

# CITY OF ARMADALE

## MINUTES

OF CITY AUDIT COMMITTEE HELD IN THE COMMITTEE ROOM,  
ADMINISTRATION CENTRE, 7 ORCHARD AVENUE, ARMADALE ON  
**WEDNESDAY, 10 DECEMBER 2025 AT 7.00PM.**

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### OFFICIAL OPENING & ACKNOWLEDGEMENT OF COUNTRY

Read by Cr P A Hetherington

*The City respectfully acknowledges the past and present traditional owners of this land on which we are meeting, the Wadjuk people of the Noongar nation. The City pays its respects to the Aboriginal Elders past, present and always, and to extend that respect to any Aboriginal people in the room.*

### PRESENT:

Cr P A Hetherington (Chair)  
Mayor R Butterfield  
Cr L Sargeson  
Cr G Smith (Deputy to Cr Mosey)  
Mr S Linden (Independent Member)

### APOLOGIES:

Cr S J Mosey (Leave of Absence)  
Cr S Peter (Leave of Absence)  
Cr J Keogh

### OBSERVERS:

Nil.

### IN ATTENDANCE:

Ms J Abbiss	Chief Executive Officer
Mr J Lyon	Executive Director Corporate Services
Mr M Southern	Executive Director Technical Services
Mr P Sanders	Executive Director Development Services (Teams)
Ms S van Aswegen	Executive Director Community Services (Teams)
Mr M Hnatojko	Executive Manager Corporate Finance
Mr A Sheikh	OAG (to 7.23pm)
Mr H Rutters	KPMG (to 7.23pm)
Mr H Badshah	KPMG (to 7.23pm)
Ms P Davis	Audit Lead
Mr A Kish	Senior Legal Advisor
Mr K Papalia	Manager City Governance
Ms K Matanga	Financial Accountant Lead
Mrs A Owen-Brown	Executive Assistant Corporate Services

**Note:**

The Audit Committee is a formally appointed committee of council responsible to that body and does not have any power or duty from the Council. As the matters discussed may be of a sensitive and confidential nature which, if disclosed could reasonably be expected to impair the effectiveness of the audit process, the Audit Committee meetings are closed to the public.

- Council resolution CS53/10/2020 refers.

*“For details of Councillor Membership on this Committee, please refer to the City’s website*  
– [www.armadale.wa.gov.au/mayor-councillors-and-wards](http://www.armadale.wa.gov.au/mayor-councillors-and-wards).”

## **DISCLAIMER**

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The Disclaimer for protecting Councillors and staff from liability of information and advice given at Committee meetings was not read as there were no members of the public present.

## **DECLARATION OF MEMBERS' INTERESTS**

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Nil.

## **QUESTION TIME**

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Nil.

## **DEPUTATION**

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Nil.

## **CONFIRMATION OF MINUTES**

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## **RECOMMEND**

**Minutes of the City Audit Committee Meeting held on 8 October 2025 be confirmed.**

**Moved Cr R Butterfield**

**MOTION CARRIED**

**5/0**

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## CITY AUDIT COMMITTEE

**10 DECEMBER 2025**

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***\*\*1.1 - 2024/25 FINANCIAL REPORT AND AUDITORS REPORT***

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WARD : ALL  
FILE No. : M/749/25  
DATE : 20 November 2025  
REF : MH  
RESPONSIBLE : Executive Director  
MANAGER : Corporate Services

**In Brief:**

- This report presents the Annual Financial Report and Auditor's Completion Report for the financial year ended 30 June 2025.
- The report recommends that the Financial Report and Auditor's Audit Completion Report as presented, be endorsed.

**Tabled Items**

Nil.

**Decision Type**

- ☐ **Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- ☒ **Executive** The decision relates to the direction setting and oversight role of Council.
- ☐ **Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

**Officer Interest Declaration**

Nil.

**Strategic Implications**

- 4.1 Visionary Civic Leadership and Sound Governance  
4.1.3 Support the role of the elected body

### **Legal Implications**

*Local Government Act 1995*

*Local Government (Financial Management) Regulations*

*Local Government (Audit) Regulations*

*Australian Accounting Standards*

*International Financial Reporting Standards*

In particular, the pertinent sections of the *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996*, are:

- Section 6.4 – a local government is to prepare an annual financial report in the manner and form prescribed and by 30 September submit to its Auditor the accounts balanced up to the last day of the preceding year and the annual financial report.
- Section 7.9 – the Auditor is required to examine the accounts and annual financial report and by 31 December, prepare a report thereon and forward a copy of that report to the Mayor, CEO and the Minister.
- Clause 10 (of the Regulations) – the auditor’s report is to give the auditor’s opinion on the financial position of the local government, the results of the operations of the local government, include any material matters that in the opinion of the auditor indicate significant adverse trends in the financial position or the financial management practices of the local government and include any matters indicating non-compliance.
- Clause 16 (of the Regulations) – a function of the Audit Committee is to review and make recommendation to Council on the annual financial report and auditor’s report.

### **Council Policy/Local Law Implications**

Nil.

### **Budget/Financial Implications**

Nil.

### **Consultation**

- Council’s Auditor & the Office of the Auditor General.

## **BACKGROUND**

The City has prepared its Annual Financial Report for the year ending 30 June 2025, in accordance with the Australian Accounting Standards and the specific requirements of the *Local Government Act 1995* and associated Regulations. The Audit was conducted consistent with the Audit Plan as provided to the City Audit Committee on 11 June 2025.

The financial statements were delivered to the City's external Auditors, KPMG on behalf of the OAG (Office of the Auditor General) on the 30 September 2025. The audit field work was conducted from 6 October to 31 October 2025.

The OAG has advised that they will formally sign and release the audit report on 11 December 2025, following the Committee meeting. In previous years, the OAG report was signed mid-December, and was subsequently submitted to a City Audit meeting in February. This year, signing the report after the Audit meeting in preparation for adoption at the Council meeting on Dec 15 marks a change in process, due to the audit being completed earlier. The signed and stamped documents will be issued to the Audit Committee under cover of memo, and included in the agenda for the Ordinary Council Meeting.

At the time of writing, there are no outstanding audit issues that are likely to hold up the OAG signing off and providing final clearance on the audit report as per the timeline listed above except for Cash in Lieu Parking which is currently listed as in trust. The OAG has confirmed on 5 December that it should be in a separate Reserve rather than trust so therefore it will be treated in the final audit report as an Uncorrected Misstatement of \$265,538. The amended report will be available to Councillors before the Committee Meeting and the correction of the cash in lieu parking in the system will occur in December.

There are no subsequent events since the end of June 2025 that would need to be noted in the accounts.

## **DETAILS OF PROPOSAL**

The Annual Financial Report for the financial year ended 30 June 2025 is attached to this report.

The audit plan focused on 7 key areas:

- Infrastructure Assets
- Revenue Recognition
- Rehabilitation Provision
- Contracts and Procurement
- Employee Costs and Provisions
- Management Override of Controls
- IT General Controls and Systems

The Independent Auditors Report, together with the Annual Financial Report will be included in the Annual Report to meet the requirements of section 5.53 of the *Local Government Act 1995*. The draft Annual Report is planned to be submitted to the 9 February 2026 Ordinary Council Meeting.

The OAG Representative Mr Aamir Sheikh (Assistant Director Financial Audit OAG), OAG appointed Auditor (KPMG), Mr Hayden Rutters (Partner) and Mr Hussain Badshah (Manager), will be in attendance to present the 2025 Auditor's Audit Completion Report and take any queries from the Committee.

## COMMENT

### The Annual Financial Statements

Council will consider the End of Year Surplus position via the Corporate Services Committee Meeting scheduled for 9 December 2025.

In summary:

- the City's Operating Revenue was \$143M an \$8.9M increase compared to prior year.
- A notable increase of \$5.8M was realised in rates revenue further showcasing the developmental growth within the City. Growth in rates helps funds new services in growth areas.
- Operating Expenses increased \$10.3M, largely driven by increases in employee related costs and in materials and contracts, due to programs carried forward from the prior year and also due to growth.
- Net assets increased by \$60M for FY 25 from \$1.58B to \$1.638B in total. \$23.3M was received as gifted assets to the City from development and pathways were revalued upwards by \$40M.
- Current Assets increased by \$32M from \$174.3M to \$206.6M mainly due to an increase in Other Financial Assets (Restricted Reserve assets), reflective of development contributions.
- Cash at bank and receivables increased from \$25.9M to \$36.6M, improving liquidity.
- Non-current assets increased by \$51M from \$1.536B to \$1.588B.
- Major drive for the increase in non -current assets was the revaluation of Infrastructure Pathways that increased in value by \$46.9M.
- Current liabilities increased from \$56M to \$58M and total liabilities overall increased from \$134.4M to \$157.5M.
- During the year the City increased its borrowings from WATC by \$11.7M for Piara Waters Library, Forrestdale and Morgan Park Sports Pavilions, and the OneCouncil project.
- Lease liability increased by \$3.7M, including the new lease for the Armadale Library.
- During the year, the City repaid a total of \$5.2M in loan and lease liabilities.

A total of \$35.4M was transferred to Reserves with \$8.1M being transferred from reserves for use in various capital projects. The reduced transfer from reserve is a result of alignment with the delivery program for these key projects.

At the end of the year, the City finished with a \$1.51M surplus.

### The Auditors Report

The Auditor's Completion Report in the confidential attachment provides details. Overall, there are no matters to report in the areas of:

- Fraud
- Laws and regulations
- Related parties
- Significant duties
- Significant matters
- Other matters.

There are however two (2) control deficiencies for management attention in the areas of Asset Accounting and Contracts and Procurement and 3 minor ICT control findings.



There were some discrepancies noted in the values of assets and depreciation for the prior year. The asset capitalisation process is being reviewed and will be updated to address the findings going forward.

A reclassification of overhead expenses was also noted and corrected. Processes are being put in place to ensure correct classification of the overhead during the year going forward. The audit also established a different discount rate utilised for leased assets. This has been amended to ensure the discount rate from the West Australian Treasury Corporation (WATC) is utilised for any Right of Use recognition going forward.

## CONCLUSION

It is recommended that the Annual Financial Report and Auditor's Audit Completion Report as presented as attachments be accepted.

## ATTACHMENTS

1. Draft Financial Statement - City of Armadale - 30 June 2025
2. Draft Independent Auditor's Report - City of Armadale - 30 June 2025 - *This matter is considered to be confidential under Section 5.23(2) (f) of the Local Government Act, as the matter, if disclosed, could be reasonably expected to impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law*

### Committee Discussion

*The Audit Committee were advised by the Office of the Auditor General that they will be recommending to the Auditor General to sign off on an unqualified Audit. This is expected to occur on 11 December, and it is intended that the Council papers will include as attachments the unqualified audit opinion from the Auditor General and the stamped Annual Financial Statements.*

## RECOMMEND

CA1/12/25

### That Council:

1. In accordance with section 5.54 of the *Local Government Act 1995*, accept\* for inclusion in the City's 2024/25 Annual Report, the Annual Financial Report and Auditor's Independent Audit Report for the financial year ended 30 June 2025 as presented; and
2. Accept the 2025 Audit Completion report as presented.

## ABSOLUTE MAJORITY RESOLUTION REQUIRED

Moved Cr L Sargeson  
MOTION CARRIED

5/0

## **2.1 - AUDIT RECOMMENDATION FOLLOW UP REPORT - DECEMBER 2025**

WARD : ALL  
FILE No. : M/680/25  
DATE : 3 November 2025  
REF : PD/MBL  
RESPONSIBLE MANAGER : Chief Executive Officer

### **In Brief:**

- The Audit Recommendation Follow Up Report details management actions and completion status of past audit recommendations as of December 2025.
- Recommend that Council note the Audit Recommendation Follow Up Report as of December 2025.

### **Tabled Items**

Nil.

### **Decision Type**

- ☐ **Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- ☒ **Executive** The decision relates to the direction setting and oversight role of Council.
- ☐ **Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

### **Officer Interest Declaration**

Nil.

### **Strategic Implications**

*Strategic Community Plan*

Aspiration 4 – Leadership

Outcome 4.1 – Strategic Leadership and Effective Management.

Objective 4.1.3 - Develop organisational frameworks to achieve consistency, transparency and clarity of decision-making processes.

### ***Corporate Business Plan***

**Action 4.1.3.6** - Ensure that the City's operations are proactively compared with the findings and recommendations of external reviews, such as Office of the Auditor General Focus Audits, and promptly takes any corrective measures necessary to ensure compliance.

**Action 4.1.3.7** - Maintain a system of internal audit and independent external expert representation on the City's Audit Committee.

### **Legal Implications**

- *Local Government Act 1995*
- *Local Government (Audit) Regulations 1996*
- *Global Internal Audit Standards*
- Local Government Operational Guideline 9 – Audit in Local Government.

### **Council Policy/Local Law Implications**

- Internal Audit Charter.

### **Budget/Financial Implications**

Nil.

### **Consultation**

- Executive Leadership Team
- Relevant Managers.

## **BACKGROUND**

In accordance with the Internal Audit Charter and Manual, the Audit Recommendation Follow Up Report has been established to monitor the progress of agreed actions that address outstanding audit recommendations. On a quarterly basis, the Audit Lead will submit this report to the Audit Committee. The report will detail all outstanding audit recommendations until such time as the Audit Lead assesses the management actions as sufficient to address the risk initially identified.

The confidential attachment includes an overview of:

- The audit findings and recommendations
- The auditor's assessment of the risk rating
- The business unit responsible for implementing the corrective action
- A summary of the management actions either yet to commence, in progress or completed to address the risk identified
- An overall assessment of corrective actions completion status
- Management actions completion due dates.

**DETAILS OF PROPOSAL**

This quarter's Audit Recommendation Follow Up Report consists of audit findings from the following audits:

- Office of the Auditor General 30 June 2024 - Financial and Information Technology General Controls Audit
- Risk management, Internal Controls & Legislative Compliance Review (Regulation 17) Report – March 2023
- Financial Management Review (Regulation 5) - January 2024
- Office of the Auditor General Performance Audit – Management of Staff Exit Controls in Local Government – June 2024.

At the beginning of 2025, the City had 184 outstanding audit recommendations. As of November 2025, a total of 124 audit recommendations have been successfully implemented. With many of these actions requiring a significant amount of work, the progress is reflective of management commitment to implementing a stronger governance and control environment.

A summary of the December quarter's completion status of all outstanding audit recommendations from recent audit reviews is detailed in the table below:

Audit Risk Rating	Completed	In Progress	Yet to Commence	On Hold	Total
Significant	3	12		1	16
Moderate	16	17	1	5	39
Minor	5	16		8	29
Total	24	45	1	14	84

The breakdown of outstanding audit recommendations completion status by individual audit reviews are below:

**1. Office of the Auditor General 30 June 2024 - Financial and Information Technology General Controls Audit**

Audit Risk Rating	Completed	In Progress	On Hold	Total
Significant		1		1
Moderate	1	3		4
Minor	1	3	1	5
Total	2	7	1	10

**2. Risk Management, Internal Controls & Legislative Compliance Review (Regulation 17) Report – March 2023**

Audit Risk Rating	Completed	In Progress	On Hold	Total
Significant	1	1	1	3
Moderate		1	5	6
Minor		1	7	8
Total	1	3	13	17

**3. Financial Management Review (Regulation 5) - January 2024**

Audit Risk Rating	Completed	In Progress	Yet to Commence	Total
Significant	2	10		12
Moderate	15	10	1	26
Minor	4	12		16
Total	21	32	1	54

**4. Office of the Auditor General Performance Audit – Management of Staff Exit Controls in Local Government – June 2024.**

Audit Risk Rating	Completed	In Progress	Yet to Commence	Total
Significant				
Moderate		3		3
Minor				
Total		3		3

Please note that the confidential attachment has been presented in order of the audit finding's risk rating, for example, all audit findings rated as a significant risk are presented first and then sorted by the completion status, starting with those yet to commence.

***Extension of Completion Due Dates***

To maintain accountability in addressing the outstanding audit recommendations, any Management request for the extension of completion dates will be highlighted in the quarterly report. The original completion date will be crossed through on the report, not deleted, and the new completion date stated underneath. In addition, a brief management statement is included, under the audit finding, detailing the reasoning behind the required extension.

The summary of the extension explanations is detailed in the confidential attachments.

**CONCLUSION**

Actions arising from the City's internal and external audits are recorded and monitored within the Audit Recommendation Follow Up Report. Progress on the implementation of the corrective actions are reported on a quarterly basis to the Audit Committee and Council.

**ATTACHMENTS**

1. Audit Recommendation Follow Up Report December 2025 Final - *This matter is considered to be confidential under Section 5.23(2) (e iii) of the Local Government Act, as the matter, if disclosed, would reveal information about the business, professional, commercial or financial affairs of a person*
2. Due Date Extensions December 2025 - *This matter is considered to be confidential under Section 5.23(2) (e iii) of the Local Government Act, as the matter, if disclosed, would reveal information about the business, professional, commercial or financial affairs of a person*

**RECOMMEND**

CA2/12/25

**That Council note the Audit Recommendation Follow Up Report – December 2025.**

**Moved Cr R Butterfield**

**MOTION CARRIED**

5/0

***COUNCILLORS' ITEMS***

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**1. Praise to Officers (Cr Ruth Butterfield)**

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Mayor Butterfield on behalf of the Committee expressed her appreciation for the progress made by staff to close out 124 of the 184 audit actions over the course of the year and thanked everyone for their commitment to good governance and integrity.

**MEETING DECLARED CLOSED AT 7.38PM**

CITY AUDIT COMMITTEE		
SUMMARY OF ATTACHMENTS		
10 DECEMBER 2025		
ATT NO.	SUBJECT	PAGE
1.1	2024/25 FINANCIAL REPORT AND AUDITORS REPORT	
1.1.1	Draft Financial Statement - City of Armadale - 30 June 2025	13

**CITY OF ARMADALE  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

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

*A liveable city that is responsive to community values, appreciative of our natural environment, and provides a choice of lifestyle and work.*

Principal Place of Business:  
7 Orchard Avenue  
Armadale, WA 6112



**CITY OF ARMADALE  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025**

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

**STATEMENT BY CEO**

The accompanying financial report of the City of Armadale has been prepared in compliance with the provisions of the *Local Government Act 1995* from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2025 and the financial position as at 30 June 2025.

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

Signed on the       day of December 2025

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**Chief Executive Officer  
Joanne Abbiss**

**CITY OF ARMADALE  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual	2025 Budget	2024 Actual
		\$	\$	\$
<b>Revenue</b>				
Rates	28(a)	90,025,199	88,958,584	84,163,701
Grants, Subsidies and Contributions	2(a)	7,681,297	7,774,500	7,812,673
Fees and Charges	2(a)	37,309,282	35,785,700	34,123,210
Interest Revenue	2(a)	7,983,801	6,226,400	7,704,434
Other Revenue	2(a)	927,129	961,600	1,212,946
		<b>143,926,708</b>	<b>139,706,784</b>	<b>135,016,964</b>
<b>Expenses</b>				
Employee Costs	2(b)	(60,155,571)	(56,680,100)	(53,606,870)
Materials and Contracts		(53,642,175)	(52,133,200)	(49,125,129)
Utility Charges		(4,719,481)	(4,564,300)	(4,413,381)
Depreciation		(31,455,065)	(34,506,400)	(31,702,488)
Amortisation	8(a)	(571,353)	-	(641,189)
Finance Costs	2(b)	(2,103,709)	(1,684,630)	(2,258,774)
Insurance		(1,356,963)	(1,412,400)	(1,345,715)
Other Expenditure	2(b)	(1,611,672)	(7,779,880)	(2,187,327)
		<b>(155,615,989)</b>	<b>(158,760,910)</b>	<b>(145,280,873)</b>
		<b>(11,689,281)</b>	<b>(19,054,126)</b>	<b>(10,263,909)</b>
<b>Grants / Contributions for Asset Development</b>				
Capital Grants, Subsidies and Contributions	2(a)	3,091,414	6,676,500	7,090,605
Developer Contribution Plans - Cash		290,339	-	509,307
Developer Contribution Plans - Gifted Assets		23,371,769	28,000,000	6,473,191
Developer Contribution Plans - Contributions Payments		250,247	3,293,300	2,442,085
<b>Profit / (Loss)</b>				
Profit on Disposal of Assets		320,000	15,800	176,847
(Loss) on Disposal of Assets		(2,234,745)	(1,009,400)	(3,516,536)
		<b>25,089,024</b>	<b>36,976,200</b>	<b>13,175,499</b>
Fair Value Adjustments to Financial Assets at Fair Value Through Profit or Loss		(7,103)	2,290	3,476
<b>Net Result for the Period</b>		<b>13,392,640</b>	<b>17,924,364</b>	<b>2,915,066</b>
<b>Other Comprehensive Income for the Period</b>				
Changes in asset revaluation surplus	19	46,967,742	-	234,290
<b>Total Other Comprehensive Income for the Period</b>		<b>46,967,742</b>	<b>-</b>	<b>234,290</b>
<b>Total Comprehensive Income for the Period</b>		<b>60,360,382</b>	<b>17,924,364</b>	<b>3,149,356</b>

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

**CITY OF ARMADALE  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2025**

	Note	2025 Actual \$	2024 Actual \$
<b>Current Assets</b>			
Cash and Cash Equivalents	3	20,759,974	10,408,778
Trade and Other Receivables	5	15,935,410	15,521,677
Other Assets	7	4,611,928	4,552,759
Financial Assets	4(a)	165,250,739	143,749,523
Inventories	6	117,532	112,482
<b>Total Current Assets</b>		<b>206,675,583</b>	<b>174,345,219</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables	5	1,149,444	1,063,482
Property, Plant and Equipment	9(a)	289,014,166	290,081,253
Infrastructure	10(a)	1,274,366,746	1,223,925,915
Landfill Cell Asset	8(b)	864,731	1,069,544
Financial Assets	4(b)	242,409	249,512
Rehabilitation Asset	8(a)	18,199,651	19,425,986
Right of Use Assets	12(a)	4,253,030	1,070,648
<b>Total Non-Current Assets</b>		<b>1,588,090,177</b>	<b>1,536,886,340</b>
<b>Total Assets</b>		<b>1,794,765,760</b>	<b>1,711,231,559</b>
<b>Current Liabilities</b>			
Trade and Other Payables	14	25,546,257	24,449,016
Capital Grants Liabilities	15	3,079,343	6,846,688
Borrowings	16	4,098,309	4,039,334
Employee Related Provisions	17	9,530,664	8,752,112
Lease Liabilities	12(b)	607,169	1,015,448
Other Provisions	18	15,919,444	10,907,463
<b>Total Current Liabilities</b>		<b>58,781,186</b>	<b>56,010,061</b>
<b>Non-Current Liabilities</b>			
Capital Grants Liabilities	15	49,797,823	35,904,609
Borrowings	16	37,349,408	29,681,316
Employee Related Provisions	17	464,861	495,350
Lease Liabilities	12(b)	3,710,504	114,935
Other Provisions	18	7,439,606	12,163,296
<b>Total Non-Current Liabilities</b>		<b>98,762,202</b>	<b>78,359,506</b>
<b>Total Liabilities</b>		<b>157,543,388</b>	<b>134,369,567</b>
<b>Net Assets</b>		<b>1,637,222,374</b>	<b>1,576,861,992</b>
<b>Equity</b>			
Retained Surplus		284,215,860	297,022,878
Reserves - Cash Backed	31	159,120,863	131,819,634
Revaluation Surplus	19	1,193,885,651	1,148,019,480
<b>Total Equity</b>		<b>1,637,222,374</b>	<b>1,576,861,992</b>

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

**CITY OF ARMADALE  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2025**

			Reserves Cash or Investment Backed	Revaluation Surplus	Total Equity
	Note	Retained Surplus \$	\$	\$	\$
<b>Balance as at 1 July 2023</b>		<b>455,481,335</b>	<b>128,314,669</b>	<b>989,916,632</b>	<b>1,573,712,636</b>
Comprehensive Income Net Result for the period		2,915,066	-	-	2,915,066
Transfer of Revaluation Surplus on Asset Disposals / Impairment	19	(157,868,558)	-	157,868,558	-
Other Comprehensive Income for the Period		-	-	234,290	234,290
Total Comprehensive Income for the Period		(154,953,492)	-	158,102,848	3,149,356
Transfer from Reserves	31	24,627,737	(24,627,737)	-	-
Transfer to Reserves	31	(28,132,702)	28,132,702	-	-
<b>Balance as at 30 June 2024</b>		<b>297,022,878</b>	<b>131,819,634</b>	<b>1,148,019,480</b>	<b>1,576,861,992</b>
<b>Balance as at 1 July 2024</b>		<b>297,022,878</b>	<b>131,819,634</b>	<b>1,148,019,480</b>	<b>1,576,861,992</b>
Comprehensive Income Net Result for the period		13,392,640	-	-	13,392,640
Transfer of Revaluation Surplus on Asset Disposals / Impairment	19	1,101,571	-	(1,101,571)	-
Other Comprehensive Income for the Period		-	-	46,967,742	46,967,742
Total Comprehensive Income for the Period		14,494,211	-	45,866,171	60,360,382
Transfer from Reserves	31	8,173,203	(8,173,203)	-	-
Transfer to Reserves	31	(35,474,432)	35,474,432	-	-
<b>Balance as at 30 June 2025</b>		<b>284,215,860</b>	<b>159,120,863</b>	<b>1,193,885,651</b>	<b>1,637,222,374</b>

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

**CITY OF ARMADALE  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Receipts</b>				
Rates		91,866,596	88,958,584	80,484,214
Grants, Subsidies and Contributions		7,681,297	7,041,601	7,812,673
Fees and Charges		37,004,163	38,853,816	35,161,177
Interest Revenue		7,024,510	6,226,400	7,000,016
Goods and Services Tax Received		5,977,546	7,539,677	5,647,139
Other Revenue		927,129	961,600	1,212,947
<b>Total Receipts</b>		<b>150,481,241</b>	<b>149,581,679</b>	<b>137,318,166</b>
<b>Payments</b>				
Employee Costs		(58,156,466)	(56,680,100)	(50,253,069)
Materials and Contracts		(50,792,323)	(52,133,200)	(53,133,281)
Utility Charges		(4,719,481)	(4,564,300)	(4,413,381)
Insurance Paid		(1,356,963)	(1,412,400)	(1,345,715)
Interest Expenses		(1,054,144)	(1,684,630)	(1,169,350)
Goods and Services Tax Paid		-	(10,607,794)	-
Other Expenditure		(1,640,502)	(7,779,880)	(2,113,540)
<b>Total Payments</b>		<b>(117,719,879)</b>	<b>(134,862,304)</b>	<b>(112,428,336)</b>
<b>Net Cash Provided by Operating Activities</b>	20(b)	<b>32,761,362</b>	<b>14,719,375</b>	<b>24,889,830</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Movement in Financial Assets		(21,501,216)	-	(969,793)
Payments for Property, Plant and Equipment		(6,307,742)	(15,935,800)	(19,120,360)
Payments for Construction of Infrastructure		(6,414,964)	(16,140,700)	(17,046,483)
Developer Contribution Plans - Contributions Received		250,247	8,743,000	2,442,085
Proceeds from Capital Grants and Subsidies		3,091,414	6,676,500	7,938,832
Developer Contribution Plans - Cash		290,339	-	509,307
Proceeds from Sale of Assets		1,710,702	495,900	1,044,800
<b>Net Cash Used in Investing Activities</b>		<b>(28,881,220)</b>	<b>(16,161,100)</b>	<b>(25,201,612)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Repayment of Borrowings	30(a)	(4,039,332)	(4,071,874)	(3,848,309)
Repayment for Principal Portion of Lease Liabilities	30(d)	(1,256,014)	(1,460,900)	(1,315,878)
Proceeds from New Borrowings	30(a)	11,766,400	9,893,100	-
<b>Net Cash Provided by Financing Activities</b>		<b>6,471,054</b>	<b>4,360,326</b>	<b>(5,164,187)</b>
<b>Net Increase in Cash Held</b>		<b>10,351,196</b>	<b>2,918,601</b>	<b>(5,475,969)</b>
Cash and Cash Equivalents at Beginning of Year		10,408,778	15,444,260	15,884,747
<b>Cash and Cash Equivalents at End of the Year</b>	20(a)	<b>20,759,974</b>	<b>18,362,861</b>	<b>10,408,778</b>

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

**CITY OF ARMADALE  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
<b>OPERATING ACTIVITIES</b>				
<b>Revenue from Operating Activities</b>				
General rates	28(a)	89,422,761	88,359,484	83,579,240
Rates excluding general rates	28(a)	602,438	599,100	584,461
Grants, subsidies and contributions	2(a)	7,681,297	7,774,500	7,812,673
Fees and charges	2(a)	37,309,282	35,785,700	34,123,210
Interest revenue	2(a)	7,983,801	6,226,400	7,704,434
Other revenue	2(a)	927,129	961,600	1,212,946
Profit on asset disposals		320,000	15,800	176,847
Fair value adjustments to financial assets at fair value through profit or loss		-	-	3,476
		144,246,708	139,722,584	135,197,287
<b>Expenditure from Operating Activities</b>				
Employee costs	2(b)	(60,155,571)	(56,680,100)	(53,606,870)
Materials and contracts		(53,642,175)	(52,133,200)	(49,125,129)
Utility charges		(4,719,481)	(4,564,300)	(4,413,381)
Depreciation on non-current assets		(32,026,418)	(34,506,400)	(32,343,677)
Interest expenses	2(b)	(2,103,709)	(1,684,630)	(2,258,774)
Insurance expenses		(1,356,963)	(1,412,400)	(1,345,715)
Other expenditure	2(b)	(1,611,672)	(7,779,880)	(2,187,327)
Loss on asset disposals		(2,234,745)	(1,009,400)	(3,516,536)
Fair value adjustments to financial assets at fair value through profit or loss		(7,103)	-	-
		(157,857,837)	(159,770,310)	(148,797,409)
Non cash amounts excluded from operating activities	29(a)	48,300,862	35,500,000	40,852,256
<b>Amount Attributable to Operating Activities</b>		<b>34,689,733</b>	<b>15,452,274</b>	<b>27,252,134</b>
<b>INVESTING ACTIVITIES</b>				
<b>Inflows from investing activities</b>				
Proceeds from capital grants, subsidies and contributions		3,091,414	6,676,500	7,938,832
Developer contribution plans - cash		540,586	3,293,300	2,951,392
Developer contribution plans - gifted assets		23,371,769	28,000,000	6,473,191
Proceeds from disposal of assets		1,710,702	495,900	1,044,800
		28,714,471	38,465,700	18,408,215
<b>Outflows from investing activities</b>				
Purchase of property, plant and equipment	9(a)	(6,307,742)	(15,935,800)	(19,120,360)
Purchase and construction of infrastructure		(6,414,964)	(16,140,700)	(17,046,483)
Infrastructure assets contributed by developers (gifted assets)		(23,371,769)	(28,000,000)	(6,473,191)
		(36,094,475)	(60,076,500)	(42,640,034)
Non-cash amounts excluded from investing activities	29(b)	(3,771,801)	4,716,800	7,448,171
<b>Amount Attributable to Investing Activities</b>		<b>(11,151,805)</b>	<b>(16,894,000)</b>	<b>(16,783,648)</b>
<b>FINANCING ACTIVITIES</b>				
<b>Inflows from financing activities</b>				
Proceeds from new borrowings	30(a)	11,766,400	9,893,100	-
Transfers from reserves	31	8,173,203	19,867,800	24,627,737
		19,939,603	29,760,900	24,627,737
<b>Outflows from financing activities</b>				
Repayment of borrowings	30(a)	(4,039,332)	(4,071,874)	(3,848,309)
Repayment for principal portion of lease liabilities	30(d)	(1,256,014)	(1,460,900)	(1,315,878)
Transfers to reserves	31	(35,474,432)	(23,036,400)	(28,132,702)
		(40,769,778)	(28,569,174)	(33,296,889)
<b>Amount Attributable to Financing Activities</b>		<b>(20,830,175)</b>	<b>1,191,726</b>	<b>(8,669,152)</b>
<b>MOVEMENT IN SURPLUS OR DEFICIT</b>				
Surplus or deficit at the start of the financial year	29	14,934,490	250,000	13,135,156
Amount attributable to operating activities		34,689,733	15,452,274	27,252,134
Amount attributable to investing activities		(11,151,805)	(16,894,000)	(16,783,648)
Amount attributable to financing activities		(20,830,175)	1,191,726	(8,669,152)
<b>Surplus / (Deficiency) after Imposition of General Rates</b>		<b>17,642,243</b>	<b>-</b>	<b>14,934,490</b>

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

**CITY OF ARMADALE**  
**INDEX OF NOTES TO THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

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CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

1. BASIS OF PREPARATION

The financial report of the City of Armadale which is a Class 1 local government comprises general purpose financial statements which have been prepared in accordance with the *Local Government Act 1995* and accompanying regulations.

**Local Government Act 1995 requirements**

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

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

The *Local Government (Financial Management) Regulations 1996* Provide that:

- land and buildings classified as property, plant and equipment; or
  - infrastructure; or
  - vested improvements that the local government controls;
- and measured at reportable value, are only required to be revalued every five years. Revaluing these non-financial assets every five years is a departure from AASB 116 *Property, Plant and Equipment*, which would have required the City to assess at each reporting date whether the carrying amount of the above mentioned non-financial assets materially differs from their fair value and, if so, revalue the class of non-financial assets.

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

**Critical accounting estimates and judgements**

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

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

As with all estimates, the use of different assumptions could lead to material changes in the amounts reported in the financial report.

The following are 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 and further information on their nature and impact can be found in the relevant note:

- Fair value measurement of assets carried at reportable value including:
  - Property, plant and equipment - note 9
  - Infrastructure - note 10
  - Expected credit losses on financial assets - note 5
  - Assets held for sale - note 3
  - Estimated useful life of intangible assets - note 8(a)
  - Measurement of employee benefits - note 17
  - Measurement of provisions - note 18

Fair value hierarchy information can be found in note 26.

**The local government reporting entity**

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 32 of the financial report.

**Initial application of accounting standards**

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

- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback*
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*
- AASB 2023-3 *Amendments to Australian Accounting Standards - Disclosure of Non-current Liabilities with Covenants: Tier 2*
- AASB 2024-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements: Tier 2 Disclosures*
- AASB 2023-1 *Amendments to Australian Accounting Standards - Supplier Finance Arrangements*

These amendments are not expected to have any material impact on the financial report on initial application.

- AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*

These amendment may result in changes to the fair value of certain non-financial assets on revaluation. The impact has not been quantified as it is not considered practicable to determine the amount of the difference in fair value attributable to the change in the standard.

**New accounting standards for application in future years**

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

- AASB 2014-10 *Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
- AASB 2024-4b *Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 [deferred AASB 10 and AASB 128 amendments in AASB 2014-10 apply]*
- AASB 2022-9 *Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector*
- AASB 2023-5 *Amendments to Australian Accounting Standards - Lack of Exchangeability*
- AASB 18 (FP) *Presentation and Disclosure in Financial Statements - (Appendix D) [for for-profit entities]*
- AASB 18 (NFP/super) *Presentation and Disclosure in Financial Statements - (Appendix D) [for not-for-profit and superannuation entities]*
- AASB 2024-2 *Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments*
- AASB 2024-3 *Amendments to Australian Accounting Standards - Annual Improvements Volume 11*

These amendments are not expected to have any material impact on the financial report on initial application.



CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

2. REVENUE AND EXPENSES

a) Revenue

Contracts with Customers

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

Revenue Category	Nature of Goods and Services	When Obligations Typically Satisfied	Payment Terms	Returns/ Refund/ Warranties	Timing of Revenue Recognition
Grants, subsidies and contributions with customers	Community events, minor facilities, research, design, planning evaluation and services	Overtime/ Single point in time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Output method based on project milestones and/or completion date matched to performance obligations. On receipt of funds when there are no sufficiently specific performance obligations.
Fees and charges - licences, registrations, approvals	Building, Planning, development and animal management	Single point in time	Full payment prior to issue	None	On payment of the licence, registration or approval
Fees and charges - waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	On entry to facility
Fees and charges - sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	At point of sale
Other revenue	Contracted private works	Single point in time	Monthly in arrears	None	At point of service

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

Revenue Recognition

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

For the year ended 30 June 2025

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	-	-	90,025,199	-	90,025,199
Grants, subsidies and contributions	7,681,297	-	290,339	-	7,971,636
Fees and charges	36,963,132	-	346,150	-	37,309,282
Interest revenue	-	-	1,075,285	6,908,516	7,983,801
Other revenue	927,129	-	-	-	927,129
Capital grants, subsidies and contributions	-	3,091,414	-	-	3,091,414
<b>Total</b>	<b>45,571,558</b>	<b>3,091,414</b>	<b>91,736,973</b>	<b>6,908,516</b>	<b>147,308,461</b>

For the year ended 30 June 2024

Nature	Contracts with customers	Capital grant/contributions	Statutory Requirements	Other	Total
	\$	\$	\$	\$	\$
Rates	0	0	84,163,701	0	84,163,701
Grants, subsidies and contributions	7,812,673	0	509,307	0	8,321,980
Fees and charges	33,712,957	0	410,253	0	34,123,210
Interest revenue	0	0	970,375	6,734,059	7,704,434
Other revenue	1,212,946	0	0	3,476	1,216,422
Capital grants, subsidies and contributions	0	7,090,605	0	0	7,090,605
<b>Total</b>	<b>42,738,576</b>	<b>7,090,605</b>	<b>86,053,636</b>	<b>6,737,535</b>	<b>142,620,352</b>

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2024 Actual \$
<b>2. REVENUE AND EXPENSES ( Continued)</b>			
<b>a) Revenue ( Continued)</b>			
<b>Assets and Services Acquired Below Fair Value</b>			
Contributed Assets	10	23,371,769	6,473,188
		<b>23,371,769</b>	<b>6,473,188</b>
<b>Interest Earnings</b>			
Interest on Reserve Funds	30	4,326,350	4,767,727
Rates Instalment and Penalty Interest ( Refer Note 28(e))	28	1,075,285	970,375
Other Interest Earnings		2,582,166	1,966,332
		<b>7,983,801</b>	<b>7,704,434</b>
<b>b) Expenses</b>			
<b>Auditor's Remuneration</b>			
Audit of the Annual Financial Report		181,152	125,407
Acquittals		12,500	43,040
		<b>193,652</b>	<b>168,447</b>
<b>Employee Cost</b>			
Employee Benefit Cost		58,338,850	51,851,164
Other Employee Cost		1,816,721	1,755,706
		<b>60,155,571</b>	<b>53,606,870</b>
<b>Finance Cost</b>			
Borrowing	30(a)	1,053,482	1,169,350
Interest expense on Lease Liabilities	30(d)	78,747	52,522
Accretion cost	18	970,818	1,036,902
		<b>2,103,047</b>	<b>2,258,774</b>
<b>Other Expenditure</b>			
Expenses Council Members	23	745,451	1,022,735
Bank Charges		215,877	264,633
Government Charges		230,974	257,861
Sundry expenses		419,370	642,098
		<b>1,611,672</b>	<b>2,187,327</b>

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

	Note	2025 Actual \$	2024 Actual \$
<b>3. CASH AND CASH EQUIVALENTS</b>			
Cash at Bank		20,743,114	10,392,368
Cash on Hand		16,860	16,410
<b>Total Cash and Cash Equivalents</b>		<b>20,759,974</b>	<b>10,408,778</b>
<b>Comprises</b>			
Unrestricted Cash and Cash Equivalents		12,260,977	381,459
Restricted Cash and Cash Equivalents		8,498,997	10,027,319
Unspent Grants/Contributions		0	-
Unspent Loans	30(c)	0	-
		<b>20,759,974</b>	<b>10,408,778</b>

**MATERIAL ACCOUNTING POLICIES**

**Cash and cash equivalents**

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

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

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

**Restricted financial assets**

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

Details of the restrictions on financial assets can be found at Note 31.

**4. FINANCIAL ASSETS**

	Note	2025 Actual \$	2024 Actual \$
<b>(a) Current Assets</b>			
Financial Assets at Amortised Cost		165,250,739	143,749,523
<b>Other Financial Assets at Amortised Cost</b>			
Term Deposits		165,250,739	143,749,523
Held as			
- Unrestricted Other Financial Assets at Amortised Cost		7,961,795	18,793,079
- Restricted Other Financial Assets at Amortised Cost	20	157,288,944	124,956,444
		<b>165,250,739</b>	<b>143,749,523</b>
<b>(b) Non-Current Assets</b>			
<b>Financial Assets at Fair Value through Profit or Loss</b>			
Units in Local Government House Trust		159,239	166,342
Interest in Rivers Regional Council		83,170	83,170
		<b>242,409</b>	<b>249,512</b>

The accounting share applicable to the City as at 30 June 2025 is as of 30 June 2024

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

**MATERIAL ACCOUNTING POLICIES**

**Other Financial Assets at Amortised Cost**

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

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

Fair values of financial assets at amortised cost are not materially different to their carrying amounts, since the interest receivable on those assets are of a short term nature. No-current financial assets at amortised cost fair values are based on discounted cashflows using a current market rates. They are classified as level 2 fair values in their fair value hierarchy ( see Note 26(i)) due to the observable market rates.

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

**Financial Assets at Fair Value through Profit or Loss**

The City classifies the following financial assets at fair value through profit or loss:

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

**Impairment and Risk**

Information regarding impairment and exposure to risk can be found at Note 24.

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**5. TRADE AND OTHER RECEIVABLES**

**Current**

	2025 Actual \$	2024 Actual \$
Rates Receivable	9,496,218	9,534,429
Emergency Services Levy Receivables	723,925	1,924,768
Receivables for Employee Related Provisions	500,990	489,562
Sundry Receivables	5,242,308	3,584,363
Less : Expected Credit Loss	(28,031)	(11,445)
	<b>15,935,410</b>	<b>15,521,677</b>

**Non-Current**

Rates Deferred	1,035,843	961,138
ESL Deferred	113,601	102,344
	<b>1,149,444</b>	<b>1,063,482</b>

**Disclosure of opening and closing balances related to contracts with customers**

Information about receivables from contracts with customers along with financial assets and associated liabilities arising from transfers to enable the acquisition or construction of recognisable non financial assets is:

	30 June 2025 Actual \$	30 June 2024 Actual \$
Trade and other receivables from contracts with customers	5,242,308	3,584,363
Allowance for credit losses of trade receivables	(28,031)	(11,445)
Total trade and other receivables from contracts with customers	<b>5,214,277</b>	<b>3,572,918</b>

**MATERIAL ACCOUNTING POLICIES**

**Rates and statutory receivables**

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

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

**Trade receivables**

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

**Other receivables**

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

**Measurement**

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

**Classification and subsequent measurement**

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

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

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

**Impairment and risk exposure**

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

**CITY OF ARMADALE**  
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**6. INVENTORIES**

**Current**

Fuel and Materials

2025 Actual \$	2024 Actual \$
117,532	112,482
<b>117,532</b>	<b>112,482</b>
112,482	163,449
(3,798,361)	(3,013,267)
(17,025)	(39,029)
3,820,436	3,001,329
<b>117,532</b>	<b>112,482</b>

The following movements in inventories occurred during the year:

**Balance at beginning of year**

Inventories expensed during the year

Write back/(down) of inventories to net realisable value

Additions to inventory

**Balance at end of year**

**MATERIAL ACCOUNTING POLICIES**

**General**

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

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

**Land Held for Resale**

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

**Land Held for Resale (Continued)**

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

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

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

**CITY OF ARMADALE**  
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**7. OTHER ASSETS**

**Current**

Prepayments  
Accrued Revenue

2025 Actual \$	2024 Actual \$
972,978	13,687
3,638,950	4,539,072
<b>4,611,928</b>	<b>4,552,759</b>

**MATERIAL ACCOUNTING POLICIES**

**Other Current Assets**

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.  
Accrued Revenue relates to the City's right to consideration for work and services completed but not billed at the end of the period.

**8(a). REHABILITATION ASSET**

**Non-Current**

Landfill Site Rehabilitation  
Less : Revision to Estimates  
Less : Amortisation

2025 Actual \$	2024 Actual \$
19,425,986	22,441,615
(654,982)	(2,374,440)
(571,353)	(641,189)
<b>18,199,651</b>	<b>19,425,986</b>

**8(b). LANDFILL CELL ASSET**

**Non-Current**

Landfill Cell - Independent Valuation 2018  
Transfer from WIP - Cost  
Less : Depreciation

1,069,544	793,291
(156,420)	401,146
(48,393)	(124,893)
<b>864,731</b>	<b>1,069,544</b>

**MATERIAL ACCOUNTING POLICIES**

**Rehabilitation Asset and Landfill Cell Asset**

Refer to Note 11 for the detail accounting policies of Rehabilitation asset and Landfill Cell asset.

CITY OF ARMADALE  
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9. PROPERTY, PLANT AND EQUIPMENT

(a) Movement in Balances

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

	Assets not subject to operating lease		Assets subject to operating lease	Total Property				Plant and equipment			Total Property Plant and Equipment
	Land-Freehold Land	Buildings	Buildings	Land-Freehold Land	Buildings	Work in Progress	Total Property	Furniture and Equipment	Plant and Machinery	Work in Progress	Total Property Plant and Equipment
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2023</b>	<b>106,969,329</b>	<b>122,125,885</b>	<b>20,640,384</b>	<b>106,969,329</b>	<b>142,766,269</b>	<b>12,400,564</b>	<b>262,136,162</b>	<b>1,632,632</b>	<b>12,286,833</b>	<b>282,816</b>	<b>276,338,443</b>
Additions	-	-	-	-	-	14,897,604	14,897,604	-	-	4,222,756	19,120,360
(Disposals)	-	(824,037)	-	-	(824,037)	-	(824,037)	-	(867,953)	-	(1,691,990)
Depreciation (expense)	-	(2,131,352)	(701,496)	-	(2,832,848)	-	(2,832,848)	(378,588)	(2,036,441)	-	(5,247,877)
Gifted Assets	-	387,013	-	-	387,013	-	387,013	-	-	-	387,013
Revaluation Surplus/(deficit)	-	-	-	-	-	-	-	234,290	-	-	234,290
Transfers from WIP	-	3,557,645	196,177	-	3,753,822	(3,781,464)	(27,642)	31,274	4,172,315	(4,243,954)	(68,007)
Transfers from/(to) other class of assets	-	(19,923)	-	-	(19,923)	872,403	852,480	-	-	156,541	1,009,021
<b>Balance at 30 June 2024</b>	<b>106,969,329</b>	<b>123,095,231</b>	<b>20,135,065</b>	<b>106,969,329</b>	<b>143,230,296</b>	<b>24,389,107</b>	<b>274,588,732</b>	<b>1,519,608</b>	<b>13,554,754</b>	<b>418,159</b>	<b>290,081,253</b>
<b>Comprises:</b>											
Gross carrying amount	106,969,329	166,505,371	26,028,177	106,969,329	192,533,548	24,389,107	323,891,984	4,311,135	20,440,067	418,159	349,061,345
Accumulated depreciation	-	(43,410,140)	(5,893,112)	-	(49,303,252)	-	(49,303,252)	(2,791,527)	(6,885,313)	-	(58,980,092)
<b>Balance at 30 June 2024</b>	<b>106,969,329</b>	<b>123,095,231</b>	<b>20,135,065</b>	<b>106,969,329</b>	<b>143,230,296</b>	<b>24,389,107</b>	<b>274,588,732</b>	<b>1,519,608</b>	<b>13,554,754</b>	<b>418,159</b>	<b>290,081,253</b>
<b>Balance at 1 July 2024</b>	<b>106,969,329</b>	<b>123,095,231</b>	<b>20,135,065</b>	<b>106,969,329</b>	<b>143,230,296</b>	<b>24,389,107</b>	<b>274,588,732</b>	<b>1,519,608</b>	<b>13,554,754</b>	<b>418,159</b>	<b>290,081,253</b>
Additions	-	-	-	-	-	4,336,585	4,336,585	-	-	2,100,238	6,436,823
(Disposals)	(980,000)	(174,313)	-	(980,000)	(174,313)	-	(1,154,313)	(43,031)	(398,260)	-	(1,595,604)
Depreciation (expense)	-	(3,361,773)	(1,843)	-	(3,363,616)	-	(3,363,616)	(383,763)	(2,031,848)	-	(5,779,227)
Transfers from WIP	-	23,935,963	-	-	23,935,963	(23,935,963)	-	2,900	1,602,064	(1,604,964)	-
Transfers from/(to) other class of assets	-	(55,232)	-	-	(55,232)	230,693	175,461	55,420	-	(359,962)	(129,081)
<b>Balance at 30 June 2025</b>	<b>105,989,329</b>	<b>143,439,877</b>	<b>20,133,222</b>	<b>105,989,329</b>	<b>163,573,099</b>	<b>5,020,421</b>	<b>274,582,849</b>	<b>1,151,134</b>	<b>12,726,711</b>	<b>553,472</b>	<b>289,014,166</b>
<b>Comprises:</b>											
Gross carrying amount	105,989,329	189,978,774	26,028,177	105,989,329	216,006,951	5,020,421	327,016,701	4,326,424	21,258,242	553,472	353,154,839
Accumulated depreciation	-	(46,538,897)	(5,894,955)	-	(52,433,852)	-	(52,433,852)	(3,175,290)	(8,531,531)	-	(64,140,673)
<b>Balance at 30 June 2025</b>	<b>105,989,329</b>	<b>143,439,877</b>	<b>20,133,222</b>	<b>105,989,329</b>	<b>163,573,099</b>	<b>5,020,421</b>	<b>274,582,849</b>	<b>1,151,134</b>	<b>12,726,711</b>	<b>553,472</b>	<b>289,014,166</b>

CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

9. PROPERTY, PLANT AND EQUIPMENT

b) Carrying Value Measurements

Asset Class	Carrying amount 2025	Carrying amount 2024	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value							
Land & Buildings							
Land	105,989,329	106,969,329	2	Market approach using recent observable market data for similar properties/ income approach using discounted cashflow methodology.	Independent registered valuer	June 2022	Price per hectare/ market borrowing rate
<b>Total Land</b>	<b>105,989,329</b>	<b>106,969,329</b>					
Buildings - non-specialised	130,923,583	106,267,677	3	Cost approach using current replacement cost	Management valuation	June 2022	Construction cost and current condition, residual values and remaining useful life assessments inputs
Buildings - specialised	32,649,516	36,962,619	2	Market approach using recent observable market data for similar properties/ income approach using discounted cashflow methodology	Independent valuer and Management valuation	June 2022	Price per square metre/ market borrowing rate
<b>Total Buildings</b>	<b>163,573,099</b>	<b>143,230,296</b>					
Level 3 inputs are on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.							
During the period there were no changes in the valuation techniques used by the City of Armadale to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.							
(ii) Cost							
Furniture and Equipment				N/A	Cost	Not applicable	N/A
Plant and Equipment				N/A	Cost	Not applicable	N/A



CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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10. INFRASTRUCTURE

(a) Movement in Balances

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

	Roads \$	Drainage \$	Pathways \$	Parks and Reserves \$	Waste Infrastructure \$	Other Infrastructure \$	Work in Progress \$	Total Infrastructure \$
<b>Balance at 1 July 2023</b>	<b>770,915,256</b>	<b>290,878,470</b>	<b>79,285,036</b>	<b>53,604,644</b>	<b>2,936,171</b>	<b>1,161,633</b>	<b>31,140,718</b>	<b>1,229,921,928</b>
Additions	-	-	-	-	-	-	16,609,936	16,609,936
Gifted Assets	1,381,085	1,878,203	2,179,492	647,395	-	-	-	6,086,175
(Disposals)	(78,719)	(204,346)	-	(887,536)	-	(44,050)	(1,410,087)	(2,624,738)
Depreciation (expense)	(11,751,611)	(5,354,316)	(2,580,260)	(4,924,388)	(311,641)	(136,148)	-	(25,058,364)
Transfers from WIP	13,359,111	604,814	1,043,668	11,634,987	254,646	44,405	(26,941,631)	-
Transfers from/(to) other class of assets	-	(62,783)	-	82,706	-	-	(1,028,945)	(1,009,022)
<b>Balance at 30 June 2024</b>	<b>773,825,122</b>	<b>287,740,042</b>	<b>79,927,936</b>	<b>60,157,808</b>	<b>2,879,176</b>	<b>1,025,840</b>	<b>18,369,991</b>	<b>1,223,925,915</b>
<b>Comprises:</b>								
Gross carrying amount	1,008,355,113	416,994,585	109,836,448	94,714,264	5,806,185	3,071,665	18,369,991	1,657,148,251
Accumulated depreciation	(234,529,991)	(129,254,543)	(29,908,512)	(34,556,456)	(2,927,009)	(2,045,825)	-	(433,222,336)
<b>Balance at 30 June 2024</b>	<b>773,825,122</b>	<b>287,740,042</b>	<b>79,927,936</b>	<b>60,157,808</b>	<b>2,879,176</b>	<b>1,025,840</b>	<b>18,369,991</b>	<b>1,223,925,915</b>
<b>Balance at 1 July 2024</b>	<b>773,825,122</b>	<b>287,740,042</b>	<b>79,927,936</b>	<b>60,157,808</b>	<b>2,879,176</b>	<b>1,025,840</b>	<b>18,369,991</b>	<b>1,223,925,915</b>
Additions	-	-	-	-	-	-	6,313,426	6,313,426
Gifted Assets	4,491,658	13,842,338	3,924,180	790,322	299,395	23,876	-	23,371,769
(Disposals)	(1,268,811)	(415,499)	(161,620)	(183,753)	(39,622)	(905)	-	(2,070,210)
Depreciation (expense)	(10,776,206)	(5,208,340)	(3,189,266)	(4,893,954)	(220,093)	(111,995)	-	(24,399,854)
Adjustments - Depn	-	-	87,036	-	-	(87,036)	-	-
Revaluation Surplus/(deficit)	-	-	46,967,743	-	-	-	-	46,967,743
Transfers from WIP	1,392,327	861,875	2,366,492	4,847,044	142,187	19,384	(9,629,309)	-
Transfers from/(to) other class of assets	11,558	(91,599)	(87,036)	80,041	-	87,036	257,958	257,958
<b>Balance at 30 June 2025</b>	<b>767,675,648</b>	<b>296,728,819</b>	<b>129,835,463</b>	<b>60,797,508</b>	<b>3,061,042</b>	<b>956,200</b>	<b>15,312,066</b>	<b>1,274,366,746</b>
<b>Comprises:</b>								
Gross carrying amount	1,012,289,617	430,945,897	173,893,741	100,037,749	4,787,166	3,197,529	15,312,066	1,740,463,765
Accumulated depreciation	(244,613,969)	(134,217,078)	(44,058,278)	(39,240,241)	(1,726,124)	(2,241,329)	-	(466,097,019)
<b>Balance at 30 June 2025</b>	<b>767,675,648</b>	<b>296,728,819</b>	<b>129,835,463</b>	<b>60,797,508</b>	<b>3,061,042</b>	<b>956,200</b>	<b>15,312,066</b>	<b>1,274,366,746</b>

CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
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10. INFRASTRUCTURE

b) Carrying Value Measurements

Asset Class	Note	Carrying amount 2025	Carrying amount 2024	Fair Value Hierarchy	Valuation Technique	Basis of Valuation	Date of Last Valuation	Inputs Used
(i) Fair Value								
Infrastructure - Roads	10 (a)	767,675,648	773,825,122	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Drainage		296,728,819	287,740,042	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Pathways		129,835,463	79,927,936	3	Cost approach using current replacement cost	Management Valuation	June 2025	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Parks and Reserves		60,797,508	60,157,808	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Waste Infrastructure		3,061,042	2,879,176	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Other		956,200	1,025,840	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs
Infrastructure - Landfill Cell	8(b)	864,731	1,069,544	3	Cost approach using current replacement cost	Management Valuation	June 2023	Construction cost and current condition, residual values and remaining useful life assessments inputs

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

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

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11. FIXED ASSETS

(a) Depreciation

**Depreciation Rates**

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

Asset Class	Useful Life
Buildings	30 - 180 years
Electronic Equipment	2 - 3 years
Furniture and Equipment	5 - 15 years
Plant and Machinery:	
Motor Vehicles	2 - 10 years
Major Plants	5 - 20 years
Minor Plant and Equipment	1 - 30 years
Roads:	
Sealed	15 - 80 years
Pavements	40 - 120 years
Gravel	10 years
Kerb	50 years
Formation	Not depreciated
Road Bridges	30 - 80 years
Drainage:	
Storm Water	25 - 120 years
Subsoil	25 - 120 years
Water Harvesting Devices	50 years
Parks and Reserves:	
Playground Equipment	10 - 40 years
Bores and Pumps	10 - 50 years
Artworks, Memorials and Signs	10 - 80 years
POS Structures	10 - 50 years
Active Areas and Hardscape	15 - 50 years
POS Furniture and Infrastructure	10 - 30 years
Boardwalks and Bridges	10 - 30 years
Retaining Walls and Walls	35 - 50 years
Fences/ Gates	20 - 50 years
Electrical	25 - 30 years
POS Lighting	10 - 50 years
Pathways	20 - 50 years
Waste/ Other Infrastructure	15 - 70 years
Landfill Cell	15 - 50 years
Community Art	No depreciation
Right of Use Asset - Building, and Plant & Equipment	Based on the remaining lease term

(b) Fully Depreciated Assets in Use

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

	2025 Actual \$	2024 Actual \$
Buildings	266,596	339,357
Furniture and Equipment	981,999	84,556
Roads	16,885,653	-
Drainage	913,767	-
Plant & Machinery	3,000	-
Other Infrastructure	926,972	-
Landfill Cell	3,982,000	2,222,000
Parks and Reserves	6,905,886	34,487
	<b>30,865,874</b>	<b>2,680,400</b>

CITY OF ARMADALE  
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11. FIXED ASSETS

**MATERIAL ACCOUNTING POLICIES**

**Initial recognition**

An item of property, plant and equipment or infrastructure that qualifies for recognition as an asset is measured at its cost.

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

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

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

Individual assets that are land, buildings and infrastructure acquired between scheduled revaluation dates of the asset class in accordance with the City's revaluation policy, are recognised at cost and disclosed as being at reportable value.

**Measurement after recognition**

Plant and equipment including furniture and equipment and right-of-use assets (other than vested improvements) are measured using the cost model as required under *Local Government (Financial Management) Regulation 17A(2)*. Assets held under the cost model are carried at cost less accumulated depreciation and any impairment losses being their reportable value.

**Reportable Value**

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are *land and buildings classified as property, plant and equipment*, investment properties, infrastructure or vested improvements that the local government controls.

Reportable value is for the purpose of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date minus (to the extent applicable) the accumulated depreciation and any accumulated impairment losses in respect of the non-financial asset subsequent to its last valuation date.

**Revaluation**

Land and buildings classified as property, plant and equipment, *infrastructure or vested improvements that the local government controls* and measured at reportable value, are only required to be revalued every five years in accordance with the regulatory framework. This includes buildings and infrastructure items which were pre-existing improvements (i.e. vested improvements) on land vested in the City.

Whilst the regulatory framework only requires a revaluation to occur every five years, it also provides for the City to revalue earlier if it chooses to do so.

For land, buildings and infrastructure, increases in the carrying amount arising on revaluation of asset classes are credited to a revaluation surplus in equity.

Decreases that offset previous increases of the same class of asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Subsequent increases are then recognised in profit or loss to the extent they reverse a net revaluation decrease previously recognised in profit or loss for the same class of asset.

**Depreciation**

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

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

**Depreciation on revaluation**

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

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

**Amortisation**

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

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

Amortisation is included within depreciation in the Statement of Comprehensive Income and Note 8(a)

**Impairment**

In accordance with *Local Government (Financial Management) Regulations 17A(4C)*, the City is not required to comply with *AASB 136 Impairment of Assets* to determine the recoverable amount of its non-financial assets that are land or buildings classified as property, plant and equipment, infrastructure or vested improvements that the local government controls in circumstances where there has been an impairment indication of a general decrease in asset values.

In other circumstances where it has been assessed that one or more of these non-financial assets are impaired, the asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Gains or losses on disposal**

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

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12. LEASES

(a) Right of Use Assets

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

	Right of use assets Building	Right of use assets Plant & Equipment	Right of use assets Motor Vehicle	Right of use assets Total
	\$	\$	\$	\$
Balance at 1 July 2023	1,368,801	2,064,353	59,956	3,493,110
Additions	88,503	(37,259)	934	52,178
Written off ( cancelled lease agreements)	(412,085)	(786,100)	(5,101)	(1,203,286)
Depreciation	(563,326)	(682,315)	(25,713)	(1,271,354)
Balance at 30 June 2024	481,893	558,679	30,076	1,070,648
Gross balance amount at 30 June 2024	3,154,481	2,880,541	79,745	6,114,767
Accumulated depreciation at 30 June 2024	(2,672,588)	(2,321,862)	(49,669)	(5,044,119)
Balance at 30 June 2024	481,893	558,679	30,076	1,070,648
Balance at 1 July 2024	481,893	558,679	30,076	1,070,648
Additions	3,969,672	375,648	64,653	4,409,973
Depreciation	(608,612)	(591,929)	(27,050)	(1,227,591)
Balance at 30 June 2025	3,842,953	342,398	67,679	4,253,030
Gross balance amount at 30 June 2025	7,073,892	3,306,274	144,115	10,524,281
Accumulated depreciation at 30 June 2025	(3,230,939)	(2,963,876)	(76,436)	(6,271,251)
Balance at 30 June 2025	3,842,953	342,398	67,679	4,253,030

The following amounts were recognised in the statement of comprehensive income during the period in respect of leases where the entity is the lessee:

	Note	2025 Actual \$	2024 Actual \$
Depreciation on Right of Use Asset		1,227,591	1,271,354
Interest Expense on Lease Liabilities	30(d)	78,747	52,522
Short-term Lease Payments Recognised as Expense		433,073	463,630
<b>Total Amount Recognised in the Statement of Comprehensive Income</b>		<b>1,739,411</b>	<b>1,787,506</b>
<b>Cash Outflow from Leases</b>			
Interest expense on lease liabilities		(78,747)	(52,522)
Lease principal expense	30(d)	(1,256,014)	(1,315,878)
<b>Total Cash Outflow from Leases</b>		<b>(1,334,761)</b>	<b>(1,368,400)</b>
<b>(b) Lease Liabilities</b>			
Current		607,169	1,015,448
Non-current	30(d)	3,710,504	114,935
		<b>4,317,673</b>	<b>1,130,383</b>

**MATERIAL ACCOUNTING POLICIES**

**Leases**

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

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

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

**Right-of-use assets - valuation measurement**

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

Refer to Note 11 under revaluation for details on the material accounting policies applying to vested improvements.

**Right-of-use assets - depreciation**

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

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**13. INVESTMENT PROPERTY**

**Non-current assets - at reportable value**

	2025 Actual \$	2025 Budget \$	2024 Actual \$
Carrying balance at 1 July	20,836,561	20,485,352	20,640,384
Capitalised subsequent expenditure	-	-	196,177
Closing balance at 30 June	<b>20,836,561</b>	<b>20,485,352</b>	<b>20,836,561</b>

**Amounts recognised in profit or loss for investment properties**

	2025 Actual \$	2025 Budget \$	2024 Actual \$
Rental income	1,465,732	-	1,487,647
	<b>1,465,732</b>	<b>-</b>	<b>1,487,647</b>

**Leasing arrangements**

Investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of investment properties are as follows:

Minimum lease payments under non-cancellable operating leases of investment properties not recognised in the financial statements are receivable as follows:

	2025 Actual \$	2025 Budget \$	2024 Actual \$
Less than 1 year	1,227,037	-	1,126,315
1 to 2 years	-	-	-
2 to 3 years	-	-	-
3 to 4 years	-	-	-
4 to 5 years	-	-	-
> 5 years	-	-	-
	<b>1,227,037</b>	<b>-</b>	<b>1,126,315</b>

**MATERIAL ACCOUNTING POLICIES**

**Investment properties**

Investment properties are principally freehold buildings, held for long-term rental yields and not occupied by the City.

In accordance with *Local Government (Financial Management) Regulation 17A(2)*, the carrying amount of non-financial assets that are investment properties, are shown at their reportable value.

Reportable value for the purposes of *Local Government (Financial Management) Regulation 17A(4)* is the fair value of the asset at its last valuation date.

**Revaluation**

In accordance with the regulatory framework, investment properties are required to be revalued whenever required by AASB 140 and, in any event, every five years.

**Fair value of investment properties**

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

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**14. TRADE AND OTHER PAYABLES**

**Current**

Sundry Creditors
Accrued Salaries and Wages
Accrued Expenses
Revenue Received in Advance
Rates in Advance
ESL Liability
Deposits and Bonds

2025 Actual \$	2024 Actual \$
3,546,904	2,153,746
1,251,042	793,844
4,465,615	6,244,541
399,963	241,064
8,886,873	8,392,432
193,864	-
6,801,996	6,623,389
<b>25,546,257</b>	<b>24,449,016</b>

**MATERIAL ACCOUNTING POLICIES**

**Financial liabilities**

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

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

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

**Trade and other payables**

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

**Prepaid rates**

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the City recognises revenue for the prepaid rates

**15. OTHER LIABILITIES**

**Current**

Capital Grant/ Contributions Liabilities

**Non Current**

Capital Grant/ Contributions Liabilities

**Reconciliation of Changes in Capital Grant/ Contribution Liabilities**

Opening Balance
Additions
Revenue from capital grant/ contributions held as a liability at the start of the period

2025 Actual \$	2024 Actual \$
3,079,343	6,846,688
<b>3,079,343</b>	<b>6,846,688</b>
49,797,823	35,904,609
<b>49,797,823</b>	<b>35,904,609</b>
42,751,297	275,104
13,217,283	49,566,798
- 3,091,414	- 7,090,605
<b>52,877,166</b>	<b>42,751,297</b>

**Expected Satisfaction of Capital Grant/ Contribution Liabilities**

Less than 1 year
1 to 2 years
2 to 3 years
3 to 4 years
4 to 5 years
> 5 years

3,079,343	6,846,688
4,548,900	4,026,200
14,619,000	12,138,600
20,996,499	11,748,600
9,633,424	7,991,209
-	-
<b>52,877,166</b>	<b>42,751,297</b>

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

**MATERIAL ACCOUNTING POLICIES**

**Contract Liabilities**

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

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

**Capital Grant/ Contribution Liabilities**

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

Non-current Capital grant/ contribution liabilities fair values are based on discounted cash flows of expected cash flows to satisfy the obligations using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 26) due

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16. BORROWINGS

Note	2025			2024		
	Current	Non-current	Total	Current	Non-current	Total
	\$	\$	\$	\$	\$	\$
<b>Secured</b>						
WA Treasury Corporation	4,098,309	37,349,408	41,447,717	4,039,334	29,681,316	33,720,650
<b>Total Secured Borrowings</b> 30(a)	<b>4,098,309</b>	<b>37,349,408</b>	<b>41,447,717</b>	<b>4,039,334</b>	<b>29,681,316</b>	<b>33,720,650</b>

**Secured Liabilities and Assets Pledged as Security**

The loans from WA Treasury Corporation is secured by a floating charge over the assets of the City of Armadale.

The City of Armadale has complied with the financial covenants of its borrowing facilities during the 2025 and 2024 years.

**MATERIAL ACCOUNTING POLICIES**

**Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

Fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of short term nature. Borrowings fair values are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy (see Note 26) due to the unobservable inputs, including own credit risk.

**Risk**

Information regarding exposure to risk can be found at Note 24. Details of individual borrowings required by regulations are provided at Note 30(a).



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**17. EMPLOYEE RELATED PROVISIONS**

	2025 Actual \$	2024 Actual \$
<b>Current Provisions</b>		
Annual Leave	3,926,062	3,873,592
Long Service Leave	4,166,033	3,703,863
Other employee leave provisions	422,786	281,998
	<b>8,514,881</b>	<b>7,859,453</b>
<b>Employee related other provisions</b>		
Employment on-costs	1,015,783	892,659
<b>Total current employee related provisions</b>	<b>9,530,664</b>	<b>8,752,112</b>
<b>Non-current Provisions</b>		
Long Service Leave	409,569	438,363
	<b>409,569</b>	<b>438,363</b>
<b>Employee related other provisions</b>		
Employment on-costs	55,292	56,987
<b>Total non-current employee related provisions</b>	<b>464,861</b>	<b>495,350</b>
<b>Total Employee Benefits Provisions</b>	<b>9,995,525</b>	<b>9,247,462</b>

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

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

	2025 Actual \$	2024 Actual \$
<b>Within 12 months of the end of the reporting period</b>		
Annual Leave	3,085,590	2,648,345
Long Service Leave	3,754,170	3,225,801
Other Leave	479,862	318,658
<b>More than 12 months after the end of the reporting period</b>		
Annual Leave	1,293,059	1,653,815
Long Service Leave	464,861	495,350
Expected reimbursements of employee related provisions from other WA local governments	500,990	489,562
Expected payable of employee related provisions to other WA local governments	416,993	415,931
	<b>9,995,525</b>	<b>9,247,462</b>

**MATERIAL ACCOUNTING POLICIES**

**Employee Benefits**

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

**Short-term employee benefits**

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

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

**Other long-term employee benefits**

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

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

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**18. OTHER PROVISIONS**

	2025 Actual \$	2024 Actual \$
<b>Provision for Rehabilitation of Landfill Site</b>		
<b>Movement</b>		
Balance at the Beginning of the Year	23,070,759	24,443,698
Provision Made During the Year		
Change in Estimates*	(682,527)	(2,409,841)
Unwinding Discount	970,818	1,036,902
Balance at the End of the Year	<b>23,359,050</b>	<b>23,070,759</b>
Provision for Rehabilitation of Landfill Site - Current	15,919,444	10,907,463
Provision for Rehabilitation of Landfill Site - Non-Current	7,439,606	12,163,296
	<b>23,359,050</b>	<b>23,070,759</b>

\* The change in estimates is attributable to changes cost estimates and method of calculation along with changes in the inflation and discount rates due to changes in economic conditions.

**Other Provisions**

A provision is recognised when:

- there is a present obligation as a result of activities undertaken;
- it is probable that an outflow of economic benefits will be required to settle the obligation; and
- the amount of the provision can be measured reliably.

Amounts which are reliably expected to be paid out within 12 months of the reporting date are classified as current. Exact timing of payment of non-current obligations is unable to be reliably estimated as it is dependent on factors beyond the control of the local government.

**Provision for Rehabilitation of Landfill Site**

Under the licence for the operation of the Armadale City waste landfill site, the City has a legal obligation to restore the site.

The estimated future obligations include the cost of restoring the affected areas and continued monitoring of the site.

The provision for future remediation costs is the best estimate of the present value of the expenditure required to settle the remediation obligation at the reporting date. Future remediation costs are reviewed annually and any changes in the estimate are reflected in the present value of the remediation provision at each reporting date.

**MATERIAL ACCOUNTING POLICIES**

**Provisions**

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

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

**Provision for Site Rehabilitation**

A provision for the future costs associated with closing and restoring the landfill is recognised as a liability within the financial accounts. The nature of work planned by the City includes cell capping, landform reconstruction, dismantling of site operating facilities and implementation of a revegetation plan to suit the final land use. The cost is provided at the present value of the expenditure expected to be incurred, using estimated cash flows based on current prices. The unwinding of rehabilitation obligation is included in the Statement of Comprehensive Income. Estimated future rehabilitation costs are reviewed regularly and adjusted as appropriate for new circumstances or change in law or technology. Changes in estimates are capitalised or revised against the relevant asset. Estimates are discounted at a discount rate that reflects current market assessment of time value of money.

During the 2017/18 financial year, the City appointed an independent valuer to conduct an evaluation of potential site rehabilitation costs followed by an initial measurement and recognition of Landfill Cell asset.

The discounted present value of the future capping expenditure is amortised on a straight line basis over the anticipated lives of the current cell phases.

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19. REVALUATION SURPLUS

	2025	2025	2025	2025	2024	2024	2024	2024
	Opening	Increment/(Decr	Transfer to/ from	Closing	Opening	Increment/(Decr	Transfer to	Closing
	Balance	ement)	Retained	Balance	Balance	ement)	Retained	Balance
	\$	\$	\$	\$	\$	\$	\$	\$
Revaluation surplus - Land - Vested Land	93,768,126	-	-	93,768,126	93,768,126	-	-	93,768,126
Revaluation surplus - Building	38,890,195	-	-	38,890,195	39,002,217	-	(112,022)	38,890,195
Revaluation surplus - Furniture & Equipment	396,056	-	-	396,056	161,766	234,290	-	396,056
Revaluation surplus - Plant & Machinery	(36,240)	-	(27,735)	(63,975)	57,970	-	(94,210)	(36,240)
Revaluation surplus - Infrastructure Roads	736,637,099	-	(1,089,061)	735,548,038	581,705,767	-	154,931,332	736,637,099
Revaluation surplus - Infrastructure Drainage	205,822,121	-	(360,940)	205,461,181	202,900,472	-	2,921,649	205,822,121
Revaluation surplus - Infrastructure Pathways	58,335,552	46,967,742	(255,980)	105,047,314	58,335,552	-	-	58,335,552
Revaluation surplus - Infrastructure Parks & Gardens	10,742,281	-	91,250	10,833,531	10,381,214	-	361,067	10,742,281
Revaluation surplus - Infrastructure Waste	(474,066)	-	543,091	69,025	(459,798)	-	(14,268)	(474,066)
Revaluation surplus - Infrastructure Landfill Cell	943,990	-	-	943,990	943,990	-	-	943,990
Revaluation surplus - Infrastructure Other	1,135,649	-	(2,196)	1,133,453	1,260,639	-	(124,990)	1,135,649
Revaluation surplus - Landfill Site Rehabilitation	1,858,717	-	-	1,858,717	1,858,717	-	-	1,858,717
	<b>1,148,019,480</b>	<b>46,967,742</b>	<b>(1,101,571)</b>	<b>1,193,885,651</b>	<b>989,916,632</b>	<b>234,290</b>	<b>157,868,558</b>	<b>1,148,019,480</b>

As the Council has disposed off infrastructure assets during the year, relevant balances in the revaluation surplus account have been transferred to retained surplus.

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	Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
<b>20. NOTES TO THE STATEMENT OF CASH FLOWS</b>				
<b>a) Reconciliation of Cash</b>				
For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows;				
Cash and Cash Equivalents	3	20,759,974	18,362,861	10,408,778
<b>Restrictions</b>				
The following classes of financial assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and Cash Equivalents	3	8,498,997	-	10,027,319
- Financial Assets at Amortised Cost	4	157,288,944	133,115,460	124,956,444
		<b>165,787,941</b>	<b>133,115,460</b>	<b>134,983,763</b>
The restricted financial assets are a result of the following specific purposes to which the assets may be used:				
Restricted Reserve Accounts	31	159,120,863	133,115,460	131,819,634
Unspent Grants/Contributions		2,284,272	-	2,828,068
Unspent Loans	30( c)	4,382,806	-	336,061
<b>Total Restricted Financial Assets</b>		<b>165,787,941</b>	<b>133,115,460</b>	<b>134,983,763</b>
<b>b) Reconciliation of Net Cash Provided by Operating Activities to Net Result</b>				
Net Result		13,392,640	17,922,074	2,915,066
Non-cash Items:				
Depreciation		31,455,065	34,506,400	31,702,488
Amortisation		571,353	-	641,189
Accretion Charge		970,818	-	1,036,902
Expected Credit Loss/(Reversal)		16,586	-	22,050
Profit on Sale of Asset		(320,000)	-	(176,847)
Loss on Sale of Asset		2,234,745	993,600	3,516,536
Increase in Investment		7,103	-	(3,476)
Developer Contribution Plans - Gifted Assets		(23,371,769)	(28,000,000)	(6,473,191)
Changes in Assets and Liabilities:				
(Increase) / Decrease in Receivables		(529,302)	-	(5,208,937)
(Increase) / Decrease in Inventories		(5,050)	-	50,967
Increase / (Decrease) in Payables		1,097,241	-	203,613
Increase / (Decrease) in Provisions		748,063	-	1,207,368
Increase / (Decrease) in Capital Grant/ Contribution Liabilities		10,125,869	4,716,800	10,255,173
Grants and Contributions for Asset Development		(3,091,414)	-	(11,847,679)
Developer Contribution Plans - Cash		(250,247)	(3,293,300)	(2,442,085)
Developer Contribution Plans - Contributions Payments		(290,339)	(12,126,199)	(509,307)
<b>Net Cash from Operating Activities</b>		<b>32,761,362</b>	<b>14,719,375</b>	<b>24,889,830</b>
<b>c) Undrawn Borrowing Facilities</b>				
<b>Credit Standby Arrangements</b>				
Bank overdraft limit		-	-	-
Bank overdraft at balance date		-	-	-
Credit card limit		18,000	-	18,000
Credit card balance at balance date		-	-	-
<b>Total Amount of Credit Unused</b>		<b>18,000</b>	-	<b>18,000</b>
<b>Loan Facilities</b>				
Loan facilities - current		4,098,309	-	4,039,334
Loan facilities - non-current		37,349,408	-	29,681,316
Lease liabilities - current		607,169	-	1,015,448
Lease liabilities - non-current		3,710,504	-	114,935
<b>Total Facilities in Use at Balance Date</b>		<b>45,765,390</b>	-	<b>34,851,033</b>

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

## 21. CONTINGENT LIABILITIES

## Contaminated Sites

Under *Contaminated Sites Act 2023*, the City is required to report known and suspected contaminated sites of the City's administration area to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated - remediation required or possibly contaminated - investigation required, the City may have a liability in respect of investigation or remediation expenses.

The City is currently monitoring the following contaminated or possibly contaminated sites.

Site Description	Site ID	Number of Parcel	Parcel Identifier	Remediation Status
Landfill, 3906 Springdale Rd, Karragullen 6111.	1864511	1	P218591 3906	Remediated for restricted use
Albany Highway Road reserve, east of Caltex Service Station, 2877 Albany Hwy,	3433677	3	P ROAD	Remediated for restricted use

A provision has been recognised to cover the cost of investigation and remediation of landfill site. The City is unable to assess the outcome of the classification process for the remaining three sites, and accordingly, it is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of any outflow.

## 22. CAPITAL AND LEASING COMMITMENTS

### Capital Expenditure Commitments

Capital Expenditure Commitments	2025 Actual \$	2024 Actual \$
Contracted for:		
- capital expenditure projects	16,677,985	3,377,380
- plant and machinery purchases	393,213	715,183
	<b>17,071,198</b>	<b>4,092,563</b>
Payable:		
- not later than one year	<b>17,071,198</b>	<b>4,092,563</b>

The capital expenditure projects outstanding at the end of the current reporting period is represented by the following expenditure groups:

Group		
Drainage	-	32,431
Land / Buildings	13,662,121	1,342,302
Parks	1,760,219	1,666,533
Pathways	4,000	58,658
Plant / Machinery	393,213	715,183
Furniture and equipment	78,524	-
Roads	1,063,018	139,561
Other Infrastructure	-	15,802
Waste Infrastructure	110,103	122,093
	<b>17,071,198</b>	<b>4,092,563</b>

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**23. RELATED PARTY TRANSACTIONS**

**(a) Elected Member Remuneration**

Note	2025 Actual \$	2025 Budget \$	2024 Actual \$
<b>Mayor</b>			
Mayor's Annual Allowance	97,140	97,140	93,400
Meeting Attendance Fee	51,400	51,400	49,400
Annual Allowance for ICT Expenses	3,793	3,793	3,646
Travel and Accommodation Expenses	-	14,718	-
	<b>152,333</b>	<b>167,051</b>	<b>146,446</b>
<b>Deputy Mayor</b>			
Deputy Mayor's Annual Allowance	24,340	24,340	23,044
Meeting Attendance Fee	34,278	34,278	32,957
Annual Allowance for ICT Expenses	3,793	3,793	3,646
Travel and Accommodation Expenses	440	2,111	2,292
	<b>62,851</b>	<b>64,522</b>	<b>61,939</b>
<b>All Other Council Members</b>			
Meeting attendance Fees	445,614	445,614	418,411
Annual Allowance for ICT Expenses	49,309	49,309	46,284
Travel and Accommodation Expenses	23,636	27,443	23,479
Provision for superannuation	11,707	75,100	-
	<b>530,266</b>	<b>597,466</b>	<b>488,174</b>
	<b>745,450</b>	<b>829,039</b>	<b>696,559</b>

**(b) Key Management Personnel (KMP) Compensation**

The total remuneration of KMP of the City during the year are as follows:

	2025 Actual \$	2024 Actual \$
Short term employee benefits	1,493,863	1,376,545
Post employment benefits	162,917	180,720
Other long term benefits	24,601	31,021
	<b>1,681,381</b>	<b>1,588,286</b>

**Short-term employee benefits**

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

**Post-employment benefits**

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

**Other long-term benefits**

These amounts represent long service benefits accruing during the year.

**Termination benefits**

These amounts represent termination benefits paid to KMP.

**Council Member Costs**

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

CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

23. RELATED PARTY TRANSACTIONS (Continued)

**Transaction with Related Parties**

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

No related party transactions occurred with the below related parties during the 2024/25 financial year. There were also no committed agreements with the said related parties as at the balance date.

**Related Parties**

The City's main related parties are as follows:

**i. Key Management Personnel**

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

**ii. Other Related Parties**

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

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

**iii. Entities Subject to Significant Influence by the City**

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

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**24. FINANCIAL RISK MANAGEMENT**

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

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

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

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

**(a) Interest rate risk**

**Cash and cash equivalents**

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

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

	Weighted Average Interest Rate %	Carrying Amounts \$	Fixed Interest Rate \$	Variable Interest Rate \$	Non Interest Bearing \$
<b>2025</b>					
Cash and cash equivalents	4.24%	20,759,974	-	20,743,114	16,860
Financial assets at amortised cost - term deposits	4.94%	165,250,739	165,250,739	-	-
<b>2024</b>					
Cash and cash equivalents	3.90%	10,408,778	-	10,392,368	16,410
Financial assets at amortised cost - term deposits	4.79%	143,749,523	143,749,523	-	-

**Sensitivity**

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

	2025 \$	2024 \$
Impact of a 1% movement in interest rates on profit and loss and equity*	207,431	103,924

\* Holding all other variables constant

**Borrowings**

Borrowings are subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation. The City does not consider there to be any interest rate risk in relation to borrowings. Details of interest rates applicable to each borrowing may be found at Note 30(d).



**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**24. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

***Trade and Other Receivables***

The City's major receivables comprise rates annual charges and user fees and charges. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

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

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

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

The expected loss rates are based on the payment profiles of rates and fees and charges over a period of 36 months before 1 July 2024 or 1 July 2025 respectively and the corresponding historical losses experienced within this period. Historical credit loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors such as the ability of ratepayers and residents to settle the receivables. Housing prices and unemployment rates have been identified as the most relevant factor in repayment rates, and accordingly adjustments are made to the expected credit loss rate based on these factors.

The loss allowance as at 30 June 2025 and 30 June 2024 was determined as follows for trade receivables.

	Less than 1 month past due	More than 30 days past due	More than 60 days past due	More than 90 days past due	Total
<b>30 June 2025</b>					
Trade and other receivables					
Expected credit loss	0.61%	0.61%	0.61%	0.61%	
Gross carrying amount	3,578,382	185,805	27,225	816,620	4,608,032
Loss allowance	21,769	1,130	166	4,966	28,031
<b>30 June 2024</b>					
Trade and other receivables					
Expected credit loss	0.38%	0.38%	0.38%	0.46%	
Gross carrying amount	1,858,719	38,231	53,730	873,787	2,824,467
Loss allowance	7,034	145	203	4,063	11,445

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**24. FINANCIAL RISK MANAGEMENT (Continued)**

**(b) Credit risk**

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

	<b>Trade and Other Receivable</b>	
	<b>2025 Actual</b>	<b>2024 Actual</b>
<b>Opening loss allowance as at 1 July</b>	11,445	33,495
Increase in loss allowance recognised in profit or loss during the year	33,314	-
Receivables written off during the year as uncollectible	(16,728)	(9,716)
Unused amount reversed	-	(12,334)
<b>Closing loss allowance at 30 June</b>	<b>28,031</b>	<b>11,445</b>

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

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

**(c) Liquidity risk**

**Payables and borrowings**

Payables are subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required and disclosed in Note 20(c).

	<b>Due within 1 year \$</b>	<b>Due between 1 &amp; 5 years \$</b>	<b>Due after 5 years \$</b>	<b>Total contractual cash flows \$</b>	<b>Carrying values \$</b>
<b>2025</b>					
Trade and other payables	25,546,257	-	-	25,546,257	25,546,257
Borrowings	5,579,278	24,829,091	20,403,482	50,811,851	41,447,717
Lease liabilities	250,117	123,400	-	373,517	4,317,673
	<b>31,375,652</b>	<b>24,952,491</b>	<b>20,403,482</b>	<b>76,731,625</b>	<b>71,311,647</b>
<b>2024</b>					
Trade and other payables	24,449,016	-	-	24,449,016	24,449,016
Borrowings	5,406,124	23,332,173	18,630,700	47,368,997	33,720,650
Lease liabilities	1,033,288	117,619	-	1,150,907	1,130,383
	<b>30,888,428</b>	<b>23,449,792</b>	<b>18,630,700</b>	<b>72,968,920</b>	<b>59,300,049</b>

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**25. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD**

There have been no significant events of a material nature to report since the end of the financial year.

CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

26. OTHER MATERIAL ACCOUNTING POLICIES

**a) Goods and services tax (GST)**

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

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

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

**b) Current and non-current classification**

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

**c) Rounding off figures**

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

**d) Comparative figures**

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

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

**e) Budget comparative figures**

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

**f) Superannuation**

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

**g) Fair value of assets and liabilities**

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

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

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

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

**h) Interest revenue**

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

**i) Fair value hierarchy**

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

**Level 1**

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

**Level 2**

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

**Level 3**

Measurements based on unobservable inputs for the asset or liability.

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

**Valuation techniques**

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

**Market approach**

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

**Income approach**

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

**Cost approach**

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

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

**j) Impairment of assets**

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

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount except for non-financial assets that are:

- land and buildings classified as property, plant and equipment;
- infrastructure; or
- vested improvements that the local government controls, in circumstances where there has been an impairment indication of a general decrease in asset values.

These non-financial assets are assessed in accordance with the regulatory framework detailed in Note 11.

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

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**27. FUNCTION AND ACTIVITY**

**(a) Service objectives and descriptions**

City operations as disclosed in these financial statements encompass the following service orientated functions and activities.

Objective	Description
<b>Governance</b> To provide a decision making process for the efficient allocation of scarce resources.	Includes the activities of members of Council and the administrative support available to the Council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific local government services.
<b>General Purpose Funding</b> To collect revenue to allow for the provision of services.	Rates, general purpose government grants and interest revenue,
<b>Law, Order, Public Safety</b> To provide services to help ensure a safer and environmentally conscious community.	Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.
<b>Health</b> To provide an operational framework for environmental and community health.	Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.
<b>Education and Welfare</b> To provide services to disadvantaged persons, the elderly, children and youth.	Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home care programs and youth services.
<b>Housing</b> To provide and maintain elderly residents housing.	Provision and maintenance of elderly residents housing.
<b>Community Amenities</b> To provide services required by the community.	Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.
<b>Recreation and Culture</b> To establish and effectively manage infrastructure and resources which will help the social well being of the community.	beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of library, museum and other cultural facilities.
<b>Transport</b> To provide safe, effective and efficient transport services to the community.	Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.
<b>Economic Services</b> To help promote the local government and its economic wellbeing.	Tourism and area promotion including the maintenance and operation of a caravan park, Provision of rural services including weed control, vermin control and standpipes. Building Control.
<b>Other Property and Services</b> To monitor and control operating accounts.	Private works operation, plant repair and costs.
Maintenance of public halls, civic centres, aquatic centre,	

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
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**27. FUNCTION AND ACTIVITY (Continued)**

**(b) Income and expenses**

	<b>2025 Actual \$</b>	<b>2025 Budget \$</b>	<b>2024 Actual \$</b>
<b>Income excluding grants, subsidies and contributions</b>			
General Purpose Funding	94,331,838	99,646,374	89,687,476
Governance	6,683,148	77,400	5,939,892
Law, Order and Public Safety	405,449	623,000	489,582
Health	278,202	223,600	280,665
Education and Welfare	4,089,287	3,847,500	3,827,969
Community Amenities	22,314,326	23,636,900	19,902,490
Recreation and Culture	5,333,700	4,664,100	4,952,766
Transport	247,591	735,100	414,765
Economic Services	2,171,743	888,500	1,457,860
Other Property and Services	588,587	172,900	431,148
	<b>136,443,871</b>	<b>134,515,374</b>	<b>127,384,613</b>
<b>Grants, subsidies and contributions</b>			
General Purpose Funding	2,625,889	2,926,100	3,418,600
Law, Order and Public Safety	203,579	207,000	200,355
Health	621	500	103
Education and Welfare	665,268	555,200	671,199
Community Amenities	1,512,194	1,357,600	1,003,371
Recreation and Culture	545,013	65,800	684,131
Transport	2,472,026	75,000	2,278,078
Economic Services	61,481	40,000	65,450
Other Property and Services	-	-	695
	<b>8,086,071</b>	<b>5,227,200</b>	<b>8,321,982</b>
<b>Capital grants, subsidies and contributions</b>			
Law, Order and Public Safety	1,885	-	819,451
Community Amenities	291,695	-	188,899
Recreation and Culture	1,887,317	8,340,800	1,757,811
Transport	24,035,257	29,629,000	11,670,342
Other Property and Services	204,766	-	1,569,379
	<b>26,713,430</b>	<b>37,969,800</b>	<b>16,005,882</b>
<b>Total Income</b>	<b>171,243,372</b>	<b>177,712,374</b>	<b>151,712,477</b>
<b>Expenses</b>			
General Purpose Funding	(2,019,362)	(2,577,800)	(1,423,961)
Governance	(28,710,629)	(26,828,686)	(26,876,148)
Law, Order and Public Safety	(3,370,630)	(2,771,300)	(2,677,488)
Health	(2,317,538)	(2,393,066)	(2,221,891)
Education and Welfare	(3,737,815)	(4,800,973)	(3,775,399)
Community Amenities	(29,097,139)	(34,281,502)	(28,486,193)
Recreation and Culture	(41,000,701)	(30,220,975)	(39,085,606)
Transport	(34,208,520)	(36,697,845)	(32,630,515)
Economic Services	(4,039,517)	(3,617,095)	(3,662,843)
Other Property and Services	(9,348,880)	(15,598,768)	(7,957,367)
<b>Total Expenses</b>	<b>(157,850,731)</b>	<b>(159,788,010)</b>	<b>(148,797,411)</b>
<b>Net Result for the Period</b>	<b>13,392,641</b>	<b>17,924,364</b>	<b>2,915,066</b>

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27. FUNCTION AND ACTIVITY (Continued)

	2025 Actual \$	2025 Budget \$	2024 Actual \$
<b>(c ) Fees and Charges</b>			
General Purpose Funding	2,186,723	2,001,100	2,520,934
Governance	168,156	52,900	116,686
Law, Order and Public Safety	404,902	616,600	489,272
Health	277,276	221,800	279,098
Education and Welfare	4,090,006	3,845,600	3,824,530
Community Amenities	22,197,103	23,320,900	19,858,827
Recreation and Culture	5,323,739	4,411,000	4,935,573
Transport	246,509	165,100	213,175
Economic Services	1,836,969	874,500	1,416,222
Other Property and Services	577,900	276,200	468,893
	<b>37,309,283</b>	<b>35,785,700</b>	<b>34,123,210</b>
<b>(d ) Total Assets</b>			
General Purpose Funding	196,747,067		165,326,000
Governance	107,084,565		107,978,810
Law, Order and Public Safety	2,230,892		2,480,611
Health	113,279		79,050
Education and Welfare	528,685		600,901
Community Amenities	66,633,854		70,373,812
Recreation and Culture	138,858,551		84,101,810
Transport	1,085,458,608		1,082,839,543
Economic Services	8,397,310		8,307,574
Other Property and Services	188,712,949		189,143,448
	<b>1,794,765,760</b>		<b>1,711,231,559</b>

CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

28. RATING INFORMATION

(a) Rates

RATE TYPE  
Differential general rate / general rate

Gross rental valuations  
Gross Rental Value Lands  
Group 1 - Vacant  
Group 2 - Residential Improved  
Group 3 - Business Improved  
Unimproved valuations  
Unimproved Value Lands  
Sub-Total

Minimum payment

Gross rental valuations  
Gross Rental Value Lands  
Group 1 - Vacant  
Group 2 - Residential Improved  
Group 3 - Business Improved  
Unimproved valuations  
Unimproved Value Lands  
Sub-Total

TOTAL

Vacant  
Residential Improved  
Business Improved  
Unimproved Value Lands

GRAND TOTAL

Discounts (Note 28(b))

Add - Rate Equivalent Payments and Adjustments  
Less - Rate Concession  
Total amount raised from general rate

Specified Area Rate (Note 28(b))

Totals

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

	Rate in Cents	Number of Properties	2025 Actual Rateable Value	2025 Actual Rate Revenue	2025 Actual Interim Rates	2025 Actual Total Revenue		Rate in Cents	Number of Properties	2025 Budget Rateable Value	2025 Budget Rate Revenue	2025 Budget Interim Rate	2025 Budget Total Revenue	2024 Actual Total Revenue
	\$	#	\$	\$	\$	\$		\$	#	\$	\$	\$	\$	\$
	15.1463	951	18,400,806	2,813,114	(51,617)	2,761,497		15.1463	761	18,572,946	2,813,130	-	2,813,130	2,735,985
	9.7708	31,063	647,061,211	60,336,470	1,871,657	62,208,127		9.7708	30,993	618,748,447	60,449,796	994,794	61,444,590	57,794,536
	10.1961	817	129,489,698	12,329,006	536,001	12,865,007		10.1961	813	118,811,691	12,113,108	-	12,113,108	11,850,241
	0.4940	121	127,475,500	625,187	25,817	651,004		0.4940	124	140,996,000	696,583	-	696,583	678,757
		32,952	922,427,215	76,103,777	2,381,858	78,485,635			32,691	897,129,084	76,072,617	994,794	77,067,411	73,059,519
Minimum \$							Minimum \$							
	1,221	1,903	10,077,156	2,323,563	(54,133)	2,269,430		1,221	1,903	10,077,156	2,323,230	305,206	2,628,436	2,305,661
	1,409	5,660	73,644,191	7,974,940	18,680	7,993,620		1,409	5,723	74,483,471	8,063,043	-	8,063,043	7,673,836
	1,639	342	3,871,814	560,538	68,292.00	628,830		1,639	345	3,909,470	565,284	-	565,284	539,334
	1,687	13	3,176,494	21,931	399.00	22,330		1,687	15	3,464,994	25,310	-	25,310	24,360
		7,918	90,769,655	10,880,972	33,238	10,914,210			7,986	91,935,091	10,976,867	305,206	11,282,073	10,543,191
		2,854	28,477,962	5,136,677	(105,750)	5,030,927			2,664	28,650,102	5,136,360	305,206	5,441,566	5,041,646
		36,723	720,705,402	68,311,410	1,890,337	70,201,747			36,716	693,231,918	68,512,839	994,794	69,507,633	65,468,372
		1,159	133,361,512	12,889,544	604,293	13,493,837			1,158	122,721,161	12,678,392	0	12,678,392	12,389,575
		40,736	882,544,876	86,337,631	2,388,880	88,726,511			40,538	844,603,181	86,327,591	1,300,000	87,627,591	82,899,593
		134	130,651,994	647,118	26,216.00	673,334			139	144,460,994	721,893	-	721,893	703,117
		40,870	1,013,196,870	86,984,749	2,415,096	89,399,845			40,677	989,064,175	87,049,484	1,300,000	88,349,484	83,602,710



CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

28. RATING INFORMATION (Continued)

(b) Specified Area Rate GRV

Specified Area Rate GRV	Basis of Valuation	Rate In Cents	Number of Properties	2025 Actual Ratesable Value	2025 Actual Rate Revenue	2025 Actual Interim Revenue	2025 Total Specified Area Rate Revenue	Rate In Cents	Number of Properties	2025 Budget Ratesable Value	2025 Budget Rate Revenue	2025 Budget Interim Revenue	2025 Total Budget Revenue	2024 Total Actual Revenue
		\$	#	\$	\$	\$	\$	\$	#	\$	\$	\$	\$	\$
A - Armadale CBD		0.4460	89	29,481,079	131,486	135	131,621	0.4460	89	29,481,079	131,500	-	131,500	128,303
B - Kelmscott CBD		0.9011	80	8,256,329	74,398	87	74,485	0.9011	80	8,256,329	74,400	-	74,400	72,662
C - Kelmscott Industry		0.1735	348	12,562,527	21,796	(224)	21,572	0.1735	348	12,562,527	21,800	-	21,800	21,272
D - South Armadale Industry		0.3582	142	6,950,798	24,898	249	25,147	0.3582	142	6,950,798	24,900	-	24,900	24,300
F - Piara Waters / Harrisdale		0.2778	4,997	119,635,724	332,349	2,751	335,100	0.2778	4,992	119,530,684	332,000	-	332,000	323,670
G - Champion Lakes		0.2356	332	6,154,340	14,500	13	14,513	0.2356	332	6,154,340	14,500	-	14,500	14,254
			<b>5,988</b>	<b>183,040,797</b>	<b>599,427</b>	<b>3,012</b>	<b>602,438</b>		<b>5,983</b>	<b>182,935,757</b>	<b>599,100</b>	<b>-</b>	<b>599,100</b>	<b>584,461</b>

In the 2024-25 financial year, the City imposed 6 separate Specified Area Rates, the purpose of which was to enhance the amenity of selected areas by way of increased and improved service levels.

Four of the six (Areas A - D) are referred to as the Townscape Amenity Services and entail increased and improved levels of street bin emptying, litter pick-ups, road and path sweeping, water blasting of pathways, garden maintenance, weed control and general maintenance.

Two of the six (Areas F - G) is for the increased maintenance and enhancement of the public open space (POS) and streetscapes of selected new estates in the North Forrestdale and Champion Lakes area of the City over and above other areas of the City.

(c) Service Charges

No service charges were imposed for the 2024 - 2025 financial year. As such, no transfer to or from Reserve Accounts has occurred.

(d) Discounts, Incentives, Concessions and Write-Offs

Discounts

No discounts were offered in the 2024-2025 financial year.

Incentives

No rate payment incentives were offered in the 2024-2025 financial year.

Concessions

No rate concessions were offered in the 2024-2025 financial year.

Write-Offs

The following write-offs were made during the 2024 - 2025 financial year -

	2025 Actual \$	2024 Actual \$
Rates	24,242	(2,682)
General	9,395	7,864
Infringements	(345)	1,165
	<b>33,291</b>	<b>6,347</b>

**CITY OF ARMADALE**  
**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**28. RATING INFORMATION (Continued)**

**(e) Interest Charges & Instalments**

<b>Instalment Options</b>	<b>Date Due</b>	<b>Instalment Plan Admin Charge \$</b>	<b>Instalment Plan Interest Rate %</b>	<b>Unpaid Rates Interest Rate %</b>
<b>Option One</b>				
Single full payment	6/09/2024	0.00	0.00%	7.00%
<b>Option Two</b>				
First Instalment	6/09/2024	0.00	5.50%	7.00%
Second Instalment	17/01/2025	9.50	5.50%	7.00%
<b>Option Three</b>				
First Instalment	6/09/2024	0.00	5.50%	7.00%
Second Instalment	8/11/2024	9.50	5.50%	7.00%
Third Instalment	17/01/2025	9.50	5.50%	7.00%
Fourth Instalment	21/03/2025	9.50	5.50%	7.00%

	<b>2025 Actual \$</b>	<b>2024 Actual \$</b>	<b>2024 Budget \$</b>
Interest on unpaid rates	702,492	647,007	190,100
Interest on instalment plan	308,824	261,561	240,000
Charges on instalment plan	63,968	61,807	250,000
	<b>1,075,285</b>	<b>970,375</b>	<b>680,100</b>

CITY OF ARMADALE  
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

29. DETERMINATION OF SURPLUS OR DEFICIT

		2025	2025	2024
	Note	(30 June 2025 Carried Forward) \$	Budget (30 June 2025 Carried Forward) \$	(1 July 2024 Carried Forward) \$
<b>(a) Non-cash amounts excluded from operating activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to operating activities</b>				
<b>Non cash items:</b>				
Less: Profit on asset disposals		(320,000)	(15,800)	(176,847)
Less: Fair value adjustments to investments		7,103	-	(3,476)
Add: Loss on disposal of assets		2,234,745	1,009,400	3,516,536
Add: Depreciation on assets		31,455,065	34,506,400	31,702,488
Add: Amortisation		571,353	-	641,189
Add: Accrual of employee benefit provisions backed by Reserve		778,552	-	1,091,313
Add: Lease contracts written off		(45,416)	-	51,737
Add: Unwinding Discount of Landfill Site Provision	18	970,818	-	1,036,902
<b>Non-cash movements in non-current assets and liabilities:</b>				
Movement in Deferred Pensioner Rates/ESL (Non-Current)		(85,962)	-	(177,291)
Movement in employee benefit provisions (Non-Current)		(30,489)	-	116,055
Movement in Rehabilitation provisions (Non-Current)		(4,723,690)	-	(1,443,231)
Movement in Leasing Liability (Non-Current)		3,595,569	-	(1,671,864)
Movement in Contract Liability (Non-Current)		13,893,214	-	6,168,745
<b>Non cash amounts excluded from operating activities</b>		<b>48,300,862</b>	<b>35,500,000</b>	<b>40,852,256</b>
<b>(b) Non-cash amounts excluded from investing activities</b>				
The following non-cash revenue or expenditure has been excluded from amounts attributable to investing activities within the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> .				
<b>Adjustments to investing activities</b>				
Movement in restricted cash back reserve		10,916,483	4,716,800	7,448,171
Movement in unspent non operating grants associated with restricted cash		(13,893,214)		
Current unspent grants associated with restricted cash		(795,070)		
<b>Non cash amounts excluded from investing activities</b>		<b>(3,771,801)</b>	<b>4,716,800</b>	<b>7,448,171</b>
<b>(c) Surplus/(deficit) after imposition of general rates</b>				
The following current assets and liabilities have been excluded from the net current assets used in the Statement of Financial Activity in accordance with <i>Financial Management Regulation 32</i> to agree to the surplus/(deficit) after imposition of general rates.				
<b>Adjustments to net current assets</b>				
Less: Term Deposits - restricted investments	4(a)	(159,120,863)	(133,115,460)	(134,647,702)
Less: Unspent Loan Funds	30(c)	(4,382,806)	-	(336,061)
Add: Movement in Expected Credit Loss on Sundry Receivables		16,586	-	22,050
<i>Add: Current liabilities not expected to be cleared at the end of the year:</i>				
- Contract Liability (Current)	15	3,079,343	12,138,600	6,846,688
- Lease Liability (Current)	12(b)	607,169	1,402,900	1,015,448
- Borrowings (Current)	16	4,098,309	3,829,457	4,039,334
- Employee Benefit Provisions (Current)	17	9,530,664	7,308,701	8,752,112
- Rehabilitation Provisions (Current)	18	15,919,444	5,545,255	10,907,463
<b>Total adjustments to net current assets</b>		<b>(130,252,154)</b>	<b>(102,890,547)</b>	<b>(103,400,668)</b>
<b>Net current assets used in the Statement of Financial Activity</b>				
Total current assets		206,675,583	178,997,671	174,345,219
Less: Total current liabilities		(58,781,186)	(76,107,124)	(56,010,061)
Less: Total adjustments to net current assets		(130,252,154)	(102,890,547)	(103,400,668)
<b>Net current assets used in the Statement of Financial Activity</b>		<b>17,642,243</b>	<b>-</b>	<b>14,934,490</b>

CITY OF ARMADALE  
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

30. BORROWING AND LEASE LIABILITIES

(a) Borrowings

Particulars	Loan		Interest Rate	Actual	2025	2025	2025	2025	Budget	2025	2025	2025	2025	Actual	2024	2024	2024	2024
	Number	Institution		Principal 1 July 2024	New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding		New Loans	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding		Actual New	Actual Principal repayments	Actual Interest repayments	Actual Principal outstanding
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Governance</b>																		
296 Loan Borrowings 2009	296	WATC	6.77%	27,949	-	27,949	-	-	27,950	-	-	-	27,950	54,984	-	27,035	2,797	27,949
318 Orchard House 2014	316	WATC	4.78%	2,155,811	-	172,704	100,760	1,983,107	2,155,811	-	172,700	116,730	1,983,111	2,320,547	-	164,736	108,740	2,155,811
318 Orchard House 2015	318	WATC	3.53%	6,743,585	-	540,877	232,848	6,202,708	6,743,585	-	540,880	279,230	6,202,705	7,265,863	-	522,278	251,463	6,743,585
323 Core System Review	323	WATC	1.80%	1,828,345	-	352,683	31,226	1,475,662	1,828,345	-	352,680	43,490	1,475,665	2,174,764	-	346,419	37,492	1,828,345
342 Core System Review	342	WATC	1.20%	860,037	-	139,082	9,889	720,955	860,037	-	139,080	15,690	720,957	997,463	-	137,426	11,545	860,037
345A Core System Review	345A	WATC	4.18%	1,122,769	-	120,869	45,676	1,001,900	1,122,769	-	120,870	53,370	1,001,899	1,238,736	-	115,967	50,580	1,122,769
345B Core System Review	345B	WATC	4.52%	1,267,831	-	166,199	53,564	1,101,632	1,267,831	-	112,030	61,900	1,155,801	1,320,800	-	52,969	58,461	1,267,831
345C Core System Review	345C	WATC	4.46%	-	278,000	-	373	278,000	-	278,000	22,220	15,060	255,780	-	-	-	-	-
345D Core System Review	345D	WATC	4.88%	-	2,889,200	-	4,241	2,889,200	-	2,889,200	-	-	2,889,200	-	-	-	-	-
<b>Recreation and culture</b>																		
291 Aquatic Works 2008	291	WATC	7.26%	180,648	-	53,902	11,198	126,746	180,648	-	36,570	12,440	144,078	197,372	-	16,724	13,715	180,648
299 Aquatic Centre Upgrade 2010	299	WATC	6.19%	95,572	-	95,572	4,282	-	95,572	-	95,572	5,430	-	185,493	-	89,921	9,944	95,572
302 Aquatic Centre Upgrade 2011	302	WATC	6.02%	698,370	-	82,920	40,662	615,450	698,370	-	82,920	45,740	615,450	776,515	-	78,145	45,446	698,370
304 Frye Park Redevelopment 2011	304	WATC	6.02%	521,091	-	61,871	30,340	459,220	521,091	-	61,870	34,130	459,221	579,399	-	58,308	33,910	521,091
305 Piara Waters (North) Sports 2011	305	WATC	5.89%	218,372	-	106,017	11,136	112,355	218,372	-	106,020	13,140	112,352	318,410	-	100,038	17,126	218,372
311 Aquatic Centre Upgrade 2012	311	WATC	4.48%	812,426	-	86,519	35,322	725,907	812,426	-	86,520	41,110	725,906	895,196	-	82,770	39,077	812,426
314 Oval Lighting Renewal	314	WATC	3.47%	104,558	-	104,558	2,869	-	104,558	-	104,558	3,280	-	205,580	-	101,022	6,207	104,558
315 Armadale Golf Course	315	WATC	2.94%	135,421	-	56,348	3,155	79,073	135,421	-	37,840	3,920	97,581	153,662	-	18,241	4,244	135,421
322 Kelmscott Library - Stage 1	322	WATC	2.69%	156,902	-	77,403	3,652	79,499	156,902	-	77,400	4,660	79,502	232,264	-	75,362	5,695	156,902
324A Indoor Aquatic Centre	324	WATC	1.88%	8,620,183	-	502,437	159,655	8,117,746	8,620,183	-	502,440	219,240	8,117,743	9,113,302	-	493,119	168,978	8,620,183
326 Armadale Hall Upgrade 2018	326	WATC	1.80%	2,025,180	-	390,651	34,588	1,634,529	2,025,180	-	390,650	48,170	1,634,530	2,408,894	-	383,714	41,528	2,025,180
332 Champion Centre Upgrade	332	WATC	0.76%	71,065	-	71,065	396	-	71,065	-	71,065	770	-	141,893	-	70,528	933	71,065
334 Armadale Library Creative Space	334	WATC	1.45%	-	-	-	-	-	-	-	-	-	-	55,572	-	55,572	592	-
336 Lighting Renewal - 2	336	WATC	1.45%	-	-	-	-	-	-	-	-	-	-	10,298	-	10,298	110	-
337 AFAC Carpark	337	WATC	1.93%	414,780	-	22,350	7,910	392,430	414,780	-	22,350	10,790	392,430	436,704	-	21,924	8,336	414,780
343 Bedforddale Fire Service	343	WATC	1.45%	572,501	-	109,608	7,480	462,893	572,501	-	73,330	11,120	499,171	608,514	-	36,013	8,529	572,501
344 Challenge Park	344	WATC	4.18%	1,022,967	-	110,125	41,616	912,842	1,022,967	-	110,130	48,620	912,837	1,128,626	-	105,659	46,084	1,022,967
346 Roleystone Theatre	346	WATC	4.52%	2,821,134	-	369,820	119,189	2,451,314	2,821,134	-	249,290	137,720	2,571,844	2,939,000	-	117,866	130,086	2,821,134
347 Creyk Park 2021	347	WATC	4.18%	1,149,049	-	123,699	46,746	1,025,350	1,149,049	-	123,700	54,620	1,025,349	1,267,731	-	118,682	51,764	1,149,049
339 Piara Waters Library Services	339	WATC	4.46%	-	500,000	-	670	500,000	-	500,000	39,960	27,070	460,040	-	-	-	-	-
349 Piara Waters Library Services	349	WATC	4.88%	-	4,645,000	-	6,818	4,645,000	-	4,645,000	212,760	265,760	4,432,240	-	-	-	-	-
350A Forrestdale Hub	350	WATC	4.46%	-	405,000	-	543	405,000	-	405,000	32,370	21,980	372,630	-	-	-	-	-
350B Forrestdale Sporting Precinct	350B	WATC	4.88%	-	1,539,200	-	2,259	1,539,200	-	1,539,200	-	-	1,539,200	-	-	-	-	-
348 Morgan Park	348	WATC	4.88%	-	1,510,000	-	2,216	1,510,000	-	1,510,000	-	-	1,510,000	-	-	-	-	-
<b>Transport</b>																		
317 Abbey Road Project 2014	317	WATC	4.03%	-	-	-	-	-	356,656	-	356,656	10,820	-	356,656	-	356,656	10,381	-
321 Armadale Arena Roofing 2015	321	WATC	3.47%	94,104	-	94,104	2,403	-	185,018	-	90,920	5,640	94,098	185,019	-	90,915	5,587	94,104
354A LED Street Lighting Project	354A	WATC	5.12%	-	-	-	-	-	-	3,954,700	-	-	3,954,700	-	-	-	-	-
<b>Total</b>				<b>33,720,650</b>	<b>11,766,400</b>	<b>4,039,332</b>	<b>1,053,482</b>	<b>41,447,718</b>	<b>34,168,221</b>	<b>15,721,100</b>	<b>4,425,351</b>	<b>1,610,640</b>	<b>45,463,970</b>	<b>37,568,957</b>	<b>-</b>	<b>3,848,307</b>	<b>1,169,350</b>	<b>33,720,650</b>

\*\*All Loans are with the Western Australian Treasury Corporation

CITY OF ARMADALE  
NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2025

30. BORROWING AND LEASE LIABILITIES (Continued)

(b) New Borrowings - 2024/25

Particulars/Purpose	Institution	Loan Type	Term Years	Interest Rate	Amount Borrowed		Amount (Used)		Total Interest & Charges	Actual Balance Unspent
					2025 Actual	2025 Budget	2025 Actual	2025 Budget		
				%	\$	\$	\$	\$	\$	\$
345C Core System Review	WATC	Debenture	10	4.83	278,000	278,000	278,000	3,167,200	75,801	-
345D Core System Review	WATC	Debenture	15	5.09	2,889,200	2,889,200	1,809,825	2,889,200	1,285,176	1,079,375
339 Piara Waters Library Services	WATC	Debenture	10	4.46	500,000	500,000	500,000	500,000	135,126	-
349 Piara Waters Library Services	WATC	Debenture	15	4.88	4,645,000	4,645,000	4,645,000	4,645,000	2,066,192	-
350A Forrestdale Hub	WATC	Debenture	10	4.46	405,000	405,000	183,178	405,000	109,452	221,822
350B Forrestdale Sporting Precinct	WATC	Debenture	15	4.88	1,539,200	1,539,200	112,366	1,539,200	684,668	1,426,834
348 Morgan Park	WATC	Debenture	15	4.88	1,510,000	1,510,000	62,748	1,510,000	671,679	1,447,252
354A LED Street Lighting Project	WATC	Debenture	15	4.88	-	3,954,700	-	3,954,700	1,759,132	-
* WA Treasury Corporation					<b>11,766,400</b>	<b>15,721,100</b>	<b>7,591,116</b>	<b>18,610,300</b>	<b>6,787,226</b>	<b>4,175,284</b>

(c) Unspent Borrowings

Particulars	Date Borrowed	Unspent Balance 1 July 2024	Borrowed During Year	Expended During Year	Unspent Balance 30 June 2025
		\$	\$	\$	\$
345D Core System Review	WATC 29/06/2023	-	2,889,200	1,809,825	1,079,375
346 Roleystone Theatre	WATC 29/06/2023	336,061	-	128,539	207,522
350A Forrestdale Hub	WATC 20/06/2025	-	405,000	183,178	221,822
350B Forrestdale Sporting Precinct	WATC 20/06/2025	-	1,539,200	112,366	1,426,834
348 Morgan Park	WATC 20/06/2025	-	1,510,000	62,748	1,447,252
* WA Treasury Corporation		<b>336,061</b>	<b>6,343,400</b>	<b>2,296,655</b>	<b>4,382,806</b>

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30. BORROWING AND LEASE LIABILITIES (Continued)

(d) Lease Liabilities	2025	2024
Current	\$ 607,169	\$ 1,015,448
Non-current	3,710,504	114,935
<b>Total</b>	<b>4,317,673</b>	<b>1,130,383</b>

Movements in Carrying Amounts

					Actual	30 June 2025	30 June 2025	Actual	30 June 2025	30 June 2025	Budget	30 June 2025	Budget	30 June 2025	30 June 2025	Budget	30 June 2025	Budget	30 June 2025	Actual	30 June 2024	30 June 2024	30 June 2024	30 June 2024	30 June 2024
Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term (Years)	Lease Principal 1 July 2024	Actual Renewed Leases	New Leases	Actual Lease Principal Repayments	Lease Principal Outstanding	Actual Lease Interest Repayments	Lease Principal 1 July 2024	Actual New/Renewed Leases	Lease Principal Repayments	Lease Principal Outstanding	Lease Interest Repayments	Lease Principal 1 July 2023	Actual New/Renewed Leases	Lease Interest Repayments	Lease Principal 1 July 2023	Actual New/Renewed Leases	Termination of Leases	30 June 2024 Actual Lease Principal Repayments	30 June 2024 Actual Lease Principal Outstanding	30 June 2024 Actual Lease Interest Repayments	
Governance																									
Office Equipment	COARM001	Equipgroup	1.2%	4	103,076	-	-	(103,076)	-	(774)	103,076	-	(103,400)	276	(1,100)	206,128	-	-	-	(102,452)	103,076	-	(1,967)		
Office Equipment	COARM002	Equipgroup	1.2%	4	9,239	-	-	(9,239)	3,983	(86)	9,239	-	(5,100)	4,139	(200)	14,021	412	-	(5,194)	9,239	(149)	-	-		
Office Equipment	COARM003	Equipgroup	1.2%	4	15,620	-	-	(4,742)	10,878	(162)	15,620	-	(4,100)	11,520	(900)	-	20,306	-	(4,686)	15,620	(221)	-	-		
Corporate Services																									
IT Equipment	EGNO158584	MAIA Financial	3.1%	5	-	-	-	-	-	-	-	-	-	-	-	9,741	-	(9,741)	-	-	-	-	-		
IT Equipment	EGNO157674	MAIA Financial	3.1%	5	-	-	-	-	-	-	-	-	-	-	-	5,501	-	(5,501)	-	-	-	-	-		
IT Equipment	EGNO157825	MAIA Financial	3.1%	5	-	-	-	-	-	-	-	-	-	-	-	10,301	-	(10,301)	-	-	-	-	-		
IT Equipment	EGNO162298	MAIA Financial	3.5%	5	6,770	10,139	-	(13,509)	3,400	(207)	6,769	11,777	(11,800)	6,746	(1,900)	10,109	9,849	-	(13,188)	6,770	(527)	-	-		
IT Equipment	EGNO160541	MAIA Financial	3.1%	2	-	-	-	-	-	-	-	-	-	-	-	38,349	-	(38,349)	-	-	-	-	-		
IT Equipment	EGNO159126	MAIA Financial	2.9%	2	-	-	-	-	-	-	-	-	-	-	-	19,220	-	(19,220)	-	-	-	-	-		
IT Equipment	EGNO161099	MAIA Financial	2.9%	3	-	-	-	-	-	-	-	-	-	-	-	112,937	-	(112,937)	-	-	-	-	-		
IT Equipment	EGNO162109	MAIA Financial	2.9%	3	-	-	-	-	-	-	-	-	-	-	-	12,502	-	(12,502)	-	-	-	-	-		
IT Equipment	EGNO162256	MAIA Financial	2.9%	3	-	-	-	-	-	-	-	-	-	-	-	143,651	-	(143,651)	-	-	-	-	-		
IT Equipment	EGNO162172	MAIA Financial	3.0%	3	-	-	-	-	-	-	-	-	-	-	-	10,034	-	(10,034)	-	-	-	-	-		
IT Equipment	EGNO162003	MAIA Financial	3.0%	3	8,015	-	0	8,015.00	(80)	(80)	8,015	22,785	(30,800)	-	(1,500)	77,516	-	(38,034)	(31,467)	8,015	(833)	-	-		
IT Equipment	EGNO162826	MAIA Financial	1.6%	6	18,549	73,976	-	(86,244)	6,281.00	(666)	18,549	54,351	(72,900)	-	(1,600)	182,204	-	(90,193)	(73,462)	18,549	(1,033)	-	-		
IT Equipment	EGNO156842	MAIA Financial	3.1%	1	-	-	-	-	-	-	-	-	-	-	-	25,826	-	(25,826)	-	-	-	-	-		
IT Equipment	EGNO156135	MAIA Financial	3.1%	2	-	-	-	-	-	-	-	-	-	-	-	3,053	-	(3,053)	-	-	-	-	-		
IT Equipment	EGNO158456	MAIA Financial	3.1%	3	-	-	-	-	-	-	-	-	-	-	-	4,456	-	(4,456)	-	-	-	-	-		
IT Equipment	EGNO159594	MAIA Financial	3.1%	6	19,181	-	0	19,181.00	(149)	(149)	19,181	49,419	(68,600)	-	(8,700)	373,284	-	(278,842)	(75,261)	19,181	(2,058)	-	-		
IT Equipment	EGNO158125	MAIA Financial	3.1%	3	-	-	-	-	-	-	-	-	-	-	-	14,407	-	(14,407)	-	-	-	-	-		
IT Equipment	EGNO159696	MAIA Financial	3.1%	6	-	-	-	-	-	-	-	-	-	-	-	36,077	-	(36,077)	-	-	-	-	-		
IT Equipment	EGNO161137	MAIA Financial	3.1%	5	13,652	13,652	-	(18,168)	9,136.00	(318)	13,652	16,500	(16,500)	13,652	(2,000)	0	31,370	-	(17,718)	13,652	(768)	-	-		
IT Equipment	EGNO157673	MAIA Financial	3.1%	5	-	-	-	-	-	-	-	-	-	-	-	50,558	-	(50,558)	-	-	-	-	-		
IT Equipment	EGNO162255	MAIA Financial	3.4%	5	7,604	11,357	-	(15,142)	3,819.00	(258)	7,603	13,800	(13,300)	8,103	(2,100)	0	11,073	-	(14,825)	7,604	(575)	-	-		
IT Equipment	EGNO159671	MAIA Financial	3.1%	6	-	-	-	-	-	-	-	-	-	-	-	13,722	-	(13,722)	-	-	-	-	-		
IT Equipment	EGNO160099	MAIA Financial	3.1%	2	-	-	-	-	-	-	-	-	-	-	-	21,539	-	(21,539)	-	-	-	-	-		
IT Equipment	009-0154500-001	Defi Financial	2.0%	3	8,883	19,114	-	(20,885)	7,112.00	(121)	8,883	62,300	(20,700)	50,483	(700)	29,903	-	-	(21,020)	8,883	(406)	-	-		
IT Equipment	009-0154500-002	Defi Financial	2.0%	3	147,629	88,872	-	(177,155)	59,346.00	(1,628)	147,629	520,200	(175,700)	492,129	(3,100)	321,569	-	-	(173,940)	147,629	(4,843)	-	-		
IT Equipment	009-0154500-003	Defi Financial	2.0%	3	-	-	-	(4,340)	1,451.00	(30)	-	2,173	(12,700)	10,573	(100)	6,453	-	-	(4,280)	2,173	(90)	-	-		
IT Equipment	009-0154500-004	Defi Financial	2.0%	3	7,436	5,794	-	(9,910)	3,320.00	(87)	7,436	29,100	(9,800)	26,736	(200)	17,180	-	-	(9,744)	7,436	(255)	-	-		
IT Equipment	009-0154500-005	Defi Financial	2.0%	5	10,371	-	-	(3,705)	6,666	(174)	10,371	-	(3,700)	6,671	(200)	14,003	-	-	(3,632)	10,371	(247)	-	-		
IT Equipment	009-0154500-006	Defi Financial	2.7%	3	28,159	-	-	(17,646)	10,513	(537)	28,159	-	(17,600)	10,559	(500)	45,341	-	-	(17,182)	28,159	(1,001)	-	-		
IT Equipment	009-0154500-007	Defi Financial	2.8%	3	11,822	-	-	(6,090)	5,732	(251)	11,822	-	(6,100)	5,722	(300)	17,745	-	-	(5,923)	11,822	(417)	-	-		
IT Equipment	009-0154500-008	Defi Financial	9.0%	3	-	-	3,299.91	(995)	2,305	(295)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	009-0154500-009	Defi Financial	0.2%	3	-	-	84,199.93	(18,908)	45,292	(126)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	009-0154500-010	Defi Financial	0.9%	4	-	-	22,874.85	(4,694)	18,181	(180)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	009-0154500-011	Defi Financial	2.2%	4	-	-	2,496.11	(436)	2,060	(33)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	009-0154500-012	Defi Financial	2.2%	4	-	-	2,268.54	(351)	1,918	(26)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	009-0154500-013	Defi Financial	2.4%	4	-	-	12,052.02	(720)	11,332	(70)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	009-0154500-014	Defi Financial	2.4%	4	-	-	50,618.35	(3,025)	47,593	(294)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	009-0154500-015	Defi Financial	3.1%	3	-	-	15,349.54	(1,226)	14,124	(115)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	009-0154500-016	Defi Financial	2.4%	4	-	-	7,303.68	(291)	7,013	(29)	-	-	-	-	-	-	-	-	-	-	-	-	-		
IT Equipment	Piara Waters Library IT		-	-	-	-	-	-	-	-	-	374,800	(89,400)	285,400	(10,600)	-	-	-	-	-	-	-	-	-	
Recreation and culture																									
Fitness Equipment	EGNO162801	MAIA Financial	3.1%	4	4,933	9,790	-	(9,790)	4,933	(190)	4,933	10,700	(10,800)	5,033	(1,200)	8,707	5,866	-	(9,640)	4,933	(340)	-	-		
Fitness Equipment	EGNO162813	MAIA Financial	3.6%	9	17,405	-	-	(9,812)	7,593	(495)	17,405	-	(8,900)	8,505	(1,400)	51,221	-	(24,350)	(9,466)	17,405	(841)	-	-		
Fitness Equipment	EGNO162400	MAIA Financial	3.5%	6	53,788	-	-	(53,788)	-	(1,182)	53,788	296,300	(51,600)	296,488	(3,300)	92,916	12,817	-	(51,945)	53,788	(3,024)	-	-		
Fitness Equipment	EGNO162398	MAIA Financial	3.0%	4	-	-	-	-	-	-	-	-	-	-	-	403,572	-	-	(403,572)	-	-	-	-		
Fitness Equipment	EGNO162399	MAIA Financial	3.0%	3	-	-	-	-	-	-	-	-	-	-	-	15,900	-	(15,900)	-	-	-	-	-		
Fitness Equipment	EGNO162397	MAIA Financial	3.0%	5	4,512	8,958	-	(6,727)	6,743	(169)	4,512	3,488	(8,000)	-	(1,100)	6,743	6,594	-	(8,825)	4,512	(301)	-	-		
Fitness Equipment	EGNO163450	MAIA Financial	3.4%	5	3,442	-	-	(1,952)	1,490	(54)	3,442	(2,000)	1,442	(100)	-	5,358	-	-	(1,914)	3,442	(93)	-	-		
Fitness Equipment	EZTEC64127	MAIA Financial	4.5%	3	75,157	-	-	(42,229)	32,928	(2,664)	75,157	-	(42,800)	32,357	(2,100)	-	115,546	-	(40,389)	75,157	(4,504)	-	-		
Transport																									
Plants Equipment	6397356	Toyota Finance	3.4%	7	1,012	-	-	(1,012)	-	(6)	-	32,100	(5,500)	26,600	(800)	11,549	1,011	(7,590)	(3,958)	1,012	(107)	-	-		
Plants Equipment	973313	SG Fleet	3.4%	4	14,607	12,294	-	(6,035)	20,868	(416)	14,607	-	(6,900)	7,707	(100)	19,068	1,899	-	(6,386)	14,607	(615)	-	-		
Plants Equipment	1021176	SG Fleet	3.4%	2	8,355	20,417	-	(10,252)	18,520	(183)	8,355	2,745	(11,100)	-	(200)	19,168	-	-	(10,813)	8,355	(484)	-	-		
Plants Equipment	1037417	SG Fleet	3.4%	3	6,985	-	-	(4,618)	2,367	(166)	6,985	-	(4,700)	2,285	(100)	11,449	-	-	(4,464)	6,985	(320)	-	-		
Plants Equipment	6745927	Toyota Finance	3.5%	5	-	31,700	-	(4,905)	26,795	(861)	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other property and services																									
Building Armadale	Shop 64 & 65	Westzone Enterprises	5.7%	10	422,964	3,740,157	-	(405,119)	3,758,002.00	(24,090)	422,964	96,600	(435,600)	83,964	(7,100)	759,246	70,243	-	(406,525)	422,964	(19,375)	-	-		
Building Keimcoff	KELLB	Carcone Nominees	3.5%	5	89,916	210,489	-	(177,655)	92,750	(40,488)	89,916	859,200	(160,000)	699,200	(27,500)	177,075	55,316	-	(173,075)	89,916	(6,418)	-	-		
Building Seville Grove	EGNO162636	MAIA Financial	3.1%	5	3,755	2,513	-	(5,006)	1,262.00	(78)	3,755	23,500	(4,700)	22,555	(400)	7,422	1,205	-	(	3,755	(21)	-	-		
Piara Waters Library Equipment		MAIA Financial	3.1%	4	-	-	-	-	-	-	-	187,400	(44,700)	142,700	(5,300)	-	-	-	-	-	-	-	-		
RTD Armadale Library	Bibliotheca SAA5022101		3.1%	5	34,773	-	-	-	34,773	(1,109)	34,773	-	(10,000)	24,773	(100)	44,403	-	-	(9,630)	34,773	(1,469)	-	-		
Total					1,130,383	4,262,839	100,463	(1,256,014)	4,317,673	(78,747)	1,069,453	2,679,765	(1,460,590)	2,268,318	(87,900)	0	3,493,109	343,607	(1,390,358)	(1,315,678)	1,130,383	(62,521)	-		

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31. RESERVES - CASH BACKED

All of the following Cash Backed Reserves are supported by money held in financial institutions and match the amounts shown as Restricted Cash in Note 3 to this Financial Report. In accordance with Council resolutions in relation to each Reserve account, the purpose for which the funds are set aside, and their anticipated date of use are as follows.

	2025 Actual Opening Balance	#	2025 Actual Transfer to	2025 Actual Transfer (from)	2025 Actual Closing Balance	2025 Budget Opening Balance	2025 Budget Transfer to	2025 Budget Transfer (from)	2025 Budget Closing Balance	2024 Actual Opening Balance	2024 Actual Transfer to	2024 Actual Transfer (from)	2024 Actual Closing Balance
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Restricted by legislation</b>													
1 Reserves Cash Backed - Anstey Keane - DCP	15,412,422		3,277,825	(123,184)	18,567,063	15,447,759	3,815,000	(323,800)	18,938,959	10,157,189	5,474,267	(219,034)	15,412,422
2 Reserves Cash Backed - North Forrestdale DCP 3	24,510,807		8,122,202	(607,180)	32,025,829	24,985,521	4,928,000	(3,702,400)	26,211,121	22,359,105	3,041,045	(889,343)	24,510,807
3 Reserves Cash Backed - North Forrestdale SAR Asset Renewal	3,201,005		157,774	(4,500)	3,354,279	3,185,430	144,700	(250,000)	3,080,130	3,049,318	151,687	-	3,201,005
4 Reserves Cash Backed - SAR -A	-		131,621	(75,126)	56,495	19,531	132,400	(131,500)	20,431	18,696.00	129,233	(147,929)	-
5 Reserves Cash Backed - SAR -B	-		74,485	(40,941)	33,544	49,779	76,600	(74,400)	51,979	47,652	75,032	(122,684)	-
6 Reserves Cash Backed - SAR -C	-		21,572	(12,042)	9,530	6,480	22,100	(21,800)	6,780	6,203	21,580	(27,783)	-
7 Reserves Cash Backed - SAR -D	-		25,147	(14,209)	10,938	18,390	25,700	(24,900)	19,190	17,604	25,176	(42,780)	-
8 Reserves Cash Backed - SAR -F	-		335,101	(335,101)	-	-	332,000	(332,000)	-	-	323,670	(323,670)	-
9 Reserves Cash Backed - SAR -G	-		14,513	(14,513)	-	-	14,500	(14,500)	-	-	14,254	(14,254)	-
	<b>43,124,234</b>		<b>12,160,240</b>	<b>(1,226,796)</b>	<b>54,057,678</b>	<b>43,712,890</b>	<b>9,491,000</b>	<b>(4,875,300)</b>	<b>48,328,590</b>	<b>35,655,767</b>	<b>9,255,944</b>	<b>(1,787,477)</b>	<b>43,124,234</b>
<b>Restricted by council</b>													
10 Reserves Cash Backed - Asset Renewal	15,624,312		4,694,903	(1,521,300)	18,797,915	8,439,845	4,442,400	(1,991,000)	10,891,245	10,158,978	8,221,854	(2,756,520)	15,624,312
11 Reserves Cash Backed - Champion Lakes SAR Asset Renewal	181,893		8,965	-	190,858	181,007	8,200	-	189,207	173,273	8,620	-	181,893
12 Reserves Cash Backed - City Centre Activation	79,151		180,901	-	260,052	78,767	3,600	-	82,367	75,401	-	-	79,151
13 Reserves Cash Backed - Civic Precinct	3,539,314		674,448	-	4,213,762	3,045,326	659,900	-	3,705,226	2,895,289	644,025	-	3,539,314
14 Reserves Cash Backed - Community Art	111,606		5,501	-	117,107	111,064	4,900	-	115,964	106,318	5,288	-	111,606
15 Reserves Cash Backed - Computer Systems Technologies	2,086,882		330,960	-	2,417,842	2,437,229	321,900	(990,000)	1,769,129	2,333,087	516,059	(762,264)	2,086,882
16 Reserves Cash Backed - Crossover Contributions	67,084		3,306	-	70,390	66,758	3,000	-	69,758	63,905	3,179	-	67,084
17 Reserves Cash Backed - Covid-19 Response and Recovery	1,862,448		91,798	(1,840,000)	114,246	1,853,387	84,200	(1,840,000)	97,587	1,774,192	88,256	-	1,862,448
18 Reserves Cash Backed - Emergency Waste	248,492		12,248	-	260,740	247,282	11,200	-	258,482	236,716	11,776	-	248,492
19 Reserves Cash Backed - Employee Provisions	9,427,921		464,691	-	9,892,612	9,699,154	440,700	(900,000)	9,239,854	9,284,713	461,865	(318,657)	9,427,921
20 Reserves Cash Backed - Events Reserve Fund	48,189		2,375	-	50,564	47,954	2,200	-	50,154	45,905	2,284	-	48,189
21 Reserves Cash Backed - Freehold Sales Capital Works	45,033		2,220	-	47,253	201,050	9,100	-	210,150	192,459	9,574	(157,000)	45,033
22 Reserves Cash Backed - Future Community Facilities	564,787		27,838	-	592,625	473,409	23,700	-	497,109	1,752,604	87,183	(1,275,000)	564,787
23 Reserves Cash Backed - Future Project Funding	10,687,257		7,193,693	(1,200,994)	16,679,956	17,797,299	783,700	(845,000)	17,735,999	17,024,515	1,846,878	(8,184,136)	10,687,257
24 Reserves Cash Backed - Future Recreation Facilities	979,677		2,788,287	(473,880)	3,294,084	974,911	2,761,800	(2,740,000)	996,711	933,253	46,424	-	979,677
25 Reserves Cash Backed - History of the District	40,766		2,009	-	42,775	40,567	1,800	-	42,367	38,834	1,932	-	40,766
26 Reserves Cash Backed - Infrastructure Project Contribution	674,604		33,250	(10,845)	697,009	684,436	24,800	(471,000)	238,236	1,580,192	78,606	(984,194)	674,604
27 Reserves Cash Backed - Land Acquisition	516,356		25,451	-	541,807	513,843	23,300	-	537,143	491,887	24,469	-	516,356
28 Reserves Cash Backed - Mobile Bin Program	2,196,600		108,268	-	2,304,868	2,185,912	99,300	-	2,285,212	2,092,509	104,091	-	2,196,600
29 Reserves Cash Backed - Perth Hills Tourism Alliance	50,297		2,479	-	52,776	50,053	2,300	-	52,353	47,914	2,383	-	50,297
30 Reserves Cash Backed - Plant and Machinery	5,297,660		2,261,115	(1,237,043)	6,321,732	3,524,154	2,164,100	(1,628,100)	4,060,154	5,212,602	2,259,299	(2,174,241)	5,297,660
31 Reserves Cash Backed - Revolving Energy	325,734		413,055	(175,000)	563,789	324,150	411,700	-	735,850	310,299	15,435	-	325,734
32 Reserves Cash Backed - Strategic Asset Investments	774,427		38,171	-	812,598	770,659	35,000	-	805,659	737,729	36,698	-	774,427
33 Reserves Cash Backed - Waste Management	27,397,236		3,381,783	(78,328)	30,700,691	27,711,451	1,015,400	(2,842,400)	25,884,451	30,572,718	2,871,529	(6,047,011)	27,397,236
34 Reserves Cash Backed - Workers Compensation	392,302		19,336	-	411,638	270,977	12,100	-	283,077	259,398	132,904	-	392,302
35 Reserves Cash Backed - Wungong River Project	1,000,808		49,329	(296,400)	753,737	751,833	45,200	-	797,033	709,513	291,295	-	1,000,808
36 Reserves Cash Backed - Works Contributions	710,474		35,018	-	745,492	707,018	32,100	-	739,118	676,807	33,667	-	710,474
37 Reserves Cash Backed - Public Art Contributions	45,452		13,018	-	58,470	347,746	2,100	-	349,846	43,298	2,154	-	45,452
38 Reserves Cash Backed - DevelopmentWA Public Art Contribution	171,315		8,444	-	179,759	170,482	7,700	-	178,182	163,197	8,118	-	171,315
39 Reserves Cash Backed - Forrestdale Business Park East	762,745		37,595	-	800,340	759,033	34,500	-	793,533	726,600	36,145	-	762,745
40 Reserves Cash Backed - Project Funds Rolled Over	2,417,473		119,154	(105,100)	2,431,527	1,751,461	68,100	(745,000)	1,074,561	1,929,717	668,993	(181,237)	2,417,473
41 Reserves Cash Backed - Street Tree Contribution	15,831		780	-	16,611	15,753	900	-	16,653	15,080	751	-	15,831
42 Reserves Cash Backed - Kelmscott - Landscaping, Public Art and Bin Maintenance	100,000		4,929	(7,517)	97,412	-	4,500	-	4,500	-	100,000	-	100,000
43 Reserves Cash Backed - Public Open Space - Cash in Lieu - Camillo No. 64	175,892		10,002	-	185,894	-	-	-	-	-	175,892	-	175,892
44 Reserves Cash Backed - Public Open Space - Regional Recreation Infrastructure	75,382		4,287	-	79,669	-	-	-	-	-	75,382	-	75,382
45 Reserves Cash Backed - Carbon Reserve	-		264,585	-	264,585	-	-	-	-	-	-	-	-
	<b>88,695,400</b>		<b>23,314,192</b>	<b>(6,946,407)</b>	<b>105,063,185</b>	<b>86,233,970</b>	<b>13,545,400</b>	<b>(14,992,500)</b>	<b>84,786,870</b>	<b>92,658,902</b>	<b>18,876,758</b>	<b>(22,840,260)</b>	<b>88,695,400</b>
<b>Total</b>	<b>131,819,634</b>		<b>35,474,432</b>	<b>(8,173,203)</b>	<b>159,120,863</b>	<b>129,946,860</b>	<b>23,036,400</b>	<b>(19,867,800)</b>	<b>133,115,460</b>	<b>128,314,669</b>	<b>28,132,702</b>	<b>(24,627,737)</b>	<b>131,819,634</b>

All reserves are supported by cash and cash equivalents and are restricted within equity as Reserves - cash backed.

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

City of Armadale  
Notes to, and forming part of, the Financial Report  
FOR THE YEAR ENDED 30 JUNE 2025

31. RESERVES - CASH BACKED (Continued)

Name of Reserve	Anticipated date of use	Purpose of the reserve
1 Reserves Cash Backed - Anstey Keane - DCP	Ongoing	Fund common infrastructure works as identified in the Development Contribution Plan
2 Reserves Cash Backed - North Forrestdale DCP 3	Ongoing	To be used to fund common infrastructure works as identified in the Development Contribution Plan #3.
3 Reserves Cash Backed - North Forrestdale SAR Asset Renewal	Ongoing	To be used to assist in the renewal of assets associated with North Forrestdale Estates covered by Specified Area Rating.
4 Reserves Cash Backed - SAR -A	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
5 Reserves Cash Backed - SAR -B	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
6 Reserves Cash Backed - SAR -C	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
7 Reserves Cash Backed - SAR -D	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
8 Reserves Cash Backed - SAR -F	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
9 Reserves Cash Backed - SAR -G	Ongoing	To be used to enhance the general amenity of the area by way of increased service levels in ways like litter control, verge and streetscape maintenance, verge mowing etc.
10 Reserves Cash Backed - Asset Renewal	Ongoing	Assist in funding capital works, thereby extending the useful economic life of such assets.
11 Reserves Cash Backed - Champion Lakes SAR Asset Renewal	Ongoing	To be used to assist in the renewal of assets associated with Champion Lakes Estates covered by Specified Area Rating.
12 Reserves Cash Backed - City Centre Activation	Ongoing	To be used to assist in City Centre Activation projects.
13 Reserves Cash Backed - Civic Precinct	Ongoing	To be used to assist in research, planning and redevelopment of the City's Civic Precinct.
14 Reserves Cash Backed - Community Art	Ongoing	To be used to assist in providing for timing differences in Community Art contributions and project development.
15 Reserves Cash Backed - Computer Systems Technologies	Ongoing	To be used to assist in funding the long-term renewal of City's core computer systems.
16 Reserves Cash Backed - Crossover Contributions	Ongoing	To be used to assist in funding the construction of Crossovers as a condition of approved building licences.
17 Reserves Cash Backed - Covid-19 Response and Recovery	Ongoing	To be used to assist in responding to COVID-19 Pandemic Emergency and Recovery actions and initiatives
18 Reserves Cash Backed - Emergency Waste	Ongoing	To be used to assist with the costs associated with storm damage clean-up, collections and disposal.
19 Reserves Cash Backed - Employee Provisions	Ongoing	To be used to cash-back the employees' sick, annual and long-service leave entitlements liability.
20 Reserves Cash Backed - Events Reserve Fund	Ongoing	To be used to assist with the costs associated with City Events
21 Reserves Cash Backed - Freehold Sales Capital Works	Ongoing	To be used to assist in funding capital works and to be funded from the proceeds (30% of net sale proceeds) of selling Freehold land parcels.
22 Reserves Cash Backed - Future Community Facilities	Ongoing	To be used to assist in the research, planning and construction of future Community Facilities.
23 Reserves Cash Backed - Future Project Funding	Ongoing	To be used to fund future capital works projects considered in excess of the City's normal funding capacity.
24 Reserves Cash Backed - Future Recreation Facilities	Ongoing	To be used to assist in the research, planning and construction of future recreation facilities.
25 Reserves Cash Backed - History of the District	Ongoing	To be used to assist in the future rewrite and publication of the History of the District.
26 Reserves Cash Backed - Infrastructure Project Contribution	Ongoing	To be used to assist in completion of Infrastructure projects funded externally
27 Reserves Cash Backed - Land Acquisition	Ongoing	To be used to assist in future acquisitions of land for investment or works requirement.
28 Reserves Cash Backed - Mobile Bin Program	Ongoing	To be used to assist in the purchase and replacement of the City's Mobile Garbage Bins.
29 Reserves Cash Backed - Perth Hills Tourism Alliance	Ongoing	To be used to assist in providing for timing differences in Alliance activities.
30 Reserves Cash Backed - Plant and Machinery	Ongoing	To be used to assist in the purchase and replacement of the City's Plant and Machinery requirements.
31 Reserves Cash Backed - Revolving Energy	Ongoing	To be used to assist in establishing energy efficient management techniques and practices.
32 Reserves Cash Backed - Strategic Asset Investments	Ongoing	To be used to fund the acquisition of strategic asset investments from the proceeds (70% of net sale proceeds) of selling Freehold land.
33 Reserves Cash Backed - Waste Management	Ongoing	To be used to assist in the management and future provisioning of the City's Waste Management Sites.
34 Reserves Cash Backed - Workers Compensation	Ongoing	To be used to assist in covering any workers' compensation liability claims in excess of the City's normal funding capacity.
35 Reserves Cash Backed - Wungong River Project	Ongoing	To be used to fund works relating to Wungong River Projects
36 Reserves Cash Backed - Works Contributions	Ongoing	To be used to fund works utilising contributions received from developers, generally pursuant to conditions of development approval.
37 Reserves Cash Backed - Public Art Contributions	Ongoing	To be used to fund public art works
38 Reserves Cash Backed - DevelopmentWA Public Art Contribution	Ongoing	To be used for the transfer of Development WA's public art funds to the Forrestdale Business Park East and any other redevelopment areas to be normalised to the City
39 Reserves Cash Backed - Forrestdale Business Park East	Ongoing	To be used for facilitating the transfer of DCP funds to the City for the Forrestdale Business Park East area
40 Reserves Cash Backed - Project Funds Rolled Over	Ongoing	To be used to assist in provisioning funds for the completion of infrastructure projects commenced but not finished
41 Reserves Cash Backed - Street Tree Contribution	Ongoing	To be used to fund street tree installation and maintenance in accordance with Policy Eng 6 - Street Trees
42 Reserves Cash Backed - Kelmscott – Landscaping, Public Art and Bin Maintenance	Ongoing	To be used to facilitate the transfer of PTA's maintenance funds for the portion of the maintenance period in 2024/25 for Landscaping, Public Art and Bins for District Centre
43 Reserves Cash Backed - Public Open Space Cash in Lieu - Camillo No. 64	Ongoing	To be used to fund subdivision application 1586723 Westfield Road Camillo
44 Reserves Cash Backed - Public Open Space - Regional Recreation Infrastructure	Ongoing	To be used to fund subdivision of public open space cash in lieu
45 Reserves Cash Backed - Carbon Reserve	Ongoing	To be used to fund future carbon mitigation initiatives.



**CITY OF ARMADALE**  
**NOTES TO, AND FORMING PART OF, THE FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2025**

**32. TRUST FUNDS**

	Balance 1 July 2024 \$	Amounts Received \$	Amounts Paid/Transfers* \$	Balance 30 June 2025 \$
Funds held at balance date over which the City has no control, and that are not included in the financial statements, are as follows;				
Cash in Lieu - POS - Agreements	32,078	1,602	-	33,680
Cash in Lieu of Parking	252,913	12,625	-	265,538
POS - Precinct A - Westfield	89,529	4,470	-	93,999
POS - Precinct C - West Armadale	388,898	19,414	-	408,312
POS - Precinct F - Clifton Hills	239,549	11,958	-	251,507
POS - Precinct H - Mount Nasura	1,335,925	66,691	-	1,402,616
POS - Precinct N - Forrestdale	243,384	12,150	-	255,534
POS - Precinct O - Palomino	82,535	4,121	-	86,656
POS - Regional Recreation Infrastructure	577,810	28,845	-	606,655
POS Cash in Lieu - Suburb - Piara Waters	747,643	37,323	-	784,966
POS Cash in Lieu - Suburb - Kelmscott	101,741	5,080	-	106,821
POS Cash in Lieu - Suburb - Mount Richon	125,602	6,270	-	131,872
POS Cash in Lieu - Suburb - Armadale	317,201	15,835	-	333,036
POS Cash in Lieu - Suburb - Roleystone	91,413	4,564	-	95,977
POS Cash in Lieu - Suburb - Bedfordale	250,108	12,486	-	262,594
Nomination Deposits	240	-	(240)	-
Wungong Road Contribution Accounts	618,157	30,859	-	649,016
	<b>5,494,726</b>	<b>274,293</b>	<b>(240)</b>	<b>5,768,779</b>