re-financing.  
This schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

Inner West Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard <sup>1</sup>	Estimated cost to bring to the agreed level of service set by Council <sup>2</sup>	2016/17 Required maintenance <sup>3</sup>	2016/17 Actual maintenance <sup>4</sup>	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
<b>Buildings</b>	Buildings	30,117	30,117	5,175	5,175	218,723	311,626	50%	19%	19%	10%	2%
	<b>Sub-total</b>	<b>30,117</b>	<b>30,117</b>	<b>5,175</b>	<b>5,175</b>	<b>218,723</b>	<b>311,626</b>	<b>49.7%</b>	<b>19.4%</b>	<b>19.2%</b>	<b>10.0%</b>	<b>1.7%</b>
<b>Other</b>	Other structures	583	583	–	–	12,132	20,266	32%	30%	32%	6%	0%
	<b>Sub-total</b>	<b>583</b>	<b>583</b>	<b>–</b>	<b>–</b>	<b>12,132</b>	<b>20,266</b>	<b>32.0%</b>	<b>30.0%</b>	<b>32.0%</b>	<b>6.0%</b>	<b>0.0%</b>
<b>Roads</b>	Roads	81,120	14,497	10,069	10,069	256,055	388,606	12%	38%	36%	12%	2%
	Bridges	883	883	36	36	10,371	14,830	12%	60%	22%	5%	1%
	Footpaths	4,408	4,408	3,778	3,778	75,260	108,633	21%	44%	31%	4%	0%
	Other road assets	130	22	3,851	3,851	33,837	42,159	58%	42%	0%	0%	0%
	Bulk earthworks	–	–	–	–	512,345	512,345	100%	0%	0%	0%	0%
	Car parks	1,976	494	71	71	8,684	10,761	62%	9%	5%	18%	6%
	<b>Sub-total</b>	<b>88,517</b>	<b>20,304</b>	<b>17,805</b>	<b>17,805</b>	<b>896,552</b>	<b>1,077,334</b>	<b>57.1%</b>	<b>20.7%</b>	<b>16.5%</b>	<b>5.0%</b>	<b>0.8%</b>

Inner West Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard <sup>1</sup>	Estimated cost to bring to the agreed level of service set by Council <sup>2</sup>	2016/17 Required maintenance <sup>3</sup>	2016/17 Actual maintenance <sup>4</sup>	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
<b>Stormwater</b>	Stormwater drainage	3,341	719	534	534	125,303	173,853	10%	71%	17%	2%	0%
	<b>Sub-total</b>	<b>3,341</b>	<b>719</b>	<b>534</b>	<b>534</b>	<b>125,303</b>	<b>173,853</b>	<b>10.0%</b>	<b>71.0%</b>	<b>17.0%</b>	<b>2.0%</b>	<b>0.0%</b>
<b>Open space/recreational assets</b>	Swimming pools	1,956	1,956	131	131	51,274	58,271	81%	0%	15%	3%	1%
	Other Open Space/Recreational Assets	619	619	6,806	6,806	26,371	30,996	62%	26%	10%	2%	0%
	<b>Sub-total</b>	<b>2,575</b>	<b>2,575</b>	<b>6,937</b>	<b>6,937</b>	<b>77,645</b>	<b>89,267</b>	<b>74.4%</b>	<b>9.0%</b>	<b>13.3%</b>	<b>2.7%</b>	<b>0.7%</b>
<b>Other infrastructure assets</b>	Seawalls	791	435	25	25	27,620	37,403	10%	66%	22%	1%	1%
	Wharves	849	-	9	9	4,070	6,162	2%	57%	27%	14%	0%
	Land improvements	8,607	8,606	-	-	53,111	67,967	31%	42%	15%	4%	8%
	Other	-	-	-	-	81	81	100%	0%	0%	0%	0%
	<b>Sub-total</b>	<b>10,247</b>	<b>9,041</b>	<b>34</b>	<b>34</b>	<b>84,882</b>	<b>111,613</b>	<b>22.4%</b>	<b>50.8%</b>	<b>18.0%</b>	<b>3.5%</b>	<b>5.2%</b>
	<b>TOTAL – ALL ASSETS</b>	<b>135,380</b>	<b>63,339</b>	<b>30,485</b>	<b>30,485</b>	<b>1,415,237</b>	<b>1,783,959</b>	<b>49.6%</b>	<b>26.8%</b>	<b>17.1%</b>	<b>5.4%</b>	<b>1.1%</b>

## Inner West Council

### Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2017 (continued)

**Notes:**

1. "Satisfactory" refers to the estimated cost for the renewal of condition 4 and 5 assets, i.e. the replacement value of condition 4 and 5 assets.
2. As there is no agreed level of service set by Inner West Council, the "Agreed Level" refers to the estimated cost for the renewal of individual asset categories as either condition 4 & 5 or just condition 5 determined by the criticality of the asset category. This figure will be refined as future agreed service levels are formulated by Council in consultation with the community.
3. This is based on maintaining our assets as identified in Council's Asset Management Plans.
4. Estimate of maintenance spent in the current year to maintain assets.
5. It is expected that the Buildings Revaluation to be carried out in 2017/18 will adjust the anomalies identified during the asset register consolidation.

**Infrastructure asset condition assessment 'key'**

<b>1</b>	<b>Excellent</b>	No work required (normal maintenance)
<b>2</b>	<b>Good</b>	Only minor maintenance work required
<b>3</b>	<b>Average</b>	Maintenance work required
<b>4</b>	<b>Poor</b>	Renewal required
<b>5</b>	<b>Very poor</b>	Urgent renewal/upgrading required

## Inner West Council

Special Schedule 7 – Report on Infrastructure Assets (continued)  
for the period 13 May 2016 to 30 June 2017

\$ '000	Amounts 2017	Indicator 2017
<b>Infrastructure asset performance indicators * consolidated</b>		
<b>1. Infrastructure renewals ratio</b>		
Asset renewals <sup>(1)</sup>	<u>37,346</u>	<b>145.45%</b>
Depreciation, amortisation and impairment	<u>25,676</u>	
<b>2. Infrastructure backlog ratio</b>		
Estimated cost to bring assets to a satisfactory standard	<u>135,380</u>	<b>9.57%</b>
Net carrying amount of infrastructure assets	<u>1,415,237</u>	
<b>3. Asset maintenance ratio</b>		
Actual asset maintenance	<u>30,485</u>	<b>1.00</b>
Required asset maintenance	<u>30,485</u>	
<b>4. Cost to bring assets to agreed service level</b>		
Estimated cost to bring assets to an agreed service level set by Council	<u>63,339</u>	<b>3.55%</b>
Gross replacement cost	<u>1,783,959</u>	

## Notes

\* All asset performance indicators are calculated using the asset classes identified in the previous table.

<sup>(1)</sup> Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

## Inner West Council

## Special Schedule 8 – Permissible Income Calculation

for the year ended 30 June 2018

	Calculation 2017/18	Calculation 2017/18	Calculation 2017/18	Calculation 2017/18	Calculation 2017/18
	Former Ashfield Council	Former Leichhardt Council	Former Marrickville Council		<b>Total</b>
<b>Notional general income calculation <sup>(1)</sup></b>					
Last year notional general income yield	22,797	41,822	46,621		111,240
Plus or minus adjustments <sup>(2)</sup>	106	(3)	(48)		55
<b>Notional general income</b>	<b>22,903</b>	<b>41,819</b>	<b>46,573</b>		<b>111,295</b>
	$c = (a + b)$				
<b>Permissible income calculation</b>					
Special variation percentage <sup>(3)</sup>	8.90%	0.00%	0.00%		8.90%
Or rate peg percentage	1.50%	1.50%	1.50%		1.50%
Or crown land adjustment (incl. rate peg percentage)	0.00%	0.00%	0.00%		0.00%
Less expiring special variation amount	–	–	–		–
Plus special variation amount	2,038	–	–		2,038
Or plus rate peg amount	–	627	699		1,326
Or plus Crown land adjustment and rate peg amount	–	–	–		–
<b>Sub-total</b>	<b>24,942</b>	<b>42,446</b>	<b>47,272</b>		<b>114,659</b>
	$g$				
Plus (or minus) last year's carry forward total	2	46	1		49
Less valuation objections claimed in the previous year	–	–	–		–
<b>Sub-total</b>	<b>2</b>	<b>46</b>	<b>1</b>		<b>49</b>
	$h = d \times (c - g)$				
	$i = c \times e$				
	$j = c \times f$				
	$k = (c + g + h + i + j)$				
<b>Total permissible income</b>	<b>24,944</b>	<b>42,492</b>	<b>47,273</b>		<b>114,708</b>
Less notional general income yield	24,943	42,490	47,232		114,665
<b>Catch-up or (excess) result</b>	<b>1</b>	<b>2</b>	<b>41</b>		<b>43</b>
	$l$				
Plus income lost due to valuation objections claimed <sup>(4)</sup>	–	23	–		23
Less unused catch-up <sup>(5)</sup>	–	–	–		–
<b>Carry forward to next year</b>	<b>1</b>	<b>25</b>	<b>41</b>		<b>66</b>
	$m = (l + n)$				
	$o = k + n$				
	$p$				
	$q = o - p$				
	$r$				
	$s$				
	$t = q + r - s$				



## Inner West Council

### Special Schedule 8 – Permissible Income Calculation (continued) for the year ended 30 June 2018

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#### Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 8 in the financial data return (FDR) to administer this process.



## INDEPENDENT AUDITOR'S REPORT

### Special Schedule No. 8

### Inner West Council

To the Councillors of Inner West Council

### Opinion

I have audited the accompanying special purpose financial statement comprising the reconciliation of total permissible general income (Special Schedule No. 8) of Inner West Council (the Council) for the year ending 30 June 2018.

In my opinion, Special Schedule No. 8 of Inner West Council for 30 June 2018 is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting (LG Code) issued by the Office of Local Government (OLG), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report, and in particular the Emphasis of Matter paragraph, which describes the basis of accounting.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of Special Schedule No.8' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

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

## **Emphasis of Matter - Basis of Accounting**

Without modifying my opinion, I draw attention to the notes and explanations in Special Schedule No. 8 that instruct councils in its preparation so it complies with OLG's requirements as described in the LG Code. As a result, Special Schedule No. 8 may not be suitable for another purpose.

## **Councillors' Responsibility for Special Schedule No. 8**

The Councillors of the Council are responsible for the preparation of Special Schedule No. 8 in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of Special Schedule No. 8 that is free from material misstatement, whether due to fraud or error.

In preparing Special Schedule No.8, the Councillors must assess the Council's ability to continue as a going concern except where the Council will be dissolved or amalgamated by an Act of Parliament. The assessment must disclose, as applicable, matters related to going concern and the appropriateness of using the going concern basis of accounting.

## **Auditor's Responsibility for the Audit of Special Schedule No. 8**

My objectives are to:

- obtain reasonable assurance whether Special Schedule No. 8 as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on Special Schedule No.8.

A description of my responsibilities for the audit of Special Schedule No.8 is located at the Auditing and Assurance Standards Board website at [http://www.auasb.gov.au/auditors\\_responsibilities/ar8.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf). The description forms part of my auditor's report.

My opinion does not provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Special Schedule No.8 on any website where they may be presented
- about any other information which may have been hyperlinked to/from Special Schedule No 8.



Caroline Karakatsanis  
Director, Financial Audit Services

27 October 2017  
SYDNEY

