



INDEX OF APPENDICES

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APPENDICES

**Ordinary Council Meeting –
6 December 2018**

Financial Statements for the period ended 30 September 2018

Item
9.1

APPENDIX NO. 1

Item
9.1



MANAGEMENT FINANCIAL STATEMENTS

**FOR THE MONTH ENDED
30 SEPTEMBER 2018
(pre audit approval)**

Mindari Regional Council
INCOME STATEMENT BY NATURE AND TYPE
For the month ended 30 September 2018

| Description | Adopted Budget | YTD Budget | YTD Actual | \$ Variance | % Variance | Note |
|--|-------------------|-------------------|-------------------|--------------------|------------------|------|
| Revenue from Ordinary Activities | | | | | | |
| Member User Charges | | | | | | |
| User Charges - City of Perth | 2,767,500 | 552,176 | 657,205 | | | |
| User Charges - City of Wanneroo | 13,673,500 | 2,851,135 | 3,780,311 | | | |
| User Charges - City of Joondalup | 9,858,860 | 2,089,138 | 2,579,667 | | | |
| User Charges - City of Stirling | 7,892,500 | 1,782,348 | 2,965,598 | | | |
| User Charges - Town of Cambridge | 1,465,750 | 310,016 | 278,938 | | | |
| User Charges - City of Vincent | 2,870,000 | 596,584 | 664,566 | | | |
| User Charges - Town of Victoria Park | 2,562,500 | 519,259 | 603,056 | | | |
| User Charges - RRF Residues | 9,983,500 | 2,635,644 | 2,613,256 | | | |
| | 51,074,110 | 11,336,300 | 14,142,597 | 2,806,297 | 24.75% | |
| Non Member User Charges | | | | | | |
| User Charges - WMRC | 4,920,000 | - | - | - | | |
| User Charges - Casual Tipping Fees | 3,044,976 | 682,006 | 704,319 | 22,313 | 3.27% | |
| | 7,964,976 | 682,006 | 704,319 | 22,313 | 3.27% | |
| Total User Charges | 59,039,086 | 12,018,306 | 14,846,916 | 2,828,610 | 23.54% | 1 |
| Other Charges | | | | | | |
| Service Charges | | | | | | |
| Sale of Recyclable Materials | 897,225 | 260,748 | 186,905 | (73,843) | (28.32%) | |
| Gas Power Generation Sales | 730,000 | - | - | - | | |
| Grants and Subsidies | - | - | - | - | | |
| Contributions, Reimbursements & Donations | 16,160 | 6,140 | 6,455 | 315 | 5.12% | |
| Interest Earnings | 656,400 | 164,100 | 173,250 | 9,150 | 5.58% | |
| Other Revenue | 478,258 | 104,202 | 98,528 | (5,674) | (5.45%) | |
| Total Other Charges | 2,778,043 | 535,190 | 465,138 | (70,052) | (13.09%) | |
| Total Revenue from Ordinary Activities | 61,817,129 | 12,553,496 | 15,312,054 | 2,758,558 | 21.97% | |
| Expenses from Ordinary Activities | | | | | | |
| Employee Costs | 4,989,575 | 1,198,050 | 1,195,727 | 2,323 | 0.19% | |
| Materials and Contracts | | | | | | |
| Consultants and Contract Labour | 627,340 | 87,140 | 97,449 | (10,309) | (11.83%) | |
| Communications and Public Consultation | 555,500 | 82,281 | 86,615 | (4,334) | (5.27%) | |
| Landfill Expenses | 1,240,670 | 229,954 | 210,465 | 19,489 | 8.48% | |
| Office Expenses | 235,711 | 64,667 | 137,297 | (72,630) | (112.31%) | |
| Information System Expenses | 178,970 | 33,529 | 22,111 | 11,418 | 34.05% | |
| Building Maintenance | 132,800 | 26,465 | 30,215 | (3,750) | (14.17%) | |
| Plant and Equipment Operating & Hire | 738,820 | 194,985 | 204,445 | (9,460) | (4.85%) | |
| RRF Other Operating Expenses | 29,050,500 | 7,598,926 | 7,947,950 | (349,024) | (4.59%) | 2 |
| WMRC | 4,920,000 | - | - | - | | |
| Utilities | 345,934 | 83,305 | 66,351 | 16,953 | 20.35% | |
| Depreciation | 1,810,367 | 452,504 | 810,684 | (358,180) | (79.16%) | 3 |
| Borrowing Costs | 56,088 | 14,812 | 14,812 | 0 | 0.00% | |
| Insurances | 269,940 | 47,296 | 46,647 | 649 | 1.37% | |
| DEP Landfill Levy | 10,622,260 | 2,089,016 | 2,794,000 | (704,984) | (33.75%) | 4 |
| Land Lease/Rental | 716,075 | 178,127 | 173,101 | 5,026 | 2.82% | |
| Other Expenditure | | | | | | |
| Members Costs | 247,213 | 5,975 | 5,975 | 0 | 0.01% | |
| Administration Expenses | 114,520 | 17,682 | 17,423 | 260 | 1.47% | |
| Amortisation for Cell Development | 1,187,580 | 233,555 | 312,373 | (78,818) | (33.75%) | |
| Amortisation for Decommissioning Asset | 545,191 | 136,294 | 136,294 | - | 0.00% | |
| Capping Accretion Expense | 239,255 | 59,813 | 59,813 | - | 0.00% | |
| Post Closure Accretion Expense | 156,333 | 39,081 | 39,081 | - | 0.00% | |
| RRF Amortisation | 462,791 | 115,697 | 157,447 | (41,750) | (36.09%) | |
| Total Expenses | 59,443,433 | 12,989,154 | 14,566,274 | (1,577,121) | (12.14%) | |
| Profit on Sale of Assets | 46,339 | 1,278 | 5,021 | 3,743 | 292.84% | |
| Loss on Sale of Assets | 290,608 | - | - | - | | |
| Revaluation of Assets | - | - | - | - | | |
| | (244,269) | 1,278 | 5,021 | 3,743 | 292.84% | |
| Changes in Net Assets Resulting from Operations | 2,129,427 | (434,380) | 750,800 | 1,185,179 | (272.84%) | |

NOTES FOR VARIATIONS - INCOME STATEMENT BY NATURE AND TYPE

| Note # | Description of Item | Nature of variance where: |
|--------|--|---|
| | | 1. Member Revenue (Aggregated) variances greater than \$250,000. 2. Non Member Revenue (Aggregated) variances greater than \$100,000. 3. Other Revenues Charged (Per Line Item) variances greater than \$100,000. 4. All Expense variances (Per Line Item) greater than \$100,000. |
| 1 | User Charges - Members and Non Members | <p>Total user charges for the year to date are above budget (\$2,828k) relating to more than budgeted member council waste (\$2,806k) mainly Cities of Stirling and Wanneroo. The remainder (\$22k) is relating to non-member waste.</p> <p>The Member Councils delivered more processable tonnes (13,504t) and more non processable tonnes (1,297t) than budget year to date. RRF residues have delivered slightly more than anticipated (132t) year to date as they prepare for a scheduled maintenance close down in November.</p> |
| 2 | RRF Operating Expenses | RRF other operating expenses are \$349k above budget which is tonnage driven. |
| 3 | Depreciation | Depreciation is \$358k above budget due to prior year adjustment of RRF assets depreciation and also revaluations. |
| 4 | DWER Landfill Levy | DWER Landfill Levy is \$705k higher than budget which is tonnage driven. |

Mindarie Regional Council
OPERATING STATEMENT
For the month ended 30 September 2018

| Description | Adopted Budget | YTD Budget | YTD Actual | \$ Remaining Bal of Budget | % Balance |
|---|---------------------|--------------------|--------------------|-------------------------------|---------------|
| Resource Recovery Facility | | | | | |
| Operating Expenditure | | | | | |
| Employee Costs | | | | | |
| Salaries | - | - | - | - | |
| Allowances | - | - | - | - | |
| Workers Compensation Premium | - | - | - | - | |
| | - | - | - | - | |
| Consultants and Contract Labour | | | | | |
| Consultancy | - | - | 1,005 | (1,005) | |
| Contract Labour External | - | - | - | - | |
| | - | - | 1,005 | (1,005) | |
| Office Expenses | | | | | |
| Cleaning of Buildings | | | | | |
| General cleaning (Enviro Care) | 10,600 | 2,649 | 2,996 | 7,604 | 71.73% |
| Window cleaning | 2,000 | - | - | 2,000 | 100.00% |
| | 12,600 | 2,649 | 2,996 | 9,604 | 76.22% |
| Information System Expenses | | | | | |
| Computer System Maintenance | | | | | |
| ICT contractors costs | 2,000 | - | - | 2,000 | 100.00% |
| Newcastle Weighing Services-Gen Maintenance | 11,500 | 2,874 | 2,606 | 8,894 | 77.34% |
| Vertical Telecom P/L-Maint of Microwave Ant | 6,000 | 1,500 | 1,305 | 4,695 | 78.25% |
| | 19,500 | 4,374 | 3,911 | 15,589 | 79.94% |
| Building Maintenance | | | | | |
| Building Maintenance | | | | | |
| Airconditioning Maintenance | 3,000 | 129 | 129 | 2,871 | 95.70% |
| Community Education Centre | 2,000 | 2,000 | 2,646 | (646) | (32.31%) |
| Weighbridge and Calibration | 7,500 | 220 | 220 | 7,280 | 97.07% |
| Building Security | | | | | |
| Security - Monitoring | - | - | - | - | |
| Security - Alarm maintenance | - | - | - | - | |
| Security - call out | - | - | - | - | |
| | 12,500 | 2,349 | 2,995 | 9,505 | 76.04% |
| RRF Operation Expenses | | | | | |
| Fencing and Gate Maintenance | | | | | |
| Fencing and Gate Maintenance | 9,000 | - | - | 9,000 | 100.00% |
| Repair of Boom Gate | - | - | - | - | |
| Road Maintenance | 5,000 | - | - | 5,000 | 100.00% |
| Bores and Pipework | | | | | |
| Bore maint/calibration/electronics | 4,500 | 1,060 | 1,060 | 3,440 | 76.45% |
| Groundwater sampling | 2,500 | 2,500 | 3,801 | (1,301) | (52.04%) |
| Bacteria sampling | 1,000 | - | - | 1,000 | 100.00% |
| Vermin control | 500 | - | - | 500 | 100.00% |
| Spills/leaks/incident management | 500 | - | - | 500 | 100.00% |
| Vehicle Wash Facility Operations | - | - | - | - | |
| Landscaping and Gardens | 6,000 | 350 | 350 | 5,650 | 94.17% |
| Compost Disposal | 433,500 | 113,784 | 113,784 | 319,716 | 73.75% |
| Contractor's Fees | 28,338,000 | 7,481,232 | 7,828,955 | 20,509,045 | 72.37% |
| RRF Maintenance Funding | 250,000 | - | - | 250,000 | 100.00% |
| | 29,050,500 | 7,598,926 | 7,947,950 | 21,102,550 | 72.64% |
| Utilities | | | | | |
| Electricity | 15,800 | 1,260 | 1,260 | 14,540 | 92.03% |
| Rates | 108,894 | 27,224 | 26,760 | 82,134 | 75.43% |
| | 124,694 | 28,484 | 28,020 | 96,674 | 77.53% |
| Insurance | | | | | |
| Municipal Property Insurance | 3,500 | 875 | 880 | 2,620 | 74.86% |
| Public Liability Insurance | 5,650 | 1,411 | 1,330 | 4,320 | 76.45% |
| | 9,150 | 2,286 | 2,210 | 6,940 | 75.84% |
| Cost of Borrowings | | | | | |
| Interest on Loans | | | | | |
| Loan 10A | 56,088 | 14,812 | 14,812 | 41,276 | 73.59% |
| Loan Expenses | - | - | - | - | |
| | 56,088 | 14,812 | 14,812 | 41,276 | 73.59% |
| Amortisations | | | | | |
| Amortisation Pre-operating Costs | 104,784 | 26,196 | 54,913 | 49,871 | 47.59% |
| Amortisation Costs | 358,007 | 89,501 | 102,534 | 255,473 | 71.36% |
| | 462,791 | 115,697 | 157,447 | 305,344 | 65.98% |
| Depreciation | | | | | |
| Depreciation on Building | 25,124 | 6,279 | 149,287 | (124,163) | (494.20%) |
| Depreciation on Infrastructure | 26,697 | 6,672 | 160,104 | (133,407) | (499.71%) |
| | 51,821 | 12,951 | 309,391 | (257,570) | (497.04%) |
| Total Operating Expenditure | 29,799,644 | 7,782,528 | 8,470,738 | 21,462,313 | 72.02% |
| Net Total | (29,799,644) | (7,782,528) | (8,470,738) | (21,462,313) | 72.02% |

Mindarie Regional Council
INCOME STATEMENT BY DEPARTMENT
For the month ended 30 September 2018

| Description | Adopted Budget | YTD Budget | YTD Actual | \$ Variance | % Variance |
|--|-------------------|-------------------|-------------------|--------------------|------------------|
| Revenues from Ordinary Activities | | | | | |
| Operating Revenues | | | | | |
| General Purpose Funding | 61,817,129 | 12,553,496 | 15,312,054 | 2,758,558 | 21.97% |
| Community Amenities | - | - | - | - | |
| Resource Recovery Facility | - | - | - | - | |
| | 61,817,129 | 12,553,496 | 15,312,054 | 2,758,558 | 21.97% |
| Profit on Disposal of Assets | | | | | |
| Governance | 1,479 | 1,278 | 1,598 | 320 | 25.05% |
| Community Amenities | 44,860 | - | 3,422 | 3,422 | |
| Resource Recovery Facility | - | - | - | - | |
| | 46,339 | 1,278 | 5,021 | 3,743 | |
| Total Revenue | 61,863,468 | 12,554,774 | 15,317,074 | 2,762,300 | 22.00% |
| Expenses from Ordinary Activities | | | | | |
| Operating Expenditure | | | | | |
| Governance | 3,886,114 | 857,858 | 871,175 | (13,317) | (1.55%) |
| Community Amenities | 25,757,675 | 4,348,768 | 5,224,361 | (875,593) | (20.13%) |
| Resource Recovery Facility | 29,743,556 | 7,767,716 | 8,455,926 | (688,211) | (8.86%) |
| | 59,387,345 | 12,974,342 | 14,551,462 | (1,577,121) | (12.16%) |
| Loss on Sale of Assets | | | | | |
| Governance | - | - | - | - | |
| Community Amenities | 290,608 | - | - | - | |
| Resource Recovery Facility | - | - | - | - | |
| | 290,608 | - | - | - | |
| Cost of Borrowings | | | | | |
| Governance | - | - | - | - | |
| Community Amenities | - | - | - | - | |
| Resource Recovery Facility | 56,088 | 14,812 | 14,812 | 0 | 0.00% |
| | 56,088 | 14,812 | 14,812 | 0 | 0.00% |
| Total Expenditure | 59,734,041 | 12,989,154 | 14,566,274 | (1,577,121) | (12.14%) |
| Revaluation of Assets | - | - | - | - | |
| Changes in Net Assets Resulting from Operations | 2,129,427 | (434,380) | 750,800 | 1,185,179 | (272.84%) |

Mindarie Regional Council
Balance Sheet
For the month ended 30 September 2018

| Description | ACTUAL 2018/2019 | Movement | ACTUAL 2017/2018 |
|--|---------------------|--------------------|---------------------|
| CURRENT ASSETS | | | |
| Cash | 976,207 | (965,858) | 1,942,065 |
| Investments | 27,891,781 | (666,082) | 28,557,863 |
| Debtors | 6,669,282 | 3,523,652 | 3,145,629 |
| Stock | 12,144 | (3,588) | 15,733 |
| Prepayments | 445,433 | 342,854 | 102,579 |
| Accrued Income | 132,938 | (147,189) | 280,127 |
| Work In Progress - Leachate treatment project | 48,978 | 7,645 | 41,333 |
| Work In Progress - Computing Equipment | 1,650 | 1,650 | - |
| Work In Progress - Furniture and equipment | 2,032 | 2,032 | - |
| Work In Progress - Recycling Centre Renovation and Alignment | 387,937 | 106,642 | 281,294 |
| Other Current Assets | 281,136 | (33,706) | 314,843 |
| TOTAL CURRENT ASSETS | 36,849,517 | 2,168,052 | 34,681,465 |
| NON-CURRENT ASSETS | | | |
| Land | 6,760,000 | - | 6,760,000 |
| Buildings & Improvements | 3,005,353 | (233,795) | 3,239,148 |
| Furniture & Equipment | 180,770 | (69,782) | 250,552 |
| Computing Equipment | 322,163 | (63,058) | 385,220 |
| Plant & Equipment | 2,781,570 | (252,136) | 3,033,707 |
| Infrastructure - Other | 6,420,837 | (252,291) | 6,673,128 |
| Infrastructure - Excavation | 26,602,241 | (312,373) | 26,914,614 |
| Infrastructure - RRF | 3,806,900 | (102,534) | 3,909,434 |
| Decommissioning Asset | 3,075,997 | (77,872) | 3,153,869 |
| Post Closure | 2,239,594 | (58,422) | 2,298,016 |
| Pre-operating RRF | 1,124,516 | (54,913) | 1,179,429 |
| TOTAL NON-CURRENT ASSETS | 56,319,942 | (1,477,176) | 57,797,117 |
| TOTAL ASSETS | 93,169,459 | 690,877 | 92,478,582 |
| CURRENT LIABILITIES | | | |
| Creditors | 6,470,952 | 299,884 | 6,171,069 |
| Provisions for Leave | 852,471 | (23,390) | 875,860 |
| Current Loans | 89,084 | (28,864) | 117,948 |
| Accruals | 36,836 | (426,926) | 463,762 |
| TOTAL CURRENT LIABILITIES | 7,449,343 | (179,296) | 7,628,639 |
| NON CURRENT LIABILITIES | | | |
| Provisions for Leave | 119,499 | 20,479 | 99,020 |
| Non Current Loans | 855,078 | - | 855,078 |
| Decommission Provision for Capping | 16,048,250 | 98,894 | 15,949,356 |
| Other Non Current Liabilities | 39,983 | - | 39,983 |
| TOTAL NON CURRENT LIABILITIES | 17,062,810 | 119,373 | 16,943,437 |
| TOTAL LIABILITIES | 24,512,153 | (59,923) | 24,572,076 |
| NET ASSETS | 68,657,306 | 750,800 | 67,906,506 |
| EQUITY | | | |
| Retained Surplus | 11,070,376 | 767,268 | 10,303,108 |
| Reserves (Cash Back) | 22,722,923 | (16,468) | 22,739,391 |
| Reserves (Non Cash Back) | 30,778,281 | - | 30,778,281 |
| Council Contribution | 4,085,726 | - | 4,085,726 |
| TOTAL EQUITY | 68,657,306 | 750,800 | 67,906,506 |

Mindarie Regional Council
STATEMENT OF RESERVES
For the month ended 30 September 2018

| Description | ACTUAL 2018/2019 |
|---|--------------------------|
| Opening Balance - 1 July 2018 | |
| Site Rehabilitation | 10,187,356 |
| Capital Expenditure | 9,560,960 |
| Participants Surplus Reserve | 2,000,000 |
| RRF Maintenance Funding | 500,000 |
| Carbon Abatement | 491,076 |
| | <u>22,739,391</u> |
| Interest on Investments | |
| Site Rehabilitation | - |
| Capital Expenditure | - |
| Participants Surplus Reserve | - |
| RRF Maintenance Funding | - |
| Carbon Abatement | - |
| | - |
| Transfer from Operating Surplus | |
| Site Rehabilitation | 98,895 |
| Capital Expenditure | - |
| Participants Surplus Reserve | - |
| RRF Maintenance Funding | 62,499 |
| Carbon Abatement | - |
| | 161,394 |
| Total Transfer from Operations | <u>161,394</u> |
| Transfer from Balance Sheet Provisions | |
| Site Rehabilitation | - |
| | <u>-</u> |
| Transfer to Operating Surplus | |
| Site Rehabilitation | - |
| Capital Expenditure | 177,862 |
| RRF Maintenance Funding | - |
| Carbon Abatement | - |
| | <u>177,862</u> |
| Closing Balance | |
| Site Rehabilitation | 10,286,251 |
| Capital Expenditure | 9,383,098 |
| Participants Surplus Reserve | 2,000,000 |
| RRF Maintenance Funding | 562,499 |
| Carbon Abatement | 491,076 |
| | <u>22,722,923</u> |

Mindarie Regional Council
STATEMENT OF INVESTING ACTIVITIES
For the month ended 30 September 2018

| Description | Adopted Budget | YTD Actual | % to Revised Budget |
|--|------------------|----------------|---------------------|
| PLANT, VEHICLES AND MACHINERIES | | | |
| Plant and Vehicles | | | |
| Replacement of Bomag Compactor (Plant100) | 1,700,000 | - | |
| Replacement of Sumitomo Excavator (Plant89) | 350,000 | - | |
| Replacement of Holden Colorado-OM (Plant112) | 45,000 | - | |
| Replacement of VW Amarok-DCS (Plant111) | 48,000 | 47,003 | 97.92% |
| Replacement of Ford Falcon G6E-CEO (Plant109) | 52,000 | - | |
| Replacement of Toyota Forklift (Plant98) | 35,000 | - | |
| Replacement of Komatsu WA470 (Plant93) | 385,000 | - | |
| Replacement of Komatsu WA470 (Plant94) | 385,000 | - | |
| Replacement of Caterpillar Skidsteer Loader MTL (Plant108) | 105,000 | - | |
| Replacement of 30T Dump Truck (Plant90) | 415,000 | - | |
| | 3,520,000 | 47,003 | 1.34% |
| Machinery and Equipment | | | |
| Replacement of 6x Hooklift Bins @ \$12k each | 72,000 | - | |
| Replacement of 2x Tarpomatic Tarps | 25,000 | - | |
| Small Equipments | 5,000 | - | |
| Purchase and install 2 Cardboard Compactors | 275,000 | - | |
| 2way radios | - | - | |
| | 377,000 | - | |
| TOTAL PLANT, VEHICLES AND MACHINERIES | 3,897,000 | 47,003 | 1.21% |
| FURNITURE AND EQUIPMENT | | | |
| Furniture and Fittings | | | |
| New Telephone System | 15,000 | - | |
| Replacement of Furniture and Fittings | - | - | |
| Replacement of Airconditioning Units | 65,000 | 2,032 | 3.13% |
| | 80,000 | 2,032 | 3.13% |
| TOTAL FURNITURE AND EQUIPMENT | 80,000 | 2,032 | 2.54% |
| COMPUTING EQUIPMENT | | | |
| Computing Equipment | | | |
| Microsoft Server 2003 upgrade | 19,000 | - | |
| Replacement of Admin Server UPS | 10,500 | 1,650 | 15.72% |
| Replacement of HP Elite Desktops | 16,000 | - | |
| Replacement of Document Management System | 60,000 | - | |
| | 105,500 | 1,650 | 1.56% |
| TOTAL COMPUTING EQUIPMENT | 105,500 | 1,650 | 1.56% |
| LAND AND BUILDINGS | | | |
| Building | | | |
| Upgrade of kitchen and ablution at Tipface | 20,000 | - | |
| Weighbridge - Tamala park | 20,000 | - | |
| Weighbridge and other infrastructure - Neerabup | 20,000 | - | |
| Recycling Centre renovation and alignment phase2 | 145,296 | 106,642 | |
| | 205,296 | 106,642 | 177.74% |
| TOTAL LAND AND BUILDINGS | 205,296 | 106,642 | 51.95% |

Mindarie Regional Council
STATEMENT OF INVESTING ACTIVITIES
For the month ended 30 September 2018

| Description | Adopted Budget | YTD Actual | % to Revised Budget |
|--|------------------|---------------|---------------------|
| INFRASTRUCTURE | | | |
| Operations | | | |
| Environmental drilling Prog1 Stage1 north | 50,000 | - | |
| Environmental drilling Prog2 | 50,000 | 7,176 | |
| Environmental drilling 1x nested groundwater well set | 15,000 | - | |
| 2x Airwell pumps | 16,000 | - | |
| 2x Gas monitoring units | 35,000 | - | |
| Leachate treatment project | 500,000 | 6,191 | |
| 3x Leachate extraction risers | 22,000 | - | |
| Irrigation and garden around Recycling new shop | 10,000 | 7,168 | |
| 1x Compressor back-up - or hire as an option @ \$655.00 + gst/week | 44,121 | - | |
| Transfer station extension | 200,000 | - | |
| | 942,121 | 20,535 | |
| Landfill Infrastructure Phase 3 | | | |
| Cell Development - Lining (inc. c/f) | 203,219 | - | |
| | 203,219 | - | |
| TOTAL INFRASTRUCTURE | 1,145,340 | 20,535 | 1.79% |

INFORMATION ON BORROWINGS

(a) Loan Schedule and Interest Expense

| Actual | Value of Loan Approved | Matures | Interest Rates | Principal 01/07/2018 | Principal Drawn Down to 30/06/2019 | Principal Repayments | Principal Outstanding | Interest Repayments |
|-------------------------------------|---------------------------|---------|-------------------|-------------------------|--|-------------------------|--------------------------|-------------------------|
| | | | | | | Actual to 30/09/2018 | Actual to 30/09/2018 | Actual to 30/09/2018 |
| Community Amenities | | | | | | | | |
| Regional Resource Recovery Facility | | | | | | | | |
| Loan 10a - RRF Infrastructure | 2,000,000 | Apr-25 | 6.16% | 973,026 | - | 28,864 | 944,162 | 14,812 |
| TOTAL | 2,000,000 | | | 973,026 | - | 28,864 | 944,162 | 14,812 |
| | | | | | | Facility Fee | | - |
| | | | | | | Total Borrowing Costs | | 14,812 |

Financial Statements for the period ended 31 October 2018

Item
9.1

APPENDIX NO. 2

Item
9.1



MANAGEMENT FINANCIAL STATEMENTS

**FOR THE MONTH ENDED
31 OCTOBER 2018
(pre audit approval)**

Mindari Regional Council
INCOME STATEMENT BY NATURE AND TYPE
For the month ended 31 October 2018

| Description | Adopted Budget | YTD Budget | YTD Actual | \$ Variance | % Variance | Note |
|--|-------------------|-------------------|-------------------|--------------------|-----------------|------|
| Revenue from Ordinary Activities | | | | | | |
| Member User Charges | | | | | | |
| User Charges - City of Perth | 2,767,500 | 793,299 | 899,342 | | | |
| User Charges - City of Wanneroo | 13,673,500 | 4,067,750 | 4,963,075 | | | |
| User Charges - City of Joondalup | 9,858,860 | 2,973,213 | 3,552,312 | | | |
| User Charges - City of Stirling | 7,892,500 | 2,512,691 | 3,942,881 | | | |
| User Charges - Town of Cambridge | 1,465,750 | 441,335 | 380,460 | | | |
| User Charges - City of Vincent | 2,870,000 | 851,564 | 908,984 | | | |
| User Charges - Town of Victoria Park | 2,562,500 | 744,163 | 825,709 | | | |
| User Charges - RRF Residues | 9,983,500 | 3,554,126 | 3,520,217 | | | |
| | 51,074,110 | 15,938,141 | 18,992,980 | 3,054,839 | 19.17% | |
| Non Member User Charges | | | | | | |
| User Charges - WMRC | 4,920,000 | - | - | - | | |
| User Charges - Casual Tipping Fees | 3,044,976 | 1,132,427 | 928,700 | (203,727) | (17.99%) | |
| | 7,964,976 | 1,132,427 | 928,700 | (203,727) | (17.99%) | |
| Total User Charges | 59,039,086 | 17,070,568 | 19,921,681 | 2,851,113 | 16.70% | 1 |
| Other Charges | | | | | | |
| Service Charges | | | | | | |
| Sale of Recyclable Materials | 897,225 | 318,255 | 275,696 | (42,559) | (13.37%) | |
| Gas Power Generation Sales | 730,000 | 45,107 | 45,107 | - | 0.00% | |
| Grants and Subsidies | 16,000 | - | - | - | | |
| Contributions, Reimbursements & Donations | 16,160 | 6,140 | 6,455 | 315 | 5.12% | |
| Interest Earnings | 656,400 | 218,800 | 233,473 | 14,673 | 6.71% | |
| Other Revenue | 462,258 | 135,119 | 136,722 | 1,603 | 1.19% | |
| Total Other Charges | 2,778,043 | 723,421 | 697,453 | (25,968) | (3.59%) | |
| Total Revenue from Ordinary Activities | 61,817,129 | 17,793,989 | 20,619,133 | 2,825,144 | 15.88% | |
| Expenses from Ordinary Activities | | | | | | |
| Employee Costs | 4,989,575 | 1,575,479 | 1,544,930 | 30,549 | 1.94% | 2 |
| Materials and Contracts | | | | | | |
| Consultants and Contract Labour | 627,340 | 108,742 | 136,563 | (27,821) | (25.58%) | |
| Communications and Public Consultation | 555,500 | 100,117 | 105,168 | (5,051) | (5.04%) | |
| Landfill Expenses | 1,240,670 | 307,433 | 277,673 | 29,760 | 9.68% | |
| Office Expenses | 235,711 | 78,615 | 148,305 | (69,690) | (88.65%) | |
| Information System Expenses | 178,970 | 57,076 | 52,842 | 4,234 | 7.42% | |
| Building Maintenance | 132,800 | 27,845 | 35,355 | (7,510) | (26.97%) | |
| Plant and Equipment Operating & Hire | 738,820 | 249,881 | 267,121 | (17,240) | (6.90%) | |
| RRF Other Operating Expenses | 29,050,500 | 10,251,543 | 10,688,598 | (437,055) | (4.26%) | 3 |
| WMRC | 4,920,000 | - | - | - | | |
| Utilities | 345,934 | 110,128 | 88,707 | 21,421 | 19.45% | |
| Depreciation | 1,810,367 | 603,351 | 969,647 | (366,296) | (60.71%) | |
| Borrowing Costs | 56,088 | 19,736 | 19,735 | 1 | 0.00% | |
| Insurances | 269,940 | 64,018 | 64,292 | (274) | (0.43%) | |
| DEP Landfill Levy | 10,622,260 | 3,092,707 | 3,491,239 | (398,532) | (12.89%) | 4 |
| Land Lease/Rental | 716,075 | 237,503 | 232,437 | 5,066 | 2.13% | |
| Other Expenditure | | | | | | |
| Members Costs | 247,213 | 5,975 | 5,975 | 0 | 0.01% | |
| Administration Expenses | 114,520 | 25,480 | 25,547 | (67) | (0.26%) | |
| Amortisation for Cell Development | 1,187,580 | 345,768 | 390,325 | (44,557) | (12.89%) | 4 |
| Amortisation for Decommissioning Asset | 545,191 | 181,727 | 181,727 | - | 0.00% | |
| Capping Accretion Expense | 239,255 | 79,751 | 79,751 | - | 0.00% | |
| Post Closure Accretion Expense | 156,333 | 52,109 | 52,109 | - | 0.00% | |
| RRF Amortisation | 462,791 | 154,263 | 199,009 | (44,746) | (29.01%) | |
| Total Expenses | 59,443,433 | 17,729,247 | 19,057,056 | (1,327,809) | (7.49%) | |
| Profit on Sale of Assets | 46,339 | 1,278 | 7,394 | 6,116 | 478.59% | |
| Loss on Sale of Assets | 290,608 | - | - | - | | |
| Revaluation of Assets | - | - | - | - | | |
| | (244,269) | 1,278 | 7,394 | 6,116 | 478.59% | |
| Changes in Net Assets Resulting from Operations | 2,129,427 | 66,020 | 1,569,472 | 1,503,452 | 2277.27% | |

NOTES FOR VARIATIONS - INCOME STATEMENT BY NATURE AND TYPE

| Note # | Description of Item | Nature of variance where: |
|--------|--|--|
| | | 1. Member Revenue (Aggregated) variances greater than \$250,000. 2. Non Member Revenue (Aggregated) variances greater than \$100,000. 3. Other Revenues Charged (Per Line Item) variances greater than \$100,000. 4. All Expense variances (Per Line Item) greater than \$100,000. |
| 1 | User Charges - Members and Non Members | <p>Total user charges for the year to date are above budget (\$2,851k) relating to more than budgeted member council waste (\$3,055k) mainly Cities of Joondalup, Stirling and Wanneroo, and less than budgeted non-member waste (204k).</p> <p>The Member Councils delivered more processable tonnes (16,218t) and slightly less non processable tonnes (150t) than budget year to date. RRF residues have delivered slightly more than anticipated (76t) year to date.</p> |
| 2 | RRF Operating Expenses | RRF other operating expenses are \$437k above budget due to 15,150 tonnes more being delivered against budget. |
| 3 | Depreciation | Depreciation is \$366k above budget due to revaluation of assets and prior year adjustments of RRF assets depreciation. |
| 4 | DWER Landfill Levy | DWER Landfill Levy is \$399k above budget due to 9,847 tonnes more of levied waste being delivered against budget. |

Mindarie Regional Council
OPERATING STATEMENT
For the month ended 31 October 2018

| Description | Adopted Budget | YTD Budget | YTD Actual | \$ Remaining Bal of Budget | % Balance |
|---|---------------------|---------------------|---------------------|-------------------------------|---------------|
| Resource Recovery Facility | | | | | |
| Operating Expenditure | | | | | |
| Employee Costs | | | | | |
| Salaries | - | - | - | - | |
| Allowances | - | - | - | - | |
| Workers Compensation Premium | - | - | - | - | |
| | - | - | - | - | |
| Consultants and Contract Labour | | | | | |
| Consultancy | - | - | 1,340 | (1,340) | |
| Contract Labour External | - | - | - | - | |
| | - | - | 1,340 | (1,340) | |
| Office Expenses | | | | | |
| Cleaning of Buildings | | | | | |
| General cleaning (Enviro Care) | 10,600 | 3,532 | 4,348 | 6,252 | 58.98% |
| Window cleaning | 2,000 | 816 | - | 2,000 | 100.00% |
| | 12,600 | 4,348 | 4,348 | 8,252 | 65.49% |
| Information System Expenses | | | | | |
| Computer System Maintenance | | | | | |
| ICT contractors costs | 2,000 | - | - | 2,000 | 100.00% |
| Newcastle Weighing Services-Gen Maintenance | 11,500 | 3,832 | 3,475 | 8,025 | 69.78% |
| Vertical Telecom P/L-Maint of Microwave Ant | 6,000 | 2,000 | 1,740 | 4,260 | 70.99% |
| | 19,500 | 5,832 | 5,215 | 14,285 | 73.25% |
| Building Maintenance | | | | | |
| Building Maintenance | | | | | |
| Airconditioning Maintenance | 3,000 | 129 | 554 | 2,446 | 81.53% |
| Community Education Centre | 2,000 | 2,000 | 2,646 | (646) | (32.31%) |
| Weighbridge and Calibration | 7,500 | 220 | 220 | 7,280 | 97.07% |
| Building Security | | | | | |
| Security - Monitoring | - | - | - | - | |
| Security - Alarm maintenance | - | - | - | - | |
| Security - call out | - | - | - | - | |
| | 12,500 | 2,349 | 3,420 | 9,080 | 72.64% |
| RRF Operation Expenses | | | | | |
| Fencing and Gate Maintenance | | | | | |
| Fencing and Gate Maintenance | 9,000 | - | - | 9,000 | 100.00% |
| Repair of Boom Gate | - | - | - | - | |
| Road Maintenance | 5,000 | - | - | 5,000 | 100.00% |
| Bores and Pipework | | | | | |
| Bore maint/calibration/electronics | 4,500 | 1,060 | 1,060 | 3,440 | 76.45% |
| Groundwater sampling | 2,500 | 2,500 | 3,801 | (1,301) | (52.04%) |
| Bacteria sampling | 1,000 | - | - | 1,000 | 100.00% |
| Vermin control | 500 | - | - | 500 | 100.00% |
| Spills/leaks/incident management | 500 | - | - | 500 | 100.00% |
| Vehicle Wash Facility Operations | - | - | - | - | |
| Landscaping and Gardens | 6,000 | 350 | 350 | 5,650 | 94.17% |
| Compost Disposal | 433,500 | 159,305 | 159,305 | 274,195 | 63.25% |
| Contractor's Fees | 28,338,000 | 10,088,328 | 10,524,083 | 17,813,917 | 62.86% |
| RRF Maintenance Funding | 250,000 | - | - | 250,000 | 100.00% |
| | 29,050,500 | 10,251,543 | 10,688,598 | 18,361,902 | 63.21% |
| Utilities | | | | | |
| Electricity | 15,800 | 1,260 | 1,680 | 14,120 | 89.37% |
| Rates | 108,894 | 36,298 | 35,680 | 73,214 | 67.23% |
| | 124,694 | 37,558 | 37,360 | 87,334 | 70.04% |
| Insurance | | | | | |
| Municipal Property Insurance | 3,500 | 1,167 | 1,173 | 2,327 | 66.48% |
| Public Liability Insurance | 5,650 | 1,882 | 1,774 | 3,876 | 68.60% |
| | 9,150 | 3,049 | 2,947 | 6,203 | 67.79% |
| Cost of Borrowings | | | | | |
| Interest on Loans | | | | | |
| Loan 10A | 56,088 | 19,736 | 19,735 | 36,353 | 64.81% |
| Loan Expenses | - | - | - | - | |
| | 56,088 | 19,736 | 19,735 | 36,353 | 64.81% |
| Amortisations | | | | | |
| Amortisation Pre-operating Costs | 104,784 | 34,928 | 63,645 | 41,139 | 39.26% |
| Amortisation Costs | 358,007 | 119,335 | 135,364 | 222,643 | 62.19% |
| | 462,791 | 154,263 | 199,009 | 263,782 | 57.00% |
| Depreciation | | | | | |
| Depreciation on Building | 25,124 | 8,372 | 151,380 | (126,256) | (502.53%) |
| Depreciation on Infrastructure | 26,697 | 8,897 | 163,010 | (136,313) | (510.59%) |
| | 51,821 | 17,269 | 314,390 | (262,569) | (506.68%) |
| Total Operating Expenditure | 29,799,644 | 10,495,947 | 11,276,363 | 18,659,594 | 62.62% |
| Net Total | (29,799,644) | (10,495,947) | (11,276,363) | (18,659,594) | 62.62% |

Mindarie Regional Council
INCOME STATEMENT BY DEPARTMENT
For the month ended 31 October 2018

| Description | Adopted Budget | YTD Budget | YTD Actual | \$ Variance | % Variance |
|--|-------------------|-------------------|-------------------|--------------------|-----------------|
| Revenues from Ordinary Activities | | | | | |
| Operating Revenues | | | | | |
| General Purpose Funding | 61,817,129 | 17,793,989 | 20,619,133 | 2,825,144 | 15.88% |
| Community Amenities | - | - | - | - | |
| Resource Recovery Facility | - | - | - | - | |
| | 61,817,129 | 17,793,989 | 20,619,133 | 2,825,144 | 15.88% |
| Profit on Disposal of Assets | | | | | |
| Governance | 1,479 | 1,278 | 1,598 | 320 | 25.05% |
| Community Amenities | 44,860 | - | 5,796 | 5,796 | |
| Resource Recovery Facility | - | - | - | - | |
| | 46,339 | 1,278 | 7,394 | 6,116 | |
| Total Revenue | 61,863,468 | 17,795,267 | 20,626,528 | 2,831,261 | 15.91% |
| Expenses from Ordinary Activities | | | | | |
| Operating Expenditure | | | | | |
| Governance | 3,886,114 | 1,141,575 | 1,156,709 | (15,134) | (1.33%) |
| Community Amenities | 25,757,675 | 6,091,725 | 6,623,984 | (532,258) | (8.74%) |
| Resource Recovery Facility | 29,743,556 | 10,476,211 | 11,256,628 | (780,417) | (7.45%) |
| | 59,387,345 | 17,709,511 | 19,037,320 | (1,327,809) | (7.50%) |
| Loss on Sale of Assets | | | | | |
| Governance | - | - | - | - | |
| Community Amenities | 290,608 | - | - | - | |
| Resource Recovery Facility | - | - | - | - | |
| | 290,608 | - | - | - | |
| Cost of Borrowings | | | | | |
| Governance | - | - | - | - | |
| Community Amenities | - | - | - | - | |
| Resource Recovery Facility | 56,088 | 19,736 | 19,735 | 1 | 0.00% |
| | 56,088 | 19,736 | 19,735 | 1 | 0.00% |
| Total Expenditure | 59,734,041 | 17,729,247 | 19,057,056 | (1,327,809) | (7.49%) |
| Revaluation of Assets | - | - | - | - | |
| Changes in Net Assets Resulting from Operations | 2,129,427 | 66,020 | 1,569,472 | 1,503,452 | 2277.27% |

Mindarie Regional Council

Balance Sheet

For the month ended 31 October 2018

| Description | ACTUAL 2018/2019 | Movement | ACTUAL 2017/2018 |
|--|---------------------|--------------------|---------------------|
| CURRENT ASSETS | | | |
| Cash | 1,277,143 | (664,922) | 1,942,065 |
| Investments | 28,900,629 | 342,766 | 28,557,863 |
| Debtors | 4,555,598 | 1,409,969 | 3,145,629 |
| Stock | 15,120 | (613) | 15,733 |
| Prepayments | 421,853 | 319,274 | 102,579 |
| Accrued Income | 183,939 | (96,188) | 280,127 |
| Work In Progress - Leachate treatment project | 54,449 | 13,116 | 41,333 |
| Work In Progress - Landfill Stage2 Phase3 Development | 9,378 | 9,378 | - |
| Work In Progress - Furniture and equipment | 2,032 | 2,032 | - |
| Work In Progress - Recycling Centre Renovation and Alignment | 389,132 | 107,837 | 281,294 |
| Work In Progress - UHF Radios and Chargers | 484 | 484 | - |
| Other Current Assets | 322,965 | 8,123 | 314,843 |
| TOTAL CURRENT ASSETS | 36,132,722 | 1,451,257 | 34,681,465 |
| NON-CURRENT ASSETS | | | |
| Land | 6,760,000 | - | 6,760,000 |
| Buildings & Improvements | 2,983,283 | (255,865) | 3,239,148 |
| Furniture & Equipment | 170,539 | (80,013) | 250,552 |
| Computing Equipment | 306,729 | (78,491) | 385,220 |
| Plant & Equipment | 2,757,017 | (276,690) | 3,033,707 |
| Infrastructure - Other | 6,414,379 | (258,749) | 6,673,128 |
| Infrastructure - Excavation | 26,524,289 | (390,325) | 26,914,614 |
| Infrastructure - RRF | 3,774,070 | (135,364) | 3,909,434 |
| Decommissioning Asset | 3,050,039 | (103,830) | 3,153,869 |
| Post Closure | 2,220,119 | (77,897) | 2,298,016 |
| Pre-operating RRF | 1,115,784 | (63,645) | 1,179,429 |
| TOTAL NON-CURRENT ASSETS | 56,076,250 | (1,720,868) | 57,797,117 |
| TOTAL ASSETS | 92,208,971 | (269,611) | 92,478,582 |
| CURRENT LIABILITIES | | | |
| Creditors | 4,034,028 | (2,137,041) | 6,171,069 |
| Provisions for Leave | 812,638 | (63,222) | 875,860 |
| Current Loans | 59,937 | (58,011) | 117,948 |
| Accruals | 724,893 | 261,132 | 463,762 |
| TOTAL CURRENT LIABILITIES | 5,631,496 | (1,997,142) | 7,628,639 |
| NON CURRENT LIABILITIES | | | |
| Provisions for Leave | 125,220 | 26,200 | 99,020 |
| Non Current Loans | 855,078 | - | 855,078 |
| Decommission Provision for Capping | 16,081,216 | 131,860 | 15,949,356 |
| Other Non Current Liabilities | 39,983 | - | 39,983 |
| TOTAL NON CURRENT LIABILITIES | 17,101,497 | 158,060 | 16,943,437 |
| TOTAL LIABILITIES | 22,732,993 | (1,839,083) | 24,572,076 |
| NET ASSETS | 69,475,978 | 1,569,472 | 67,906,506 |
| EQUITY | | | |
| Retained Surplus | 11,938,296 | 1,635,189 | 10,303,108 |
| Reserves (Cash Back) | 22,673,675 | (65,717) | 22,739,391 |
| Reserves (Non Cash Back) | 30,778,281 | - | 30,778,281 |
| Council Contribution | 4,085,726 | - | 4,085,726 |
| TOTAL EQUITY | 69,475,978 | 1,569,472 | 67,906,506 |

Mindarie Regional Council
STATEMENT OF RESERVES
For the month ended 31 October 2018

| Description | ACTUAL 2018/2019 |
|---|--------------------------|
| Opening Balance - 1 July 2018 | |
| Site Rehabilitation | 10,187,356 |
| Capital Expenditure | 9,560,960 |
| Participants Surplus Reserve | 2,000,000 |
| RRF Maintenance Funding | 500,000 |
| Carbon Abatement | 491,076 |
| | <u>22,739,391</u> |
| Interest on Investments | |
| Site Rehabilitation | - |
| Capital Expenditure | - |
| Participants Surplus Reserve | - |
| RRF Maintenance Funding | - |
| Carbon Abatement | - |
| | - |
| Transfer from Operating Surplus | |
| Site Rehabilitation | 131,860 |
| Capital Expenditure | - |
| Participants Surplus Reserve | - |
| RRF Maintenance Funding | 83,332 |
| Carbon Abatement | - |
| | 215,192 |
| Total Transfer from Operations | <u>215,192</u> |
| Transfer from Balance Sheet Provisions | |
| Site Rehabilitation | - |
| | <u>-</u> |
| Transfer to Operating Surplus | |
| Site Rehabilitation | - |
| Capital Expenditure | 280,909 |
| RRF Maintenance Funding | - |
| Carbon Abatement | - |
| | <u>280,909</u> |
| Closing Balance | |
| Site Rehabilitation | 10,319,216 |
| Capital Expenditure | 9,280,051 |
| Participants Surplus Reserve | 2,000,000 |
| RRF Maintenance Funding | 583,332 |
| Carbon Abatement | 491,076 |
| | <u>22,673,675</u> |

Mindarie Regional Council
STATEMENT OF INVESTING ACTIVITIES
For the month ended 31 October 2018

| Description | Adopted Budget | YTD Actual | % to Revised Budget |
|--|------------------|----------------|---------------------|
| PLANT, VEHICLES AND MACHINERIES | | | |
| Plant and Vehicles | | | |
| Replacement of Bomag Compactor (Plant100) | 1,700,000 | - | |
| Replacement of Sumitomo Excavator (Plant89) | 350,000 | - | |
| Replacement of Holden Colorado-OM (Plant112) | 45,000 | - | |
| Replacement of VW Amarok-DCS (Plant111) | 48,000 | 47,003 | 97.92% |
| Replacement of Ford Falcon G6E-CEO (Plant109) | 52,000 | 50,065 | 96.28% |
| Replacement of Toyota Forklift (Plant98) | 35,000 | - | |
| Replacement of Komatsu WA470 (Plant93) | 385,000 | - | |
| Replacement of Komatsu WA470 (Plant94) | 385,000 | - | |
| Replacement of Caterpillar Skidsteer Loader MTL (Plant108) | 105,000 | - | |
| Replacement of 30T Dump Truck (Plant90) | 415,000 | - | |
| | 3,520,000 | 97,067 | 2.76% |
| Machinery and Equipment | | | |
| Replacement of 6x Hooklift Bins @ \$12k each | 72,000 | - | |
| Replacement of 2x Tarpomatic Tarps | 25,000 | - | |
| Small Equipments | 5,000 | - | |
| Purchase and install 2 Cardboard Compactors | 275,000 | - | |
| 2way radios | 5,000 | 484 | |
| | 382,000 | 484 | 0.45% |
| TOTAL PLANT, VEHICLES AND MACHINERIES | 3,902,000 | 97,552 | 2.50% |
| FURNITURE AND EQUIPMENT | | | |
| Furniture and Fittings | | | |
| New Telephone System | 15,000 | - | |
| Replacement of Furniture and Fittings | - | - | |
| Replacement of Airconditioning Units | 65,000 | 2,032 | 3.13% |
| | 80,000 | 2,032 | 3.13% |
| TOTAL FURNITURE AND EQUIPMENT | 80,000 | 2,032 | 2.54% |
| COMPUTING EQUIPMENT | | | |
| Computing Equipment | | | |
| Microsoft Server 2003 upgrade | 19,000 | - | |
| Replacement of Admin Server UPS | 10,500 | 1,650 | 15.72% |
| Replacement of HP Elite Desktops | 16,000 | - | |
| Replacement of Document Management System | 60,000 | - | |
| | 105,500 | 1,650 | 1.56% |
| TOTAL COMPUTING EQUIPMENT | 105,500 | 1,650 | 1.56% |
| LAND AND BUILDINGS | | | |
| Building | | | |
| Upgrade of kitchen and ablution at Tipface | 20,000 | - | |
| Weighbridge - Tamala park | 20,000 | 5,930 | |
| Weighbridge and other infrastructure - Neerabup | 20,000 | - | |
| Recycling Centre renovation and alignment phase2 | 145,296 | 107,837 | |
| | 205,296 | 113,767 | 189.61% |
| TOTAL LAND AND BUILDINGS | 205,296 | 113,767 | 55.42% |

Mindarie Regional Council
STATEMENT OF INVESTING ACTIVITIES
For the month ended 31 October 2018

| Description | Adopted Budget | YTD Actual | % to Revised Budget |
|--|------------------|---------------|---------------------|
| INFRASTRUCTURE | | | |
| Operations | | | |
| Environmental drilling Prog1 Stage1 north | 50,000 | - | |
| Environmental drilling Prog2 | 50,000 | 7,176 | |
| Environmental drilling 1x nested groundwater well set | 15,000 | - | |
| 2x Airwell pumps | 16,000 | - | |
| 2x Gas monitoring units | 35,000 | - | |
| Leachate treatment project | 500,000 | 13,116 | |
| 3x Leachate extraction risers | 22,000 | 30,720 | |
| Irrigation and garden around Recycling new shop | 10,000 | 7,168 | |
| 1x Compressor back-up - or hire as an option @ \$655.00 + gst/week | 44,121 | - | |
| Transfer station extension | 200,000 | - | |
| | 942,121 | 58,180 | |
| Landfill Infrastructure Phase 3 | | | |
| Cell Development - Lining (inc. c/f) | 203,219 | 9,378 | 4.61% |
| | 203,219 | 9,378 | |
| TOTAL INFRASTRUCTURE | 1,145,340 | 67,558 | 5.90% |

INFORMATION ON BORROWINGS

(a) Loan Schedule and Interest Expense

| Actual | Value of Loan Approved | Matures | Interest Rates | Principal 01/07/2018 | Principal Drawn Down to 30/06/2019 | Principal Repayments | Principal Outstanding | Interest Repayments |
|-------------------------------------|---------------------------|---------|-------------------|-------------------------|--|-------------------------|--------------------------|-------------------------|
| | | | | | | Actual to 31/10/2018 | Actual to 31/10/2018 | Actual to 31/10/2018 |
| Community Amenities | | | | | | | | |
| Regional Resource Recovery Facility | | | | | | | | |
| Loan 10a - RRF Infrastructure | 2,000,000 | Apr-25 | 6.16% | 973,026 | - | 58,011 | 915,015 | 19,735 |
| TOTAL | 2,000,000 | | | 973,026 | - | 58,011 | 915,015 | 19,735 |
| | | | | | | Facility Fee | | - |
| | | | | | | Total Borrowing Costs | | 19,735 |

| |
|--|
| Tonnage Report to 31 October 2018 |
|--|

| | | |
|-------------|----------------|-------------|
| Item 9.1 | APPENDIX NO. 3 | Item 9.1 |
|-------------|----------------|-------------|

Information relating to landfill, resource recovery & recycling tonnages year to date 2018/19

| TONNAGE | | | | | | | | |
|------------|-----------------|---------------|----------------|--------------|-----------------------|------|-----------------------|------------------------------------|
| RRF Actual | Landfill Actual | Total Tonnage | Budget 2018/19 | Variance YTD | Target % Year to Date | Note | Actual % Year to Date | Year to date Tonnage previous year |

MEMBERS

| | | | | | | | | | |
|---------------------------|--------|--------|--------|--------|---------|-------|---|--------|--------|
| Processable | | | | | | | | | |
| Cambridge | 19 | 1,853 | 1,872 | 1,734 | 138 | 28.7% | 1 | 108.0% | 1,880 |
| Joondalup | 14,136 | 3,051 | 17,186 | 11,594 | 5,592 | 28.7% | | 148.2% | 16,734 |
| Perth | - | 4,446 | 4,446 | 3,870 | 577 | 28.7% | | 114.9% | 4,399 |
| Stirling | - | 13,602 | 13,602 | 7,310 | 6,293 | 28.7% | | 186.1% | 13,472 |
| Victoria Park | 3,922 | 116 | 4,038 | 3,440 | 598 | 28.7% | | 117.4% | 3,980 |
| Vincent | 3,039 | 924 | 3,963 | 3,583 | 380 | 28.7% | | 110.6% | 4,021 |
| Wanneroo | 18,624 | 928 | 19,552 | 16,912 | 2,640 | 28.7% | | 115.6% | 18,922 |
| Sub Total Processable | 39,740 | 24,921 | 64,661 | 48,443 | 16,218 | 28.7% | | 133.5% | 63,408 |
| Non-Processable | | | | | | | | | |
| Cambridge | | 10 | 10 | 419 | (409) | 38.1% | 1 | 2.3% | 503 |
| Joondalup | | 364 | 364 | 2,909 | (2,545) | 38.1% | | 12.5% | 637 |
| Perth | | 2 | 2 | - | 2 | 38.1% | | - | - |
| Stirling | | 5,907 | 5,907 | 4,947 | 960 | 38.1% | | 119.4% | 5,622 |
| Victoria Park | | 42 | 42 | 190 | (148) | 38.1% | | 22.3% | 107 |
| Vincent | | 526 | 526 | 571 | (45) | 38.1% | | 92.1% | 537 |
| Wanneroo | | 4,965 | 4,965 | 2,930 | 2,035 | 38.1% | | 169.4% | 4,648 |
| Sub Total Non-Processable | - | 11,817 | 11,817 | 11,967 | (150) | 38.1% | | 98.7% | 12,054 |
| Other | | | | | | | | | |
| Sita Biovision Residues | | 17,413 | 17,413 | 17,337 | 76 | 35.6% | 1 | 100.4% | 17,418 |
| Wanneroo WRC | | - | - | - | - | 0.0% | | - | 115 |
| Sub Total Other | - | 17,413 | 17,413 | 17,337 | 76 | | | 100.4% | 17,533 |
| SUB TOTAL MEMBERS | 39,740 | 54,151 | 93,891 | 77,747 | 16,144 | 20.76 | | 120.8% | 92,996 |

CASUALS

| | | | | | | | | | |
|--------------------------|---------------|---------------|---------------|---------------|---------------|--------------|---|--------------|---------------|
| Trade | | 3,920 | 3,920 | 4,649 | (729) | 37.2% | 1 | 84.3% | 2,137 |
| Cash | | 963 | 963 | 1,227 | (264) | 37.2% | 1 | 78.5% | 3,611 |
| Sub Total Casuals | - | 4,883 | 4,883 | 5,876 | (993) | 37.2% | | 83.1% | 5,748 |
| TOTAL | 39,740 | 59,034 | 98,773 | 83,623 | 15,151 | | | | 98,743 |

RECYCLING

| | | | | | | | | | |
|------------------------|--|--|--|--|--|--|--|--|--|
| Recycling centre sales | | | | | | | | | |
|------------------------|--|--|--|--|--|--|--|--|--|

Notes 1* Based on 17/18 actual tonnages

Month: Oct-28

| REVENUE | | | | |
|---------------|----------------|-----------------------|------|-----------------------|
| Actual G/L \$ | Budget 2018/19 | Target % Year to Date | Note | Actual % Year to Date |

| | | | | |
|----------------------|---------------------|--------------|---|---------------|
| \$ 378,513 | 355,516 | 28.7% | 1 | 106.5% |
| \$ 3,479,565 | 2,376,842 | 28.7% | | 146.4% |
| \$ 898,914 | 793,299 | 28.7% | | 113.3% |
| \$ 2,788,431 | 1,498,454 | 28.7% | | 186.1% |
| \$ 817,121 | 705,155 | 28.7% | | 115.9% |
| \$ 801,740 | 734,536 | 28.7% | | 109.1% |
| \$ 3,959,767 | 3,467,011 | 28.7% | | 114.2% |
| \$ 13,124,050 | \$ 9,930,812 | 28.7% | | 132.2% |

| | | | | |
|---------------------|---------------------|--------------|---|--------------|
| \$ 1,948 | 85,820 | 38.1% | 1 | 2.3% |
| \$ 72,747 | 596,371 | 38.1% | | 12.2% |
| \$ 428 | - | 38.1% | | - |
| \$ 1,154,451 | 1,014,236 | 38.1% | | 113.8% |
| \$ 8,588 | 39,009 | 38.1% | | 22.0% |
| \$ 107,244 | 117,027 | 38.1% | | 91.6% |
| \$ 1,003,309 | 600,740 | 38.1% | | 167.0% |
| \$ 2,348,713 | \$ 2,453,204 | 38.1% | | 95.7% |

| | | | | |
|----------------------|----------------------|-------|---|---------------|
| \$ 3,520,217 | 3,554,126 | 35.6% | 1 | 99.0% |
| \$ - | - | 0.0% | | - |
| \$ 3,520,217 | \$ 3,554,126 | | | 99.0% |
| \$ 18,992,980 | \$ 15,938,142 | | | 119.2% |

| | | | | |
|----------------------|----------------------|--------------|---|--------------|
| \$ 744,554 | 895,907 | 37.2% | 1 | 83.1% |
| \$ 184,146 | 236,519 | 37.2% | 1 | 77.9% |
| \$ 928,700 | \$ 1,132,426 | 37.2% | | 82.0% |
| \$ 19,921,681 | \$ 17,070,568 | | | |

| | | | | |
|------------|---------|-------|--|-------|
| \$ 275,696 | 318,255 | 35.5% | | 86.6% |
|------------|---------|-------|--|-------|

Waste to Landfill Tonnages Report for the period to 31 October 2018

Members

The Member Councils' processable waste for the financial year to date is 16,218 tonnes above forecast, with all Member Councils delivering more than forecast.

The non processable waste for the period to date is 150 tonnes below the financial forecast, primarily as a result of the City of Wanneroo (2,035t) and City of Stirling (960t) bringing more waste than budgeted abated by City of Joondalup (2,545) and Town of Cambridge (409t) bringing in less than what was budgeted.

These variances leave the MRC 21% ahead in its budgeted waste receipts from member councils. Overall the Member Council waste is 16,144 tonnes above the phased budget as at the end of October 2018.

RRF

The Resource Recovery Facility residue tonnes are slightly ahead of budget at 76 tonnes above forecast.

Trade & Casual

The Casual and Trade tonnages are 993 tonnes lower than forecast for the financial year.

Overall for the period ended 31 October 2018, the tonnes received are 15,151 tonnes above what was budgeted.

| |
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| List of Payments made for the month ended 30 September 2018 |
|--|

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| Item 9.2 |
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| APPENDIX NO. 4 |
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|-------------|
| Item 9.2 |
|-------------|

**Schedule of Payment for September 2018
Council Meeting - 6th December 2018**

| Cheque Posting | Document | Vendor Name | Description | Amount |
|--------------------------------------|-----------------|---|--|-----------------------|
| Date | No. | | | |
| 3/09/2018 | 554 | Cash - Petty Cash | Reimbursement of petty cash expenses | \$829.95 |
| 3/09/2018 | 555 | Cash | Staff lotto - Deducted from staff salary | \$270.00 |
| 4/09/2018 | 556 | Australian Services Union | Union Membership Fees - Deducted from staff salary | \$77.70 |
| 4/09/2018 | 557 | CHILD SUPPORT | Child Support Allowance payment - Deduction made from staff salary | \$2,139.93 |
| 5/09/2018 | 558 | TELSTRA | Telephone Expenses | \$619.15 |
| 13/09/2018 | 559 | Cash - Petty Cash | Reimbursement of petty cash expenses | \$660.90 |
| 13/09/2018 | 560 | TELSTRA | Telephone Expenses | \$1,296.62 |
| 17/09/2018 | 561 | Cash | Staff lotto - Deducted from staff salary | \$260.00 |
| 18/09/2018 | 562 | Department of Transport | Vehicle registration | \$106.85 |
| 27/09/2018 | 563 | ALINTA ENERGY | Gas Supply | \$63.85 |
| 27/09/2018 | 564 | TELSTRA | Telephone Expenses | \$620.48 |
| 28/09/2018 | 565 | Cash | Staff lotto - Deducted from staff salary | \$260.00 |
| Total CBA cheques | | | | \$7,205.43 |
| 1/09/2018 | DP-01683 | linet | Payment of inv 103157322 | \$399.80 |
| 2/09/2018 | DP-01688 | Commonwealth Bank | CBA Merchant Fee | \$98.25 |
| 2/09/2018 | DP-01688 | Commonwealth Bank | CBA Merchant Fee | \$1,305.36 |
| 14/09/2018 | DP-01686 | Australian Taxation Office | PAYG FE 14/09/18 | \$43,791.00 |
| 17/09/2018 | DP-01689 | Commonwealth Bank | Account Service Fee | \$26.10 |
| 17/09/2018 | DP-01690 | Commonwealth Bank | CommBiz Fee | \$52.14 |
| 20/09/2018 | DP-01687 | Australian Taxation Office | BAS August 2018 | \$235,978.00 |
| 28/09/2018 | DP-01691 | Australian Taxation Office | PAYG FE 28/09/18 | \$37,477.00 |
| 28/09/2018 | DP-01692 | National Australia Bank | Acct Keep Fee | \$20.00 |
| 28/09/2018 | DP-01692 | National Australia Bank | NAB Connect Fee | \$5.00 |
| | DP-01684 | | Reported August | |
| | DP-01685 | | Reported August | |
| Total Direct Payments | | | | \$319,152.65 |
| 3/09/2018 | Trf 1 | Commonwealth Bank | Inter-account transfer | \$2,000,000.00 |
| 12/09/2018 | Trf 2 | Commonwealth Bank | Inter-account transfer | \$500,000.00 |
| 20/09/2018 | Trf 3 | Commonwealth Bank | Inter-account transfer | \$500,000.00 |
| Total Inter account Transfers | | | | \$3,000,000.00 |
| 4/09/2018 | EFT-01614 | City of Joondalup | TP Lease for Sept 2018 | \$10,885.56 |
| 4/09/2018 | EFT-01614 | City of Stirling | TP Lease for Sept 2018 | \$21,771.12 |
| 4/09/2018 | EFT-01614 | City of Vincent | TP Lease for Sept 2018 | \$5,442.78 |
| 4/09/2018 | EFT-01614 | City of Wanneroo | TP Lease for Sept 2018 | \$10,885.56 |
| 4/09/2018 | EFT-01614 | Town of Cambridge | TP Lease for Sept 2018 | \$5,442.78 |
| 4/09/2018 | EFT-01614 | Town of Victoria Park | TP Lease for Sept 2018 | \$5,442.78 |
| 5/09/2018 | EFT-01615 | All Air Services | RRF air con maintenance | \$141.90 |
| 5/09/2018 | EFT-01615 | Australasian Land & Groundwater Association | Vapour Intrusion Investigations | \$715.00 |
| 5/09/2018 | EFT-01615 | BRITEL ENTERPRISES PTY LTD | fyw ADVERTISING | \$630.00 |
| 5/09/2018 | EFT-01615 | Bubble Ventures | Bubbles - Open Day 2018 | \$699.50 |

| | | | |
|----------------------|--|--|--------------|
| 5/09/2018 EFT-01615 | City of Wanneroo | Rates for RRF 2018/19 | \$107,038.93 |
| 5/09/2018 EFT-01615 | COVS Parts Pty Ltd | Landfill battery night lights. Part. 85320A. | \$371.67 |
| 5/09/2018 EFT-01615 | EMRC | Woodwaste Project Hazelmere 1/8 to 7/8/18 | \$289.58 |
| 5/09/2018 EFT-01615 | Fastfwd IT | IT services 16-31/08/18 | \$8,157.58 |
| 5/09/2018 EFT-01615 | Fastfwd IT | IT services - Open Day | \$2,371.54 |
| 5/09/2018 EFT-01615 | GCM Enviro Pty Ltd | Hydraulic oil cooler fitted by tutt bryant forTana | \$12,311.06 |
| 5/09/2018 EFT-01615 | Jackson McDonald | Legal Advise CEO Contract | \$889.90 |
| 5/09/2018 EFT-01615 | Jim's Mowing (Hillarys Marmion) | TP lawns | \$435.00 |
| 5/09/2018 EFT-01615 | Jim's Mowing (Hillarys Marmion) | RRF lawns | \$385.00 |
| 5/09/2018 EFT-01615 | Jindalee Bus Charter | Tours and delivery to and from the car park | \$2,684.00 |
| 5/09/2018 EFT-01615 | Jindalee Bus Charter | Buses x 5 - Open Day 2018 | \$891.00 |
| 5/09/2018 EFT-01615 | Key2creative P/L | Annual report design & publish 17/18 | \$1,386.00 |
| 5/09/2018 EFT-01615 | Local Government Professionals Australia | People & culture SC | \$60.00 |
| 5/09/2018 EFT-01615 | Local Government Professionals Australia | People & culture GH | \$45.00 |
| 5/09/2018 EFT-01615 | MARKETFORCE P/L | FYW/PFJ advert | \$3,860.04 |
| 5/09/2018 EFT-01615 | MARKETFORCE P/L | FYW/PFJ advert | \$613.25 |
| 5/09/2018 EFT-01615 | MKDC | Stage 4 Final Progress Claim | \$7,411.25 |
| 5/09/2018 EFT-01615 | National Geotech | 2 wells drilled on the southern side of stage 1 | \$7,893.41 |
| 5/09/2018 EFT-01615 | Optimum Media Decisions (WA) P/L | FYW adshels | \$7,492.14 |
| 5/09/2018 EFT-01615 | Optimum Media Decisions (WA) P/L | FYW adshels | \$7,184.45 |
| 5/09/2018 EFT-01615 | Perth Face Painting Company | Tamala Park Open Day 2018 | \$990.00 |
| 5/09/2018 EFT-01615 | Prestige Communications | 2-way radio repairs | \$331.10 |
| 5/09/2018 EFT-01615 | Strata Green | National tree planting day | \$2,472.31 |
| 5/09/2018 EFT-01615 | Techtronic Services | Servicing of Degassing units (3) | \$924.00 |
| 5/09/2018 EFT-01615 | The Factory | Reuse shop signs | \$3,758.70 |
| 5/09/2018 EFT-01615 | The Funk Factory | Tamala Park Open Day 2018 | \$3,619.00 |
| 5/09/2018 EFT-01615 | The Funk Factory | REUSE sign | \$981.75 |
| 5/09/2018 EFT-01615 | Tyrecycle P/L | Tyre recycling collection date 8/8/2018 | \$462.00 |
| 5/09/2018 EFT-01615 | Waterchem Australia P/L | 2 20 L EcoSorb | \$2,860.00 |
| 5/09/2018 EFT-01615 | Westcoast Landscaping | Design of irrigation around Recycling | \$495.00 |
| 5/09/2018 EFT-01615 | Westcoast Landscaping | Installation of the irrigation | \$7,390.00 |
| 14/09/2018 EFT-01616 | Payroll Employee Wages | PAYFE140918 | \$118,909.85 |
| 13/09/2018 EFT-01617 | Anne Pettit | Resource Rescuer course | \$1,475.00 |
| 13/09/2018 EFT-01617 | Anne Pettit | Resource Rescuer course | \$600.00 |
| 13/09/2018 EFT-01617 | Bealeseez | Service and radiator leak | \$5,561.05 |
| 13/09/2018 EFT-01617 | Cabcharge Australia Ltd | MRC staff function - cab vouchers | \$203.08 |
| 13/09/2018 EFT-01617 | CALTEX AUSTRALIA PETROLEUM PTY | Plant - Fuel and Oil | \$1,064.38 |
| 13/09/2018 EFT-01617 | City of Joondalup | TP rates recoup 2018/19 | \$6,706.71 |
| 13/09/2018 EFT-01617 | Couplers Malaga | couplers | \$121.94 |
| 13/09/2018 EFT-01617 | Couplers Malaga | Pipes and fitting for rainfall management | \$369.73 |
| 13/09/2018 EFT-01617 | Crommelins Australia | Flex drive trash pump | \$1,060.00 |
| 13/09/2018 EFT-01617 | Crossland & Hardy Pty Ltd | Survey stockpile | \$1,776.50 |
| 13/09/2018 EFT-01617 | Crossland & Hardy Pty Ltd | recycling area - survey trench | \$803.00 |
| 13/09/2018 EFT-01617 | DCM Services | air con maintenance - server room | \$341.00 |
| 13/09/2018 EFT-01617 | Eco Faeries | Tamala Park Open Day 2018 | \$600.00 |
| 13/09/2018 EFT-01617 | Etiko | Earth Carer Tshirts | \$1,925.00 |
| 13/09/2018 EFT-01617 | Gavin Burgess | Community small recyclables collection Aug 18 | \$6,334.00 |

| | | | |
|----------------------|--|---|----------------|
| 13/09/2018 EFT-01617 | Herbert Smith Freehills | Legal Expenses - audit comfort letter | \$275.00 |
| 13/09/2018 EFT-01617 | IW Projects | RRF pag meeting & landfill works | \$2,421.65 |
| 13/09/2018 EFT-01617 | Ja-On Park | Resource Rescuers course | \$600.00 |
| 13/09/2018 EFT-01617 | Joondalup Marquees & Noranda Morley Party Hire | Market tables, chairs & umbrellas | \$415.60 |
| 13/09/2018 EFT-01617 | Joondalup Marquees & Noranda Morley Party Hire | Open Day Marquees | \$1,728.75 |
| 13/09/2018 EFT-01617 | Kiss Cafe | Open Day - Coffee Vendor | \$3,000.00 |
| 13/09/2018 EFT-01617 | Kitec Electrical Services | LTI sign network cabling and trenching | \$437.80 |
| 13/09/2018 EFT-01617 | Komatsu Australia | 8000hr service PL93 | \$7,709.24 |
| 13/09/2018 EFT-01617 | Komatsu Australia | hydraulic oil | \$184.67 |
| 13/09/2018 EFT-01617 | Komatsu Australia | 250 hr service PL94 | \$1,164.30 |
| 13/09/2018 EFT-01617 | Kyocera Document Solutions | Photocopying Expenses | \$1,312.12 |
| 13/09/2018 EFT-01617 | LANDFILL GAS & POWER PTY LTD | Electricity July 2018 | \$9,660.28 |
| 13/09/2018 EFT-01617 | Local Government Professionals Australia | GH 2018/19 LG membership | \$531.00 |
| 13/09/2018 EFT-01617 | Magicorp Pty Ltd | Telephone Expenses | \$113.33 |
| 13/09/2018 EFT-01617 | Modo Gelato | Tamala Park Open Day 2018 | \$3,863.00 |
| 13/09/2018 EFT-01617 | Prestige Communications | 2-way radio repairs | \$775.67 |
| 13/09/2018 EFT-01617 | Prestige Communications | Multi Bank Charger - Radios | \$825.00 |
| 13/09/2018 EFT-01617 | Spider Waste Collection Services P/L | collection of mattresses 6/8 to 10/8/18 | \$4,002.90 |
| 13/09/2018 EFT-01617 | Super Clean Bins | clear bin cleaning | \$338.58 |
| 13/09/2018 EFT-01617 | The Hire Guys - Wangara | Flexi Drive Hire | \$550.00 |
| 13/09/2018 EFT-01617 | The Royal Agricultural Society of Australia | Plumbing for Royal show | \$112.20 |
| 13/09/2018 EFT-01617 | Trade West Industrial Supplies | Shirts, BS6415, O/N, Size Small | \$557.04 |
| 13/09/2018 EFT-01617 | Trade West Industrial Supplies | Load Restraint, for Resue Shop | \$475.20 |
| 13/09/2018 EFT-01617 | Trade West Industrial Supplies | Pants, Bisley BP6474, Womens Size 14 | \$597.38 |
| 13/09/2018 EFT-01617 | Tyrecycle P/L | Tyre recycling - collection date 15/8/2018 | \$605.75 |
| 13/09/2018 EFT-01617 | Tyrecycle P/L | Tyre recycling colleciton date 22/8/2018 | \$451.17 |
| 13/09/2018 EFT-01617 | United Equipment | Slippers for the forklifts | \$592.08 |
| 13/09/2018 EFT-01617 | United Tilt Tray Service | Tow Truck for Sale of Ute - Foton | \$242.00 |
| 13/09/2018 EFT-01617 | Water2water P/L | Supply & install twin filtratration system | \$360.00 |
| 13/09/2018 EFT-01617 | WesTrac Pty Ltd | 500 hour service 239d SSL | \$8,589.01 |
| 13/09/2018 EFT-01617 | Wren Oil | waste oil admin charge | \$16.50 |
| 13/09/2018 EFT-01617 | Wren Oil | waste oil admin | \$16.50 |
| 14/09/2018 EFT-01618 | Payroll Employee Wages | PAYGFE140918 | \$118,909.85 |
| 18/09/2018 EFT-01619 | Biovision 2020 Pty Ltd | Contractor's Fees | \$3,089,345.18 |
| 19/09/2018 EFT-01620 | Castledine Gregory | Legal Expenses | \$3,014.00 |
| 19/09/2018 EFT-01620 | Corporate Sports Australia | 2019 Perth Garden Festival Exhibitor site booking | \$363.00 |
| 19/09/2018 EFT-01620 | David Price Consulting | Andrea S - public speaking coaching | \$1,760.00 |
| 19/09/2018 EFT-01620 | Domain Catering | catering for earth carer course 11-8-18 | \$313.50 |
| 19/09/2018 EFT-01620 | Domain Catering | Earth Carer Catering for Graduation 29/8/18 | \$1,875.00 |
| 19/09/2018 EFT-01620 | ECOLO WA | Road side vapour | \$3,080.00 |
| 19/09/2018 EFT-01620 | Fastfwd IT | IT services 1/9 - 15/9/2018 | \$9,031.35 |
| 19/09/2018 EFT-01620 | Gastech Australia Pty Ltd | Repair and download data for GFM 435 | \$143.00 |
| 19/09/2018 EFT-01620 | Great Southern Fuel Supplies | Distillate | \$38,182.72 |
| 19/09/2018 EFT-01620 | Joondalup Office National | Stationery and Printing | \$62.06 |
| 19/09/2018 EFT-01620 | Joondalup Office National | Stationery and Printing | \$175.49 |
| 19/09/2018 EFT-01620 | Joondalup Office National | Photocopying Expenses | \$129.40 |
| 19/09/2018 EFT-01620 | Joondalup Office National | Stationery and Printing | \$9.48 |
| 19/09/2018 EFT-01620 | Joondalup Office National | Stationery and Printing | \$53.27 |
| 19/09/2018 EFT-01620 | Joondalup Office National | Photocopying Expenses | \$203.85 |

| | | | |
|----------------------|---|--|--------------|
| 19/09/2018 EFT-01620 | Joondalup Office National | Stationery and Printing | \$48.03 |
| 19/09/2018 EFT-01620 | Lasso E & P P/L | editorial | \$770.00 |
| 19/09/2018 EFT-01620 | Mirco Bros Pty Ltd | Litter - wire netting | \$340.00 |
| 19/09/2018 EFT-01620 | National Geotech | Main and recycling road - work | \$8,593.51 |
| 19/09/2018 EFT-01620 | Neverfail Springwater Ltd | Staff Amenities | \$121.71 |
| 19/09/2018 EFT-01620 | Neverfail Springwater Ltd | Staff Amenities | \$68.13 |
| 19/09/2018 EFT-01620 | Plants & Garden Rentals | monthly plants rental | \$220.00 |
| 19/09/2018 EFT-01620 | Satellite Security Services P/L | Security pad maintenance | \$295.01 |
| 19/09/2018 EFT-01620 | Seaview Ford Clarkson | DCS Vehicle - 2019 Ford Everest | \$53,580.00 |
| 19/09/2018 EFT-01620 | Super Clean Bins | Clear bin clean | \$376.00 |
| 19/09/2018 EFT-01620 | Telethon Speech & Hearing | Tomasi room hire for Earth Carer Graduation 29/08/ | \$375.00 |
| 19/09/2018 EFT-01620 | Wanneroo Agricultural Society (Inc) | Trade stall booking for annual show 23/11 24/11/18 | \$238.00 |
| 19/09/2018 EFT-01620 | Waterchem Australia P/L | EcoSorb 2 20 litres | \$2,860.00 |
| 19/09/2018 EFT-01620 | Winc Australia P/L | Staff Amenities | \$227.69 |
| 28/09/2018 EFT-01621 | Payroll Employee Wages | PAYFE280918 | \$108,982.44 |
| 27/09/2018 EFT-01622 | Beldon Primary School | Bus Subsidy for hire of bus for tour on 22-08-18 | \$200.00 |
| 27/09/2018 EFT-01622 | COMMUNITY NEWSPAPER GROUP | Open day advertising | \$2,835.16 |
| 27/09/2018 EFT-01622 | Crommelins Australia | 1 trash pump | \$1,060.00 |
| 27/09/2018 EFT-01622 | Driven Mobile Auto Electrics | electrical fault tana | \$935.63 |
| 27/09/2018 EFT-01622 | Driven Mobile Auto Electrics | electrician in PI108 | \$456.50 |
| 27/09/2018 EFT-01622 | ECOLO WA | Solar unit on boundary | \$572.00 |
| 27/09/2018 EFT-01622 | Envirocare Systems | Cleaning of Buildings | \$563.61 |
| 27/09/2018 EFT-01622 | Envirocare Systems | Cleaning of Buildings | \$229.16 |
| 27/09/2018 EFT-01622 | Envirocare Systems | New Double Toilet roll holder Public Toilet | \$255.53 |
| 27/09/2018 EFT-01622 | GCM Enviro Pty Ltd | tana hyd pressure sensor | \$835.45 |
| 27/09/2018 EFT-01622 | GCM Enviro Pty Ltd | r/h door glass tana | \$2,198.75 |
| 27/09/2018 EFT-01622 | GCM Enviro Pty Ltd | sensor cable PI100 | \$264.13 |
| 27/09/2018 EFT-01622 | Guttering & Downpipe Services | Gutter replacement | \$3,630.00 |
| 27/09/2018 EFT-01622 | International School of Western Australia | Bus subsidy for tour to TP, EC and RRF on 4/09/18 | \$400.00 |
| 27/09/2018 EFT-01622 | International School of Western Australia | Bus subsidy for tour to TP, EC and RRF on 4/09/18 | \$300.00 |
| 27/09/2018 EFT-01622 | Jim's Mowing (Hillarys Marmion) | TP lawns | \$435.00 |
| 27/09/2018 EFT-01622 | LANDFILL GAS & POWER PTY LTD | Electricity August 2018 | \$10,099.67 |
| 27/09/2018 EFT-01622 | MARKETFORCE P/L | Advert The West - RFT13/139 - Landfill Leachate | \$596.17 |
| 27/09/2018 EFT-01622 | MARKETFORCE P/L | W&R conf boards | \$2,932.09 |
| 27/09/2018 EFT-01622 | MARKETFORCE P/L | Social media - August 18 | \$2,640.00 |
| 27/09/2018 EFT-01622 | Microbeix P/L | 18 biowish 1 kg packets | \$3,133.94 |
| 27/09/2018 EFT-01622 | MPL Laboratories | Leachate sampling for tender | \$3,373.70 |
| 27/09/2018 EFT-01622 | PIRTEK (MALAGA) PTY LTD | tarp machine hoses | \$624.35 |
| 27/09/2018 EFT-01622 | PIRTEK (MALAGA) PTY LTD | pipe repair | \$177.22 |
| 27/09/2018 EFT-01622 | PIRTEK (MALAGA) PTY LTD | Hydraulic fitting/grease ;lines | \$1,242.60 |
| 27/09/2018 EFT-01622 | Prestige Communications | 2-way radio repairs | \$187.00 |
| 27/09/2018 EFT-01622 | Prestige Communications | 2-way radio repairs | \$722.98 |
| 27/09/2018 EFT-01622 | Prestige Communications | Move and Hardwire Ch 1 Repeater System | \$1,980.00 |
| 27/09/2018 EFT-01622 | RAICH AND ASSOCIATES | Annual subscription for EnviroData | \$1,353.00 |
| 27/09/2018 EFT-01622 | RAICH AND ASSOCIATES | extension on anemometers (dust) | \$2,813.80 |
| 27/09/2018 EFT-01622 | RAICH AND ASSOCIATES | J tube replacement and service on units | \$1,980.24 |
| 27/09/2018 EFT-01622 | Richard Harrison | Bee Keeper | \$300.00 |
| 27/09/2018 EFT-01622 | Security Specialists Australia Pty Ltd | cash collection aug 2018 | \$414.02 |
| 27/09/2018 EFT-01622 | Signs & Lines | new open hours sign | \$340.43 |

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|----------------------|---------------------------------------|---|-------------|
| 27/09/2018 EFT-01622 | Soft Landing | mattress collections August 2018 | \$33,165.00 |
| 27/09/2018 EFT-01622 | Soft Landing | mattress recycling | \$16,995.00 |
| 27/09/2018 EFT-01622 | Spider Waste Collection Services P/L | Mattress collection 13/8 to 17/8/2018 | \$3,041.50 |
| 27/09/2018 EFT-01622 | Spider Waste Collection Services P/L | mattress collection 20/8 to 24/08/2018 | \$4,165.70 |
| 27/09/2018 EFT-01622 | Spider Waste Collection Services P/L | Mattress collection 27/8 to 31/8/2018 | \$4,452.80 |
| 27/09/2018 EFT-01622 | Staff Australia | Litter, mulch - contract labour | \$2,553.98 |
| 27/09/2018 EFT-01622 | Suez Recycling & Recovery (Perth) P/L | confidential bin | \$52.04 |
| 27/09/2018 EFT-01622 | T & C Transport Services | Courier Expenses | \$911.08 |
| 27/09/2018 EFT-01622 | The Hire Guys - Wangara | Excavator and auger hire 2 days + del | \$1,000.00 |
| 27/09/2018 EFT-01622 | THE PRINTING FACTORY | Letterheads printing | \$319.00 |
| 27/09/2018 EFT-01622 | Trade West Industrial Supplies | Staff Uniforms/Protective Clothing | \$25.96 |
| 27/09/2018 EFT-01622 | Trade West Industrial Supplies | 4in1 Rain Jacket, X-Small, Husky BK6975 | \$1,642.31 |
| 27/09/2018 EFT-01622 | Trade West Industrial Supplies | Pants, 92R, Bisley BP6474 Navy | \$786.72 |
| 27/09/2018 EFT-01622 | Trade West Industrial Supplies | Shirts, Size XL, Bisley, BS6415 | \$1,654.46 |
| 27/09/2018 EFT-01622 | True Blue Containers | container hire charge | \$132.00 |
| 27/09/2018 EFT-01622 | Tyrecycle P/L | Tyre recycling - collection date 29/8/2018 | \$951.56 |
| 27/09/2018 EFT-01622 | Ventouras Advertising & Design | Shop sign design concepts | \$484.00 |
| 27/09/2018 EFT-01622 | Vertical Telecoms Pty Ltd | RRF microwave antennas 1/10-31/12 | \$1,435.76 |
| 27/09/2018 EFT-01622 | WA BLUEMETAL | 1 semi load of Ballast | \$1,101.10 |
| 27/09/2018 EFT-01622 | Western Tree Recyclers | Transport of stockpiled greens 2/8 to 31/8/18 | \$11,637.38 |
| 27/09/2018 EFT-01622 | Western Tree Recyclers | transport of stockpiled greens 3/8 to 31/8/2018 | \$471.42 |

Total EFT Payments**\$4,039,294.17**

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|----------------------------------|-----------------------|
| CBA Cheque No. 554 to 565 | \$7,205.43 |
| Electronic Payments: | |
| DP- 01683 to DP- 01692 | \$319,152.65 |
| Inter-Account Transfers | \$3,000,000.00 |
| EFT- 01614 to EFT- 01622 | \$4,039,294.17 |
| Grand Total | \$7,365,652.25 |

CERTIFICATE OF CHIEF EXECUTIVE OFFICER

This schedule of accounts which was passed for payment, covering vouchers as above which was submitted to each member of Council on 6th December 2018 has been checked and is fully supported by vouchers and invoices which are submitted herewith and which have been duly certified as to the receipt of goods and the rendition of services and as to prices, computations, and costing and the amounts due for payment.

Credit Card detailed analysis for August & September 2018
Council Meeting - 6th December 2018

| Date | Payment to | Description | Amount |
|---|----------------------|------------------------------|----------------|
| 29-Aug-18 | Secure Parking | Parking | 13.33 |
| 30-Aug-18 | Dome Currumbine | Network Meeting | 9.00 |
| 31-Aug-18 | Coles | Open Day 2018 | 342.00 |
| 31-Aug-18 | Bp Baldivis | Fuel - CEO Car | 107.92 |
| 31-Aug-18 | Bunnings | Tana Repair Materials | 136.77 |
| 31-Aug-18 | Bunnings | Open Day 2018 | 407.16 |
| 3-Sep-18 | Spotlight | Open Day 2018 | 71.88 |
| 3-Sep-18 | Spotlight 0 | Open Day 2018 | 17.97 |
| 3-Sep-18 | Sonic Healthplus | Drug and Alcohol Testing | 28.05 |
| 3-Sep-18 | Bunnings 387000 | Open Day 2018 | 104.12 |
| 4-Sep-18 | Who Gives A Crap | Staff Amenities | 144.00 |
| 4-Sep-18 | Subway Clarkson | Open Day 2018 | 493.50 |
| 4-Sep-18 | The Breakwater | Business Meeting | 70.00 |
| 4-Sep-18 | Breakwater Pty Ltd | Business Meeting | 20.00 |
| 4-Sep-18 | Cpp Council House | Parking | 10.10 |
| 5-Sep-18 | Subaru Wangara | Service CEO Car | 798.35 |
| 6-Sep-18 | Mcdonalds Mindarie | Network Meeting | 25.55 |
| 10-Sep-18 | Dome Currumbine | Business Meeting | 9.40 |
| 11-Sep-18 | Business News Pty Lt | Julie Bishop - Event GH & AS | 250.00 |
| 12-Sep-18 | Coles | Staff Amenities | 71.95 |
| 18-Sep-18 | Transmitsms.Com | SMS IT Monitoring | 51.00 |
| 20-Sep-18 | Boss Air Suspension | New Air Compressor | 455.10 |
| 24-Sep-18 | Wilson Parking | Parking | 14.11 |
| Total CBA Credit Card - 28 August to 25 September 2018 | | | 3651.26 |

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| List of Payments made for the month ended 31 October 2018 |
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| Item 9.2 | APPENDIX NO. 5 | Item 9.2 |
|-------------|----------------|-------------|

**Schedule of Payment for October 2018
Council Meeting - 6th December 2018**

| Cheque Posting Date | Document No. | Vendor Name | Description | Amount |
|--------------------------------------|-------------------------|--------------------------------|--|-----------------------|
| 4/10/2018 | 566 | Australian Services Union | Union Membership Fees - Deducted from staff salary | \$51.80 |
| 4/10/2018 | 567 | CHILD SUPPORT | Child Support Allowance payment - Deduction made from staff salary | \$1,426.62 |
| 9/10/2018 | 568 | WATER CORPORATION | Water Usage Charges | \$926.29 |
| 11/10/2018 | 569 | TELSTRA | Telephone Expenses | \$848.85 |
| 12/10/2018 | 570 | Cash | Staff lotto - Deducted from staff salary | \$250.00 |
| 15/10/2018 | 571 | Cash - Petty Cash | Reimbursement of petty cash expenses | \$756.25 |
| 22/10/2018 | 572 | SYNERGY | Electricity Usage | \$77.15 |
| 22/10/2018 | 573 | TELSTRA | Telephone Expenses | \$1,061.14 |
| 26/10/2018 | 574 | Australian Services Union | Union Membership Fees - Deducted from staff salary | \$51.80 |
| 26/10/2018 | 575 | CHILD SUPPORT | Child Support Allowance payment - Deduction made from staff salary | \$1,426.62 |
| 31/10/2018 | 576 | Cash - Petty Cash | Reimbursement of petty cash expenses | \$800.65 |
| Total CBA cheques | | | | \$7,677.17 |
| 1/10/2018 | DP-01693 | linet | payment of linet inv 104029716 | \$9.95 |
| 2/10/2018 | DP-01695 | Commonwealth Bank | CBA Merchant Fee | \$1,295.70 |
| 2/10/2018 | DP-01695 | Commonwealth Bank | CBA Merchant Fee | \$81.26 |
| 15/10/2018 | DP-01694 | Australian Taxation Office | BAS September 2018 | \$195,197.00 |
| 15/10/2018 | DP-01696 | Commonwealth Bank | Acct Service Fee | \$24.45 |
| 15/10/2018 | DP-01697 | Commonwealth Bank | Combizz Trans Fee | \$38.94 |
| 15/10/2018 | DP-01698 | Commonwealth Bank | Quick Cash Bag | \$270.00 |
| 26/10/2018 | DP-01700 | Commonwealth Bank | Loan 10a interest matured 26/10/18 | \$14,685.16 |
| 26/10/2018 | DP-01700 | Commonwealth Bank | Loan 10a principal matured 26/10/18 | \$29,147.37 |
| 31/10/2018 | DP-01701 | National Australia Bank | Acct Keeping Fee | \$20.00 |
| Total Direct Payments | | | | \$240,769.83 |
| 1/10/2018 | Trf 1 | Commonwealth Bank | Inter-account transfer | \$500,000.00 |
| 9/10/2018 | Trf 2 | Commonwealth Bank | Inter-account transfer | \$800,000.00 |
| Total Inter account Transfers | | | | \$1,300,000.00 |
| 2/10/2018 | EFT-01623 | City of Joondalup | TP lease for Oct 2018 | \$10,885.56 |
| 2/10/2018 | EFT-01623 | City of Perth | TP lease for Oct 2018 | \$5,399.60 |
| 2/10/2018 | EFT-01623 | City of Perth | TP lease for Sept 2018 | \$5,399.60 |
| 2/10/2018 | EFT-01623 | City of Stirling | TP lease for Oct 2018 | \$21,771.12 |
| 2/10/2018 | EFT-01623 | City of Vincent | TPlease for Oct 2018 | \$5,442.78 |
| 2/10/2018 | EFT-01623 | City of Wanneroo | TP Lease for Oct 2018 | \$10,885.56 |
| 2/10/2018 | EFT-01623 | Town of Cambridge | TP lease for Oct 2018 | \$5,442.78 |
| 2/10/2018 | EFT-01623 | Town of Victoria Park | TP lease for Oct 2018 | \$5,442.78 |
| 5/10/2018 | EFT-01626 | Airwell Group Pty Ltd | Emergency fix on telemetry | \$2,725.17 |
| 5/10/2018 | EFT-01626 | AUSTRALIAN TRAINING MANAGEMENT | HD Plant Training FEL, DUMP, Comp - D Tanner 27/9/ | \$1,760.00 |
| 5/10/2018 | EFT-01626 | BOC Limited | Expendable Tools/Wokrshop Consumables | \$70.04 |
| 5/10/2018 | EFT-01626 | Bold Park Community School | Bus subsidy for the hire of tour bus 03 09 18 | \$250.00 |
| 5/10/2018 | EFT-01626 | Bunnings | wheelbarrows for litter pickers | \$281.20 |

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|---------------------|-------------------------------------|---|------------|
| 5/10/2018 EFT-01626 | Bunnings | Expendable Tools/Wokrshop Consumables | \$63.65 |
| 5/10/2018 EFT-01626 | Cabcharge Australia Ltd | admin charge - cabcharge | \$6.00 |
| 5/10/2018 EFT-01626 | Car Care (WA) - Mindarie | Ops and Enviro Ute Detailed Clean | \$600.00 |
| 5/10/2018 EFT-01626 | ChemCentre | CCA testing chemicals | \$451.00 |
| 5/10/2018 EFT-01626 | Dekk Rubber Tracks & Pads | pl118 new tracks | \$3,178.56 |
| 5/10/2018 EFT-01626 | Fennell Tyres International Pty Ltd | tryre repairs to PL94 | \$596.25 |
| 5/10/2018 EFT-01626 | H & L GLASS | tana glass fitting | \$165.00 |
| 5/10/2018 EFT-01626 | Instant Products Group | toilet hire service | \$93.50 |
| 5/10/2018 EFT-01626 | Instant Products Group | Ed Centre toilet hire and clean Aug 18 | \$531.59 |
| 5/10/2018 EFT-01626 | Instant Products Group | Open Day 2018 - Toilet Hire 8 x T & 2 x DTisa | \$1,316.17 |
| 5/10/2018 EFT-01626 | Iron Mountain Australia Pty Ltd | data storage | \$47.67 |
| 5/10/2018 EFT-01626 | Joondalup Office National | Stationery and Printing | \$90.15 |
| 5/10/2018 EFT-01626 | Komatsu Australia | hydraulic oil 20Ltr | \$184.67 |
| 5/10/2018 EFT-01626 | Kyocera Document Solutions | Photocopying Expenses | \$459.58 |
| 5/10/2018 EFT-01626 | Kyocera Document Solutions | Photocopying Expenses Sep2018 | \$893.37 |
| 5/10/2018 EFT-01626 | MAGNETIC AUTOMATION PTY LTD | Building Maintenance; Boom gate repair | \$242.00 |
| 5/10/2018 EFT-01626 | PIRTEK (MALAGA) PTY LTD | hose assembly PL104 | \$301.33 |
| 5/10/2018 EFT-01626 | PIRTEK (MALAGA) PTY LTD | Hose assembly | \$252.49 |
| 5/10/2018 EFT-01626 | PIRTEK (MALAGA) PTY LTD | Hose assembly | \$591.14 |
| 5/10/2018 EFT-01626 | PIRTEK (MALAGA) PTY LTD | coupling replacement | \$273.44 |
| 5/10/2018 EFT-01626 | Pumps Australia P/L | Leachate System Management | \$324.50 |
| 5/10/2018 EFT-01626 | Pumps Australia P/L | pump repairs | \$3,016.96 |
| 5/10/2018 EFT-01626 | Retail Express | Point of Sale one off licensing and setup fee | \$7,139.00 |
| 5/10/2018 EFT-01626 | Satellite Security Services P/L | Security monitorin 1/9-31/12/18 | \$982.80 |
| 5/10/2018 EFT-01626 | Spectur Ltd | Spectur - server access | \$198.00 |
| 5/10/2018 EFT-01626 | Tyrecycle P/L | Tyre recycling collection 5/9/18 | \$353.99 |
| 5/10/2018 EFT-01627 | BOQ Asset Finance & Leasing Pty Ltd | Instalment Fee | \$446.85 |
| 5/10/2018 EFT-01627 | Close the Loop Ltd | Enviroliner pens for tour giveaways | \$1,411.40 |
| 5/10/2018 EFT-01627 | IRP Pty Ltd | OSH relief contract W/E 30/9/2018 | \$1,981.87 |
| 5/10/2018 EFT-01627 | IRP Pty Ltd | OSH Relief contract W/E 23/9/2018 | \$2,414.06 |
| 5/10/2018 EFT-01628 | AMP | Staff Super for Sept 18 | \$57.34 |
| 5/10/2018 EFT-01628 | ANZ Smart Choice Super | Staff Super for Sept 18 | \$535.16 |
| 5/10/2018 EFT-01628 | Australian Ethical Super | Staff Super for Sept 18 | \$149.43 |
| 5/10/2018 EFT-01628 | Australian Ethical Super | Staff Super for Sept 18 | \$149.43 |
| 5/10/2018 EFT-01628 | Australian Ethical Super | Staff Super for Sept 18 | \$821.88 |
| 5/10/2018 EFT-01628 | Australian Super Administration | Staff Super for Sept 18 | \$1,366.01 |
| 5/10/2018 EFT-01628 | Australian Super Administration | Staff Super for Sept 18 | \$33.26 |
| 5/10/2018 EFT-01628 | Australian Super Administration | Staff Super for Sept 18 | \$2,576.42 |
| 5/10/2018 EFT-01628 | BT Super for Life - SG | Staff Super for Sept 18 | \$28.57 |
| 5/10/2018 EFT-01628 | BT Super for Life - SG | Staff Super for Sept 18 | \$22.10 |
| 5/10/2018 EFT-01628 | BT Super for Life - SG | Staff Super for Sept 18 | \$633.33 |
| 5/10/2018 EFT-01628 | CBUS | Staff Super for Sept 18 | \$176.30 |
| 5/10/2018 EFT-01628 | CBUS | Staff Super for Sept 18 | \$177.99 |
| 5/10/2018 EFT-01628 | CBUS | Staff Super for Sept 18 | \$974.33 |

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| 5/10/2018 EFT-01628 | Colonial First State | Staff Super for Sept 18 | \$1,530.56 |
| 5/10/2018 EFT-01628 | Energy Superannuation | Staff Super for Sept 18 | \$522.71 |
| 5/10/2018 EFT-01628 | HOSTPLUS | Staff Super for Sept 18 | \$169.59 |
| 5/10/2018 EFT-01628 | HOSTPLUS | Staff Super for Sept 18 | \$901.60 |
| 5/10/2018 EFT-01628 | IOOF Portfolio Service Superannuation Fund | Staff Super for Sept 18 | \$228.81 |
| 5/10/2018 EFT-01628 | IOOF Portfolio Service Superannuation Fund | Staff Super for Sept 18 | \$1,516.54 |
| 5/10/2018 EFT-01628 | Netwealth Superannuation | Staff Super for Sept 18 | \$553.53 |
| 5/10/2018 EFT-01628 | Sunsuper | Staff Super for Sept 18 | \$200.00 |
| 5/10/2018 EFT-01628 | Sunsuper | Staff Super for Sept 18 | \$374.68 |
| 5/10/2018 EFT-01628 | Sunsuper | Staff Super for Sept 18 | \$1,834.16 |
| 5/10/2018 EFT-01628 | WALGS PLAN PTY LTD | Staff Super for Sept 18 | \$4,467.94 |
| 5/10/2018 EFT-01628 | WALGS PLAN PTY LTD | Staff Super for Sept 18 | \$4,349.77 |
| 5/10/2018 EFT-01628 | WALGS PLAN PTY LTD | Staff Super for Sept 18 | \$23,518.50 |
| 9/10/2018 EFT-01629 | All Fence U Rent P/L | (temp fence for shop) | \$385.00 |
| 9/10/2018 EFT-01629 | ALLIGHTSYKES P/L | lighting tower alternator fault | \$861.17 |
| 9/10/2018 EFT-01629 | Appliance Testing Supplies | Test and Tag consumables | \$89.86 |
| 9/10/2018 EFT-01629 | APV Valuers | Valuations | \$708.40 |
| 9/10/2018 EFT-01629 | AUSTRALIA POST - PERTH | Postage & Freight - Sept18 | \$404.99 |
| 9/10/2018 EFT-01629 | CALTEX AUSTRALIA PETROLEUM PTY | Plant - Fuel and Oil | \$780.39 |
| 9/10/2018 EFT-01629 | Castledine Gregory | Legal Expenses 7Aug-27Sep2018 | \$3,066.80 |
| 9/10/2018 EFT-01629 | Central Fire Services P/L | HHW Fire System Inspection - July 18 | \$73.33 |
| 9/10/2018 EFT-01629 | Churchlands Senior High School | Bus subsidy hire of bus for tour to TP EC 18/8/18 | \$250.00 |
| 9/10/2018 EFT-01629 | CSE Crosscom | 3 x gme hand pieces | \$209.85 |
| 9/10/2018 EFT-01629 | Enviro Sweep | Road sweeping for August | \$1,375.00 |
| 9/10/2018 EFT-01629 | Envirocare Systems | Hygiene service RRF | \$229.16 |
| 9/10/2018 EFT-01629 | Envirocare Systems | Cleaning of Buildings TP | \$648.20 |
| 9/10/2018 EFT-01629 | Envirocare Systems | Hugiene supplies | \$131.23 |
| 9/10/2018 EFT-01629 | Envirocare Systems | Cleaning of Buildings - Urinal Disks | \$165.00 |
| 9/10/2018 EFT-01629 | Fastfwd IT | IT service 16/9-30/9 | \$7,865.48 |
| 9/10/2018 EFT-01629 | Fennell Tyres International Pty Ltd | dummy puncture repair | \$709.35 |
| 9/10/2018 EFT-01629 | Fennell Tyres International Pty Ltd | l/h read tyre | \$520.85 |
| 9/10/2018 EFT-01629 | Gavin Burgess | Community small recyclables collection Sept 18 | \$10,512.00 |
| 9/10/2018 EFT-01629 | HCS Group P/L | TP cleaning - Sept2018 | \$2,302.29 |
| 9/10/2018 EFT-01629 | Joondalup Office National | Stationery, Whiteboards | \$359.81 |
| 9/10/2018 EFT-01629 | Joondalup Office National | Stationery and Printing | \$152.03 |
| 9/10/2018 EFT-01629 | Mad Dog Promotions | Embroidered Cooler Bags - Deluxe Style | \$1,650.00 |
| 9/10/2018 EFT-01629 | Michael Page International P/L | Mark Brian Thornber we 23/9/18 37.5hrs @ \$41.26 | \$1,701.98 |
| 9/10/2018 EFT-01629 | Prestige Communications | Ch 1. Site Repairs/Invstigation | \$822.25 |
| 9/10/2018 EFT-01629 | Richard Harrison | Bee Keeper | \$450.00 |
| 9/10/2018 EFT-01629 | Spider Waste Collection Services P/L | Mattresses collection 3/9/18-7/9/18 CoStirling | \$3,261.50 |
| 9/10/2018 EFT-01629 | Staff Australia | clean up for opening of recycling | \$5,599.90 |
| 9/10/2018 EFT-01629 | Stephen Michael Terenciuk | pl104 tyres | \$1,290.00 |
| 9/10/2018 EFT-01629 | Techtronic Services | Service degassing unit | \$404.80 |
| 9/10/2018 EFT-01629 | Tutt Bryant Equipment WA | oil filter | \$71.60 |
| 9/10/2018 EFT-01629 | Tyrecycle P/L | Tyre recycle - collection 12/09/2018 | \$1,271.48 |
| 9/10/2018 EFT-01629 | WA Heritage Tree Surgeons | Boundary, Ed centre and Tipface Vegetation | \$5,500.00 |
| 9/10/2018 EFT-01629 | Water2water P/L | Service to wall mounted/ice machine/twin system | \$1,440.45 |
| 9/10/2018 EFT-01629 | Worldwide Printing Solutions | Pre-Start books for Plant Comp and W/Loader | \$470.00 |
| 9/10/2018 EFT-01629 | Wren Oil | waste oil admin | \$16.50 |

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| 9/10/2018 EFT-01629 | Wren Oil | Recycling Contractors - oil admin Sept 18 | \$16.50 |
| 12/10/2018 EFT-01630 | Payroll Employee Wages | PAYFE121018 | \$106,443.18 |
| 11/10/2018 EFT-01631 | Wangara Volkswagen | VW Amarok TDI420 CEO | \$56,654.00 |
| 11/10/2018 EFT-01632 | AIR MET SCIENTIFIC PTY LTD | Workshop methane meter calibration | \$517.00 |
| 11/10/2018 EFT-01632 | Airwell Group Pty Ltd | Contracted price Plus parts | \$822.95 |
| 11/10/2018 EFT-01632 | Airwell Group Pty Ltd | Install and supply floating devises | \$4,740.54 |
| 11/10/2018 EFT-01632 | Airwell Group Pty Ltd | Airwell upgrade | \$1,600.00 |
| 11/10/2018 EFT-01632 | Airwell Group Pty Ltd | Poly welding and fittings for | \$2,629.99 |
| 11/10/2018 EFT-01632 | Bunnings | dolly moveit | \$171.42 |
| 11/10/2018 EFT-01632 | Bunnings | Cable ties, rakes and madock | \$331.53 |
| 11/10/2018 EFT-01632 | Bunnings | containers | \$307.22 |
| 11/10/2018 EFT-01632 | Bunnings | Cam Lock Prestige x 2/Malamine white 16mm | \$374.88 |
| 11/10/2018 EFT-01632 | CAPS Australia Pty Ltd | Call out to look at cont running and no fluxuation | \$377.96 |
| 11/10/2018 EFT-01632 | CHUBB FIRE SAFETY LTD | Fire Extinguisher Checks | \$4,750.98 |
| 11/10/2018 EFT-01632 | Data#3 | Seagatte Ent Capacity 3.5 HDD - RRF Backup | \$310.85 |
| 11/10/2018 EFT-01632 | EMRC | recycled timber 12/9 to 18/9 | \$382.10 |
| 11/10/2018 EFT-01632 | Flick Anticimex P/L | 6 weekly service (Contract) | \$286.00 |
| 11/10/2018 EFT-01632 | Great Southern Fuel Supplies | September 2018 Diesel Delivery | \$33,526.26 |
| 11/10/2018 EFT-01632 | InfoTrust | Symantec spam protection | \$2,725.80 |
| 11/10/2018 EFT-01632 | Kapish Services Pty Ltd | Annual Maintenance July 18 - 26 July 2019 | \$510.72 |
| 11/10/2018 EFT-01632 | Kitec Electrical Services | Replace several lights in Admin | \$294.86 |
| 11/10/2018 EFT-01632 | Kitec Electrical Services | Check security and car park lights | \$2,910.80 |
| 11/10/2018 EFT-01632 | LO-GO APPOINTMENTS | Permanent Service Fee CEO | \$8,053.10 |
| 11/10/2018 EFT-01632 | Neverfail Springwater Ltd | Staff Amenities | \$45.42 |
| 11/10/2018 EFT-01632 | Plants & Garden Rentals | monthly plant rental | \$220.00 |
| 11/10/2018 EFT-01632 | Quinns Baptist College | Bus subsidy bus hire for tour TP and Ed Ct 27/8 | \$200.00 |
| 11/10/2018 EFT-01632 | Spider Waste Collection Services P/L | mattress collection 10/9 to 14/9/18 CoS | \$3,171.30 |
| 11/10/2018 EFT-01632 | True Blue Containers | Plant - Repair and Maintenance; Shipping container | \$440.00 |
| 11/10/2018 EFT-01632 | Waterchem Australia P/L | 40 litres of Eccsorb | \$2,860.00 |
| 11/10/2018 EFT-01633 | MRC Credit Card | Air compressor & sensor | \$3,651.26 |
| 16/10/2018 EFT-01634 | Payroll Employee Wages | TERMPAY16101 | \$17,202.19 |
| 17/10/2018 EFT-01635 | Biovision 2020 Pty Ltd | Contractor's Fees | \$2,609,444.40 |
| 18/10/2018 EFT-01636 | BOC Limited | Expendable Tools/Wokrshop Consumables - Cyclinders | \$67.77 |
| 18/10/2018 EFT-01636 | Fastfwd IT | MRC IT 01/10-15/10 | \$8,374.06 |
| 18/10/2018 EFT-01636 | Magicorp Pty Ltd | On Hold Messages | \$113.33 |
| 18/10/2018 EFT-01636 | Margarate Davies | M Davies Reimbursement Q1 2018 - E/C Education | \$1,049.43 |
| 18/10/2018 EFT-01636 | ST JOHN AMBULANCE | MM Training for G Hoppe April 2018 | \$175.00 |
| 25/10/2018 EFT-01637 | Department of Water & Environment Regulation | DEP Landfill levy July-Sept 2018 | \$2,793,999.80 |
| 26/10/2018 EFT-01638 | Bale Data Services | Termal CSO Paper | \$139.13 |
| 26/10/2018 EFT-01638 | CAPS Australia Pty Ltd | Review reason why stopped | \$250.00 |
| 26/10/2018 EFT-01638 | CAPS Australia Pty Ltd | Call out for the compressor (twice) 1 | \$1,033.92 |
| 26/10/2018 EFT-01638 | Couplers Malaga | Leachate sundries | \$996.47 |
| 26/10/2018 EFT-01638 | EMRC | Woodwaste project Hazelmere 26/918 to 30/9/18 | \$262.55 |
| 26/10/2018 EFT-01638 | Flick Anticimex P/L | 6 weekly service August | \$286.00 |
| 26/10/2018 EFT-01638 | Fuji Xerox Australia Pty Ltd | Green Wrap Pure July 2015 Missed Invoice | \$148.50 |
| 26/10/2018 EFT-01638 | Fuji Xerox Australia Pty Ltd | Usage Charges October 2015 Missed Inv | \$467.43 |
| 26/10/2018 EFT-01638 | Gastech Australia Pty Ltd | Annual Service GFM 435 | \$200.00 |
| 26/10/2018 EFT-01638 | Gastech Australia Pty Ltd | GFM 435 O2 sensor replaced | \$185.00 |
| 26/10/2018 EFT-01638 | Iron Mountain Australia Pty Ltd | Data Storage 01/09 - 30/09/18 | \$48.04 |

| | | | |
|----------------------|---------------------------------------|--|--------------|
| 26/10/2018 EFT-01638 | IRP Pty Ltd | Jody Chinnery | \$2,667.17 |
| 26/10/2018 EFT-01638 | Jackson McDonald | Legal Expense CEO Contract advise | \$807.95 |
| 26/10/2018 EFT-01638 | Joondalup Office National | Stationery and Printing | \$17.96 |
| 26/10/2018 EFT-01638 | Joondalup Office National | Stationery and Printing | \$166.10 |
| 26/10/2018 EFT-01638 | Joondalup Office National | Stationery Items | \$19.91 |
| 26/10/2018 EFT-01638 | Joondalup Office National | Stationery Items | \$26.62 |
| 26/10/2018 EFT-01638 | LGISWA | Prepaid Insurance Policy No 000054 | \$34,848.96 |
| 26/10/2018 EFT-01638 | LGISWA | Prepaid Insurance Policy No 000054 Liability | \$35,487.38 |
| 26/10/2018 EFT-01638 | LGISWA | Prepaid Insurance Policy 000051 Workcare | \$56,827.38 |
| 26/10/2018 EFT-01638 | MARKETFORCE P/L | Advertising & Promotions | \$574.94 |
| 26/10/2018 EFT-01638 | MARKETFORCE P/L | FYW website management August 18 | \$1,408.00 |
| 26/10/2018 EFT-01638 | MARKETFORCE P/L | Social media - July 18 | \$2,640.00 |
| 26/10/2018 EFT-01638 | MPL Laboratories | Q40 groundwater sampling | \$404.80 |
| 26/10/2018 EFT-01638 | Natural Area Management & Services | Phytophthora Testing for 12 months | \$1,105.50 |
| 26/10/2018 EFT-01638 | SEEK Limited | Education Coordinator | \$308.00 |
| 26/10/2018 EFT-01638 | SEEK Limited | Plant Operator | \$308.00 |
| 26/10/2018 EFT-01638 | Soft Landing | mattress collection 4/9/18 to 28/9/18 | \$11,275.00 |
| 26/10/2018 EFT-01638 | Soft Landing | mattress collection 4/9/18 to 28/9/18 | \$14,382.50 |
| 26/10/2018 EFT-01638 | Solo Waste Australia P/L | Sucking out sump in eastern mat | \$990.00 |
| 26/10/2018 EFT-01638 | Spider Waste Collection Services P/L | mattress collection 17/9 to 21/9/18 CoS | \$3,283.50 |
| 26/10/2018 EFT-01638 | Staff Australia | Planting of vetiver Grass - 2 people 1 day | \$2,241.82 |
| 26/10/2018 EFT-01638 | Staff Australia | 3 people, 3 days 6.5 hours | \$472.96 |
| 26/10/2018 EFT-01638 | Suez Recycling & Recovery (Perth) P/L | Pickup Confidential Paper and Monthly Site Fee | \$52.04 |
| 26/10/2018 EFT-01638 | T & C Transport Services | Courier Expenses Sept 2018 | \$266.14 |
| 26/10/2018 EFT-01638 | THE PRINTING FACTORY | Business Cards ASlater/PDavies/DToward | \$294.80 |
| 26/10/2018 EFT-01638 | Tintwest | Building Maintenance - Tinting shop windows | \$330.00 |
| 26/10/2018 EFT-01638 | Tyrecycle P/L | tyre recycle collection date 19/9/18 | \$811.93 |
| 26/10/2018 EFT-01638 | Tyrecycle P/L | Tyre recycle collection 26/9/18 | \$574.11 |
| 26/10/2018 EFT-01638 | WA Heritage Tree Surgeons | Tree prune - helipad (safety risk) | \$825.00 |
| 26/10/2018 EFT-01638 | Water2water P/L | Billi Inlet Solenoid Kit and labour | \$295.25 |
| 26/10/2018 EFT-01638 | Western Tree Recyclers | Tree recycling - CoP - 7/9 to 28/9 | \$595.32 |
| 26/10/2018 EFT-01638 | Western Tree Recyclers | tree recycle 7/9 to 28/9 CoI | \$7,002.78 |
| 26/10/2018 EFT-01638 | Winc Australia P/L | Stationery and Printing | \$165.75 |
| 26/10/2018 EFT-01638 | Winc Australia P/L | Staff Amenities | \$193.10 |
| 26/10/2018 EFT-01639 | Payroll Employee Wages | PAYFE261018 | \$102,230.93 |
| 26/10/2018 EFT-01640 | AMP | Staff Super for Oct 18 | \$114.68 |
| 26/10/2018 EFT-01640 | ANZ Smart Choice Super | Staff Super for Oct 18 | \$543.26 |
| 26/10/2018 EFT-01640 | Australian Ethical Super | Staff Super for Oct 18 | \$149.43 |
| 26/10/2018 EFT-01640 | Australian Ethical Super | Staff Super for Oct 18 | \$149.43 |
| 26/10/2018 EFT-01640 | Australian Ethical Super | Staff Super for Oct 18 | \$821.88 |
| 26/10/2018 EFT-01640 | Australian Super Administration | Staff Super for Oct 18 | \$30.37 |
| 26/10/2018 EFT-01640 | Australian Super Administration | Staff Super for Oct 18 | \$304.56 |
| 26/10/2018 EFT-01640 | Australian Super Administration | Staff Super for Oct 18 | \$2,784.69 |
| 26/10/2018 EFT-01640 | BT Super for Life - SG | Staff Super for Oct 18 | \$32.63 |
| 26/10/2018 EFT-01640 | BT Super for Life - SG | Staff Super for Oct 18 | \$29.03 |
| 26/10/2018 EFT-01640 | BT Super for Life - SG | Staff Super for Oct 18 | \$770.78 |
| 26/10/2018 EFT-01640 | CBUS | Staff Super for Oct 18 | \$147.85 |
| 26/10/2018 EFT-01640 | CBUS | Staff Super for Oct 18 | \$169.00 |
| 26/10/2018 EFT-01640 | CBUS | Staff Super for Oct 18 | \$871.32 |
| 26/10/2018 EFT-01640 | Colonial First State | Staff Super for Oct 18 | \$1,506.44 |

| | | | | |
|------------|-----------|--|--|-------------|
| 26/10/2018 | EFT-01640 | Energy Superannuation | Staff Super for Oct 18 | \$594.62 |
| 26/10/2018 | EFT-01640 | HSTPLUS | Staff Super for Oct 18 | \$481.82 |
| 26/10/2018 | EFT-01640 | IOOF Portfolio Service Superannuation Fund | Staff Super for Oct 18 | \$1,288.56 |
| 26/10/2018 | EFT-01640 | Netwealth Superannuation | Staff Super for Oct 18 | \$547.76 |
| 26/10/2018 | EFT-01640 | Sunsuper | Staff Super for Oct 18 | \$369.59 |
| 26/10/2018 | EFT-01640 | Sunsuper | Staff Super for Oct 18 | \$358.68 |
| 26/10/2018 | EFT-01640 | Sunsuper | Staff Super for Oct 18 | \$2,223.59 |
| 26/10/2018 | EFT-01640 | WALGS PLAN PTY LTD | Staff Super for Oct 18 | \$4,799.28 |
| 26/10/2018 | EFT-01640 | WALGS PLAN PTY LTD | Staff Super for Oct 18 | \$3,938.65 |
| 26/10/2018 | EFT-01640 | WALGS PLAN PTY LTD | Staff Super for Oct 18 | \$23,133.89 |
| 26/10/2018 | EFT-01641 | City of Joondalup | Room Hire Currumbine 27/10 PO17457 | \$263.70 |
| 31/10/2018 | EFT-01642 | City of Joondalup | Lease Fee Rent Nov 2018 | \$10,885.56 |
| 31/10/2018 | EFT-01642 | City of Perth | Lease for Nov 2018 | \$5,399.60 |
| 31/10/2018 | EFT-01642 | City of Stirling | Lease Fee TP Nov 2018 | \$21,771.12 |
| 31/10/2018 | EFT-01642 | City of Vincent | Lease Fee TP Nov 2018 | \$5,442.78 |
| 31/10/2018 | EFT-01642 | Town of Cambridge | Lease Fee TP Nov 2018 | \$5,442.78 |
| 31/10/2018 | EFT-01642 | Town of Victoria Park | TP Lease fees for Nov 2018 | \$5,442.78 |
| 31/10/2018 | EFT-01643 | Appliance Testing Supplies | Site Operating - Test and Tag Consumables | \$231.67 |
| 31/10/2018 | EFT-01643 | Bunnings | Sundaries for leachate evap mats | \$330.91 |
| 31/10/2018 | EFT-01643 | Cabcharge Australia Ltd | Collection of plant 120 from servicing | \$103.53 |
| 31/10/2018 | EFT-01643 | Central Fire Services P/L | HHW Fire System Inspection - July 18 | \$73.33 |
| 31/10/2018 | EFT-01643 | City Rubber Stamps & Trophies | G Hoppe Black Stamp | \$44.95 |
| 31/10/2018 | EFT-01643 | Data#3 | MS Office Professional Plus software assurance | \$6,336.10 |

Credit Card detailed analysis for October 2018
Council Meeting - 6th December 2018

| Date | Payment to | Description | Amount |
|--|------------------------|----------------------------------|------------------|
| 1-Oct-18 | Coles | Staff Amentities | 154.90 |
| 1-Oct-18 | Dome | Business Meeting | 10.70 |
| 1-Oct-18 | Cpp Convention Centre | Parking | 6.06 |
| 2-Oct-18 | Ais Pub Group Pty Ltd | Network Meeting | 75.00 |
| 4-Oct-18 | Retail Express | Solution Agreement | 1.00 |
| 4-Oct-18 | Mcdonalds Mindarie | COT Meeting | 21.90 |
| 5-Oct-18 | Executive Assistant Ne | Membership EAN | 110.00 |
| 5-Oct-18 | Alga Limited | 2018 Ecoforum | 25.00 |
| 8-Oct-18 | City Of Perth Parking | Parking | 2.52 |
| 8-Oct-18 | Brown Spoon Vic Park | Parking | 9.09 |
| 8-Oct-18 | Town Of Cambridge | Parking | 5.60 |
| 9-Oct-18 | Town Of Cambridge | Parking | 5.60 |
| 11-Oct-18 | Aps Industrial Pl | Soft Starter Upgrade Plant67 | 2759.68 |
| 11-Oct-18 | Interflora Flowers W | Breavement Flowers | 84.50 |
| 12-Oct-18 | Vet N Pet Direct P L | Tick Twister Kits | 190.00 |
| 12-Oct-18 | Cpp Convention Centre | Parking | 18.17 |
| 15-Oct-18 | The Garden | Business Meeting | 60.00 |
| 15-Oct-18 | City Of Vincent | Parking | 5.00 |
| 16-Oct-18 | Executive Assistant Ne | Diploma Course | 4950.00 |
| 16-Oct-18 | Fortus Group | Nuts and Bolts Plant118 | 92.37 |
| 18-Oct-18 | Travelsafe Bus Hire Pt | Bus Hire - Tour to Go - Organics | 547.08 |
| 18-Oct-18 | Mcdonalds Mindarie | COT Meeting | 21.90 |
| 18-Oct-18 | Officeworks Ltd | Office Chairs | 758.95 |
| 22-Oct-18 | Direct2florist | Breavement Flowers | 83.95 |
| 22-Oct-18 | C U @ Park Gin Gin Pty | FoGo Tour Leadership Team | 407.70 |
| 24-Oct-18 | Cantina 663 | Business Meeting | 9.00 |
| 24-Oct-18 | Caltex Wangara | Fuel CEO | 35.11 |
| 25-Oct-18 | Arb Corporation | CEO Car Additions | 85.20 |
| 25-Oct-18 | Coles | Staff Amentities | 150.06 |
| 25-Oct-18 | Sarabs Flowers Pty L | Get Well Flowers | 225.80 |
| Total CBA Credit Card - 26 September to 26th October 2018 | | | 10,911.84 |

&\$% 'Annual Report

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APPENDIX NO. 6

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2018

Annual Report



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Chairman's Foreword

This year the MRC has continued to successfully deliver on its vision of Winning Back Waste through the new initiatives it has been pursuing. Waste management has really sprung into the public consciousness in the last year and the MRC has been continuing to take a leadership role in shaping public opinion and behaviour with respect to waste.

The challenges facing us in respect of waste management have been brought to the forefront by a number of documentaries aired in Australia. The seriousness of these issues has been further highlighted against the backdrop of the effects of the China National Sword program, the effects of which are now starting to be felt across Australia.

The volume of waste that we as a society are generating needs to be addressed, as do the challenges associated with the contamination of recyclable waste streams which are making our recovered products less marketable.

If we continue to be committed to dealing with waste in line with the waste hierarchy and are starting to consider how we can move toward a circular economy, as state and local governments we need to be planning toward how we can create markets

for recovered products, preferably in Australia. Once we have clarity about the end destination for and use of the recovered products, we can start to standardise our collection systems and provision appropriate processing infrastructure. All of this needs to be underpinned by appropriate statewide waste education.

These and other issues are currently being considered by the state government as they prepare a revised State Waste Strategy for issue. The MRC has made a submission to the state government encouraging the serious consideration of the points outlined above.

The MRC is looking forward to the release of the State Waste Strategy as this will assist the MRC in nuancing its strategic direction to support the state waste objectives. The State Waste Strategy is also expected provide clear economic direction on how the



landfill levy is likely to be applied in coming years.

In support of consistent statewide waste messaging, the MRC launched the Face Your Waste education campaign during the year with a focus on starting a broad-reaching public conversation about waste. The initial focal point of the campaign was a set of 20 clear waste bins that were rolled out through the MRC's member council areas.

The campaign has received favourable media attention from across Australia and internationally, and has been a conversation starter among local residents as to how we can all go about reducing the amount of waste we produce, irrespective of what bin collection system we may have in our area.

The MRC went out to tender for an Energy from Waste (EfW) plant during the year, but elected not to award the contract. EfW is still seen as a key component of the required waste solution for Western Australia, but as more of the MRC's councils evaluate ways to remove the organic fraction from their waste streams, more

work is required in this area before a successful EfW contract can be entered into.

This will be my last report as the Chairman of the MRC. After nine years as the Chairman I have decided to not nominate for the position for the 2018/19 financial year. I look forward to continuing to be a part of the MRC's story under the Chairmanship of Cr David Boothman.

I would like to take this opportunity extend my congratulations to Cr Boothman on his election as chair and to Cr Mike Norman on his election to the role of Deputy Chairman.

We have also welcomed five new councillors to the MRC during the year, Cr Frank Cvitan, Cr Eric Lumsden, Cr Keith Sargent, Cr Keri Shannon and Cr Karen Vernon. I would like to express my thanks to all the Councillors – old, new and continuing – who have supported me and the MRC in delivering against the organisation's strategic objectives.

Russ Fishwick
Chairman

face
your
waste

"In support of consistent statewide waste messaging, the MRC launched the **Face Your Waste** education campaign during the year with a focus on starting a broad-reaching public conversation about waste."



Mindarie Regional Council

Councillors

The MRC comprises 12 councillors appointed by the member Local Governments based on equity the members hold. This currently constitutes the following representation:

- City of Stirling - 4 councillors
- City of Joondalup - 2 councillors
- City of Wanneroo - 2 councillors
- City of Perth - 1 councillor
- City of Vincent - 1 councillor
- Town of Cambridge - 1 councillor
- Town of Victoria Park - 1 councillor



CHAIRMAN

Cr Russ Fishwick JP

City of Joondalup



DEPUTY CHAIRMAN

Cr David Boothman JP

City of Stirling



Cr Emma Cole

City of Vincent



Cr Frank Cvitan JP

City of Wanneroo



Cr Russell Driver

City of Wanneroo



Cr Andrew Guilfoyle

City of Stirling



Cr Eric Lumsden

City of Perth



Cr Mike Norman

City of Joondlaup



Cr Stephanie Proud JP

City of Stirling



Cr Keith Sargent

City of Stirling



Cr Keri Shannon

Town of Cambridge



Cr Karen Vernon

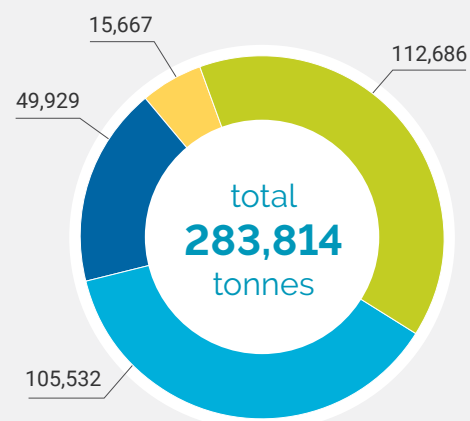
Town of Victoria Park

Facts & Figures

The 2017/18 financial year showed the total waste received by the MRC to be 283,314 tonnes from the following sources:

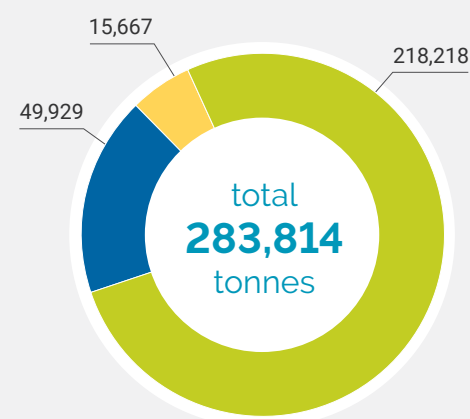
1. Tonnes processed by destination

| | tonnes |
|--------------------------|----------------|
| Landfill member councils | 112,686 |
| RRF | 105,532 |
| Landfill Residues | 49,929 |
| Landfill Casuals | 15,667 |
| Total Tonnes | 283,813 |



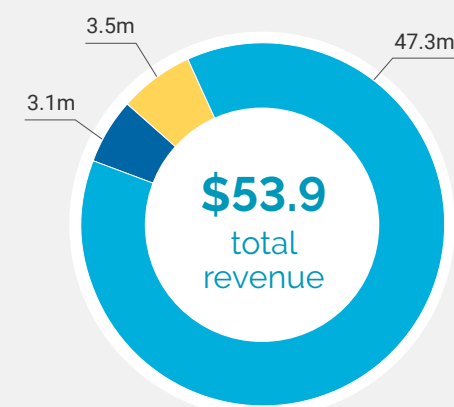
2. Tonnes by source

| | tonnes |
|----------------|----------------|
| Members' waste | 218,218 |
| Residues | 49,929 |
| Casuals | 15,667 |
| Total | 283,814 |



3. Revenue by source

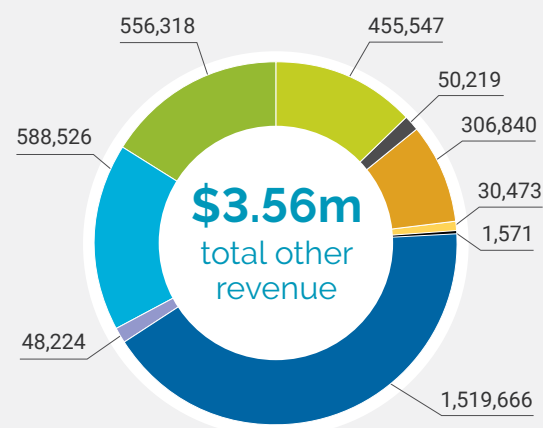
| | \$ |
|----------------------|--------------|
| Members | 47.3m |
| Non-members | 3.1m |
| Other revenue | 3.5m |
| Total revenue | 53.9m |



4. Other revenue by source

| | \$ |
|-------------------------|-----------|
| Recycling Shop Sales | 455,547 |
| Paper Recycling | 50,219 |
| Metal recycling | 306,840 |
| Battery recycling | 30,473 |
| Polystyrene | 1,571 |
| Gas Generation | 1,519,666 |
| Re-Imbursements, grants | 48,224 |
| Interest Earnings | 588,526 |
| Other revenue | 556,318 |

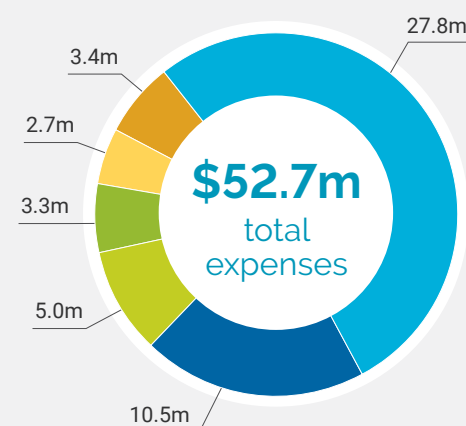
| | |
|----------------------------|------------------|
| Total Other Revenue | 3,557,384 |
|----------------------------|------------------|



5. Expenses by class

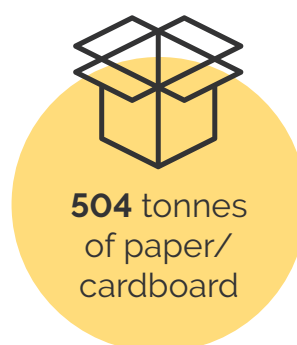
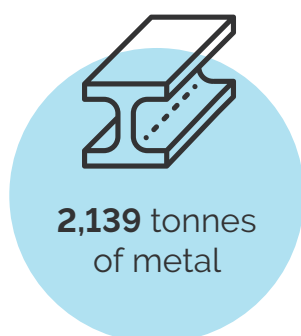
| | \$ |
|-----------------------|-------|
| RRF | 27.8m |
| DWER Landfill Levy | 10.5m |
| Employee Costs | 5.0m |
| Materials & Contracts | 3.3m |
| Amortisation | 2.7m |
| Other expenses | 3.4m |

| | |
|-----------------------|--------------|
| Total Expenses | 52.7m |
|-----------------------|--------------|



6. Diversion from Landfill Projects

Part of our 'Winning back waste' vision is salvaging items that have been dropped into the landfill but can be redirected. The below shows what was prevented from going to landfill for the year.



Disability Access & Inclusion Plan 2018

The MRC has reviewed and developed the Disability Access and Inclusion Plan (DAIP) during the financial year 2018. It is a dynamic document that commits to achieving seven desired outcomes:



A number of **Earth Carers** have a variety of disabilities; they attend events and perform volunteer work.

People with disability...

- have the same opportunities as other people to access the services of, and any events organised by, the MRC
- have the same opportunities as other people to access the buildings and other facilities of the MRC
- receive information from the MRC in a format that will enable them to access the information as readily as other people are able to access it
- receive the same level and quality of service from the staff and contractors of the MRC as other people receive from the MRC
- have the same opportunities as other people to make complaints to the MRC
- have the same opportunities to participate in any public consultation by the MRC
- have the same opportunities as other people to obtain and maintain employment by the MRC

The MRC's first DAIP plan was implemented in 2006 to address barriers for people with disability as per our statutory requirements under the Disability Services Act (1993). Since the adoption of the initial DAIP, the MRC has implemented several initiatives and made progress towards better access.



Items progressed since 2006 under the DAIP

| | |
|---|---|
| ✓ | Disabled parking area has been relocated closer to the entrance of the Administration building. |
| ✓ | Recycling Centre has compliant disabled parking bays. |
| ✓ | Special parking bays are set aside and assistance is on hand at special events. |
| ✓ | Access audit of all buildings and facilities, footpaths and kerbs to establish priorities for improvement has been completed. |
| ✓ | Access to the Education Centre has been improved. |
| ✓ | Disabled toilet included in the RRF Visitors Centre. |
| ✓ | Ramp access to Viewing Platform. |
| ✓ | Full length window in Viewing Platform to permit the viewing of operations by wheelchair bound visitors. |
| ✓ | Venues for Education/Earth Carer events have disabled access and facilities. |
| ✓ | Tamala Open Days have had disabled parking provision, special drop off zones available and additional disabled toilets provided. |
| ✓ | School and community groups tour the MRC facilities in their own buses to ensure inclusiveness. |
| ✓ | The MRC has taken disability access into account in the redesign of the recycling traffic area. A sloped access ramp with railings has been installed from the parking lot to the recycling area. |
| ✓ | The MRC administration building has had automatic doors fitted. |
| ✓ | Council has implemented a policy that footpaths and dual use paths are kept clear of hazards and obstructions and maintained as part of ongoing OSH site checks. |
| ✓ | Contact has been established with a number of disability employment support providers and people with disability are invited to participate in applying for suitable employment opportunities. |
| ✓ | One employee is currently engaged using disability support providers. |
| ✓ | A number of Earth Carers have a variety of disabilities; they attend events and perform volunteer work. |
| ✓ | Complaints procedure includes access via telephone and face-to-face service. |
| ✓ | Newsletters have been produced in large format on request. |
| ✓ | Key documents (Annual reports, Strategic Community Plan) have been posted on website with features to improve readability and are accessible in a variety of formats. |
| ✓ | All staff and contractors received DAIP information at induction and refresher training. |



Record Keeping

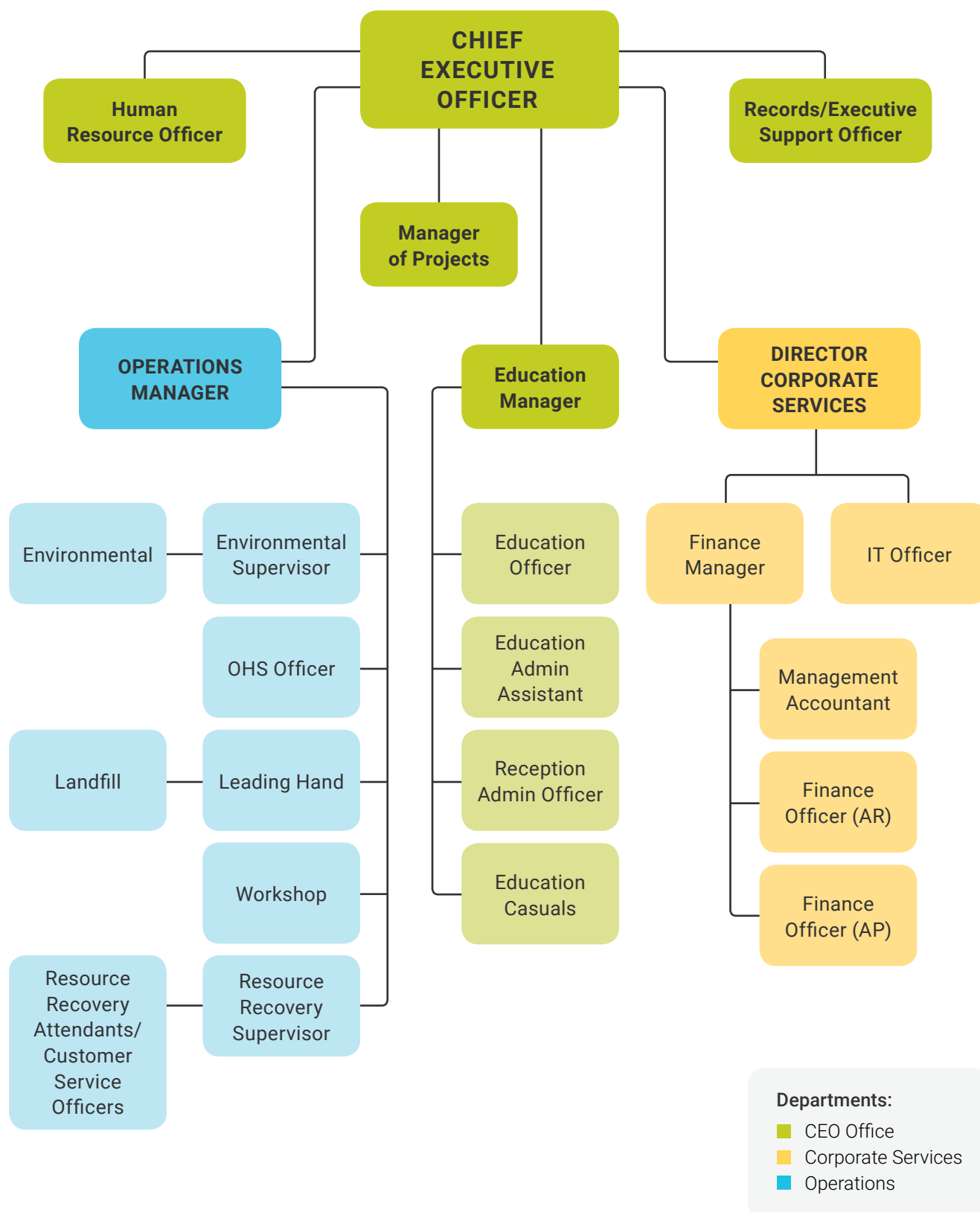
The MRC uses an electronic records management system called TRIM as the repository for all its records and documents.

All staff undergo TRIM training when they join the MRC and subsequently attend refresher courses periodically. The training helps the employees understand their record management responsibilities both from an organisational and legislative point of view. Elected members also receive an annual reminder as to their records management compliance obligations.

The MRC's record keeping practices are governed by its Record Keeping Plan which is approved by the State Records Office of Western Australia in accordance with the State Records Act 2000. The plan is the primary means of compliance with current legislation in Western Australia and of best practice record keeping processes at the MRC.

| Performance indicator | 2017/2018 | 2016/2017 |
|--|-----------|-----------|
| Number of new files created | 67 | 238 |
| Number of documents registered | 7,123 | 7,194 |
| Number of Freedom of Information applications received | 0 | 0 |
| Response time for Freedom of Information applications (average number of days) | 0 | 0 |

MRC Organisational Chart





Acting CEO's Report

The MRC has had a successful year both strategically and operationally, with the introduction of a number of new initiatives and projects, and continues to focus on dealing with our region's waste streams as high up the waste hierarchy as possible.

Our CEO, Brian Callander, retired in December 2017 after six years with the MRC. Brian leaves the MRC with a strong legacy of process improvements and a real commitment to achieving improved waste outcomes for the northern region of Perth. I would like to take this opportunity to acknowledge Brian's commitment to the MRC, and to thank him for his contribution.

The MRC has made a big push toward encouraging waste reduction in the region through the launch of the Face Your Waste campaign, in line with our commitment to dealing with waste as high up the waste hierarchy as is feasible.

In addition, an extension of the MRC's reuse shop at Tamala Park is set to be completed in July 2018 and opened officially in September 2018.

This almost doubling of the shop's undercover storage area is set to help us encourage more reuse of unwanted items and so doing increase the amount of waste we are diverting from landfill.

During the year, the MRC also went to tender along with the Eastern Metropolitan Regional Council for an Energy from Waste plant, but due to a number of factors, elected not to award the tender. Energy from Waste is still seen as a key part of the MRC's future infrastructure mix to allow us to divert residual material, which can't be otherwise be used, from landfill.



This goes hand in glove with a push among our member councils to divert either Garden Organics (GO) or Food Organics and Garden Organics (FOGO) from their landfill waste stream. The MRC strongly encourages this trend which is consistent with local government practice we are seeing elsewhere in Australia. The reduction in organic matter in the waste stream that the MRC receives from its members may have an impact on the MRC's contracted Resource Recovery Facility in Neerabup though, which will need to be carefully managed.

The more successful the MRC is at achieving its Vision of Winning Back Waste, the more economic pressure it will place on the remaining landfill operations and we are continually evaluating ways in which we can deliver

this service more cost effectively while still providing a high level of service to our stakeholders and the broader community.

At year end, the MRC was 638 days Lost Time Injury free which is a new record for us and one of which we are extremely proud. This reflects strongly on the commitment of our team to their own safety, and the safety of their co-workers and the public.

2018 has been an excellent year for the MRC thanks to the hard work and commitment of the team here at the MRC and I look forward to an even more successful 2019, as we continue to deliver better waste outcomes in Perth.

Günther Hoppe
Acting Chief Executive Officer



"2018 has been an excellent year for the MRC thanks to the **hard work and commitment** of the team..."



Strategic Community Plan

Performance Against Targets 2017/18

Performance targets were assigned to each of the key performance indicators and are reported here. Their status for the year 2017/18 is shown as:

- Achieved
- Partially achieved
- Not achieved

| Indicator | Performance History | Target | Status | Actions |
|---|---|---|--------------------------------------|---------|
| Objective 1: Long Term Viability | | | | |
| 1.1 Good Corporate Governance | The MRC's corporate track record has been good to date, with only minor non-compliances recorded against the Annual Compliance Report submitted to the WA Department of Local Government | 100% compliance as recorded in the Annual Compliance Report | ● | |
| 1.2 Responsible use of Resources | The needs of a diverse group of stakeholders have seen the MRC not always engaging in activities directly aligned with its objectives, resulting in organisational creep. This has improved with a concentration on core business as it relates to our Strategic Direction. | Resources will be deployed in line with the objectives of the Strategic Community Plan | ● | |
| 1.3 Maintaining a sound financial footing with a commercial focus | The MRC has historically generated surpluses from its operations, but with increased costs of processing, has rationalised its operations and services, to provide market competitive services to stakeholders. | Performance in line with the Financial Plan, maintaining a debt ratio at or below 65% and Liquidity Ratio above 1.1 in the long term. | ● | |
| Objective 2: Effective Management | | | | |
| 2.1 Industry leading waste management and practices | The MRC has long been seen as a market leader with highly regarded facilities and waste management practices. Both international and domestic delegates and waste professionals visit the MRC on a regular basis with a view to improving their knowledge and practices. | Maintaining the MRC's position as a market leader through peer review and by continued visits by private and government delegations, and recognition of excellence by external parties. | ● | |

| Indicator | Performance History | Target | Status | Actions |
|--|---|--|--------|---------|
| 2.2 Improving resource recovery and waste diversion | Regional waste data has been used to establish a baseline for resource recovery and waste diversion for the region. This will be used in conjunction with waste audit data to measure progress and assist in identifying new initiatives. | Improved regional resource recovery and waste diversion, toward the state waste diversion target of 65% by 2020. Improving the MRC specific waste diversion results by 1% per annum of the landfill waste stream. | ● | |
| 2.3 Reliable systems and processes | The MRC has a strong history of providing and maintaining reliable systems and processes, as evidenced by compliance with legislative obligations. | Maintaining a high level of system reliability, as evidenced by IT uptime of greater than 99% and no material systems failures. | ● | |
| Objective 3: Sustainable Waste Management | | | | |
| 3.1 Engaging with new opportunities to achieve an optimal mix of waste solutions | The MRC's strategic direction is focussed on providing a number of solutions to address the variable waste streams from the region. | Pursuing new waste management opportunities at each level of the waste hierarchy in preference over landfill. | ● | |
| 3.2 Evaluating and implementing initiatives | Over the years, new waste management initiatives have been regularly presented to Council in response to contemporary waste management practices and changes in legislation and state government targets. | Present four new initiatives per annum for consideration by the Strategic Working Group. | ● | |
| 3.3 Being an effective advocate for improved waste outcomes | The MRC is taking a proactive role in setting strategic waste management direction for the region. | Continue to influence member councils to act in line with the recommendations of the Hyder report and the MRC's strategic direction. Continue to influence and support the state government to adopt more progressive waste practices and provide strategic leadership. | ● | |

Corporate Business Plan

Objective 1: Long Term Viability

| Strategic actions | | Status | Notes |
|---|--|--------|-------|
| 1.1 Manage, review and improve existing systems for the governance of the council | | | |
| 1.1.1 | Develop Council Policies requiring the discretion of the Council | ● | |
| 1.1.2 | Review the relevance of the delegations from the Council and report findings to Council | ● | |
| 1.1.3 | Ensure registers and records required by legislation are kept and maintained in compliance with the State Records Act | ● | |
| 1.1.4 | Provide a report to the Audit Committee/Council on the effectiveness of the systems in place in regard to risk management, internal control and legislative compliance, in compliance with the requirements of the Local Government Act. | ● | |
| 1.1.5 | Maintain a robust system of internal controls | ● | |
| 1.1.6 | Maintain a monthly and annual financial reporting system that provides decision useful information to stakeholders. | ● | |
| 1.2 Improve collaboration between participating councils as primary stakeholders on matters associated with waste management | | | |
| 1.2.1 | Continue with the Strategic Working Group and encourage attendance by all member council directors/executives. | ● | |
| 1.2.2 | Meet with the Chief Executive Officers of the member councils at least every six months | ● | |
| 1.2.3 | Assist the Waste Education Strategy Steering Group members in raising their profile at Council level | ● | |
| 1.2.4 | Liaise with member councils regarding direction of waste to processing facilities | ● | |
| 1.2.5 | Ongoing communications with member councils to deal with issues and unforeseen events | ● | |
| 1.2.6 | Provide ongoing induction and site training for employees of the member councils | ● | |
| 1.2.7 | Facilitate an online user group communication tool to enhance information dissemination to relevant officers of the member councils | ● | |

| Strategic actions | | Status | Notes |
|--|---|--------|-------|
| 1.3 Manage and procure suitable assets to achieve an optimal mix of waste management solutions | | | |
| 1.3.1 | Procure land to accommodate future waste processing facilities | ● | |
| 1.3.2 | Manage land sites owned or leased by the MRC | ● | |
| 1.3.3 | Manage landfill infrastructure to support the MRC's operations | ● | |
| 1.3.4 | Procure new sorting facility | ● | |
| 1.3.5 | Manage and maintain buildings owned by the MRC | ● | |
| 1.3.6 | Acquire and manage heavy plant and vehicles owned by the MRC | ● | |
| 1.3.7 | Acquire and maintain information systems | ● | |
| 1.3.8 | Prepare business cases to underpin the acquisition of major infrastructure projects | ● | |
| 1.3.9 | Develop integrated waste transport plan | ● | |
| 1.3.10 | Procure Energy from Waste processing capacity | ● | |
| 1.3.11 | Procure materials recovery facility processing capacity | ● | |
| 1.3.12 | Redevelop Transfer Station | ● | |
| 1.4 Maintain a liquidity and debt profile appropriate for an infrastructure based waste operation | | | |
| 1.4.1 | Manage debt profile through the use of external borrowings and cash raised through the gate fee | ● | |
| 1.4.2 | Manage the organisation's liquidity through appropriate cash flow forecasting and budgeting | ● | |

Corporate Business Plan (continued)

| Strategic actions | Status | Notes |
|--|--------|---|
| 1.5 Ensure the council is commercially relevant to the regional market | | |
| 1.5.1 Maintain strong networks with major commercial customers | ● | |
| 1.5.2 Survey our commercial customers to ensure we are providing a full range of services and meeting their expectations | ● | Survey commercial customers in June 2018 to explore whether there may be new business opportunities for the MRC (ie swapping tonnes to reduce overall transport costs). |
| 1.5.3 Provide services in line with market/industry trends to maintain/improve the MRC's market share | ● | |
| 1.5.4 Manage the costs of the landfill operations in line with other benchmark landfill sites | ● | MRC landfill costs are competitive in relation to other similar landfill sites. Benchmarking exercise to be undertaken in May 2018 |
| 1.5.5 Astutely manage the RRF contract | ● | |
| 1.5.6 Pursue opportunities which may present savings to the organisation (i.e. CFI credits, alternative revenue streams) | ● | |

Objective 2: Effective Management

| Strategic actions | Status | Notes |
|--|--------|--|
| 2.1 Operate waste management activities effectively | | |
| 2.1.1 Manage the environmental issues associated with operating a landfill site | ● | |
| 2.1.2 Comply with the DWER license conditions for sites owned and managed by the MRC, as well as guidelines for landfill sites | ● | |
| 2.1.3 Comply with OSH legislative requirements | ● | |
| 2.1.4 Continually review and improve Standard Operating Procedures / Job Safety Analysis | ● | |
| 2.1.5 Comply with Tamala Park site lease conditions | ● | Ongoing consideration of environmental risk insurance and assessment of pull back of the Catalina development buffer zone. |

| Strategic actions | | Status | Notes |
|--|--|--------|--|
| 2.2 Continually assess and utilise appropriate best practice waste management solutions | | | |
| 2.2.1 | Keep current with new developments in applied waste management, through networking with peer groups and attending conferences | ● | |
| 2.2.2 | Annual review of current operations with a view to continuously improving the MRC's waste management practices | ● | |
| 2.3 Make ongoing reviews of waste streams to ensure optimal recovery/diversion is achieved | | | |
| 2.3.1 | Maintain accurate records of the nature and composition of waste streams being processed | ● | |
| 2.3.2 | Educate member councils and community as to how best to manage their problematic waste streams | ● | |
| 2.3.3 | Pursue alternative treatment options for the Resource Recovery Facility residue, to improve waste recovery/diversion and reduce processing costs | ● | <i>Pursuing short term EfW tender.</i> |
| 2.3.4 | Education team to continue to pursue an education campaign focussed on achieving improved long term waste recovery/diversion performance and better uses for materials recovered | ● | |
| 2.4 Adhere to relevant policy and procedures with regards to processes | | | |
| 2.4.1 | Provide appropriate employee training to ensure awareness and importance of complying with the policies and procedures of the Council | ● | |
| 2.4.2 | Review policies and procedures on an annual basis and report findings to the management group (procedures) and Council (policies) | ● | |
| 2.5 Evaluate the effectiveness of systems and procedures in light of changing business requirements | | | |
| 2.5.1 | Ensure that the systems are fit for purpose and flexible enough to deal with change | ● | |
| 2.5.2 | Assess current systems in the light of changes in legislation and new processes | ● | |

Corporate Business Plan (continued)

Objective 3: Sustainable Waste Management

| Strategic actions | Status | Notes |
|---|--------|---|
| 3.1 Identify and adopt improved approaches to waste minimisation, resource recovery and the associated community engagement | | |
| 3.1.1 Assist member councils in finalising a new Establishment Agreement | ● | <i>The final draft of the new Establishment Agreement has been presented to the SWG and is not being progressed until the completion of a strategy review by the Member Councils.</i> |
| 3.1.2 Ensure that a new Establishment Agreement provides the MRC with flexibility to avail itself of commercial and partnership opportunities, including recycling and bulk verge collections | ● | <i>Included in the new Establishment Agreement detailed above now includes a new projects clause to facilitate commercial partnerships, and is not being progressed until the completion of a strategy review by the Member Councils.</i> |
| 3.1.3 Keep up with trends in the waste industry by networking and attending relevant courses and conferences | ● | |
| 3.1.4 Explore options with waste industry and member councils to improve/expand services | ● | |
| 3.1.5 Actively pursue new business opportunities through partnerships with other organisations | ● | |
| 3.2 Develop and integrated regional plan for waste management | | |
| 3.2.1 Work with the Strategic Working Group to develop an integrated regional plan | ● | <i>Awaiting confirmation of the plan content required from the Waste Authority.</i> |
| 3.2.2 Engage with stakeholder groups to determine their needs and industry trends | ● | |
| 3.2.3 Ensure that the integrated regional plan contains a marketing and communication strategy focused on achieving improved long term waste diversion performance as per the plan | ● | <i>Refer comment under 3.2.1. MRC to advocate that Regional Council should develop plans on behalf of the local governments within its region and provide waste statistical data to the Waste Authority for the Region.</i> <i>Member councils to develop their own Waste Plans first.</i> |

| Strategic actions | Status | Notes |
|---|--------|-------|
| 3.3 Identify opportunities for the MRC to participate in the operation of additional waste management ventures based on proven technologies | | |
| 3.3.1 Develop relationships with relevant commercial operators with a view to identifying possible joint ventures | ● | |
| 3.3.2 Collaborate with peer organisations with like facilities to benefit from each other's intellectual property or identify opportunities for shared projects | ● | |
| 3.4 Partner with organisations in order to advocate for new and innovative approaches to waste minimisation and resource recovery | | |
| 3.4.1 Actively participate as a member of the Municipal Waste Advisory Council (MWAC) | ● | |
| 3.4.2 Develop further our working relationship with the Waste Authority and the Department of Water, Environment Regulation (DWER) | ● | |
| 3.4.3 Participate as an active member of professional and operational industry groups/associations | ● | |
| 3.4.4 Engage with councils to improve waste recovery/diversion targets through sorting at source and varied collection strategies | ● | |
| 3.5 Provide and contribute to community and industry leadership, through a strong focus on environmental, economic, social and governance principles and practices | | |
| 3.5.1 Participate in community groups/forums that are relevant to the MRC's operations | ● | |
| 3.5.2 Develop new opportunities to educate the community about the waste hierarchy and the impact they can have on improving waste outcomes | ● | |
| 3.5.3 Provide leadership on improving waste recovery/diversion through participation in relevant forums, committees and public consultation groups | ● | |
| 3.5.4 Evaluate projects and initiatives against the MRC's Vision and Mission imperatives | ● | |

The Year at a Glance



The landfill opened in 1991 and since accepting its first load has received over **7 million tonnes** of largely what is termed Municipal Solid Waste (MSW).

Landfill

The landfill opened in 1991 and since accepting its first load has received over 7 million tonnes of largely what is termed Municipal Solid Waste (MSW), this being the everyday type waste generated by households and small commercial establishments.

During the financial year 2017/2018 there was 178,282 tonnes (193,733 tonnes during 2016/2017) of waste landfilled at Tamala Park with 49,929 tonnes of this being residues from the Resource Recovery Facility (RRF) at Neerabup.

We are currently tipping in the last stage of the landfill referred to as Stage 2, Phase 3. It is expected to last until circa 2028, depending on the volume of waste we receive in the coming years. The MRC is working on an end of life landfill plan for the Stage 2, Phase 3 cell to ensure sensitive issues such as odour, leachate, wind-blown litter and dust monitoring are considered together with the rehabilitation of the land.

As Member Councils find alternative ways to deal with their waste, the overall trend of landfill tonnes is decreasing, and as a result an

operational restructure of the landfill staff was conducted within the year to address the issue resulting in operational expenditure savings.

During the year we have focussed on improving communications with external drivers who enter the tipface to further improve the safety of our staff and customers alike. A leaflet is now included into the induction process of any new driver that explains the standards set by MRC.

Implementation of a rainfall management plan has diverted millions of litres of water from soaking into the landfill operating area, averting any contamination issues. This will be further addressed in the next financial year.

The MRC completed an audit of all vehicles entering Tamala Park and the RRF for compliance against each individual vehicle's gross vehicle/combination mass (GCM). This audit was initiated to ensure that MRC has appropriately discharged its responsibilities under Road Traffic (Chain of Responsibility) regulations.

Resource Recovery

A new shop development has been underway in the financial year, almost doubling the shop space and creating a larger weather protected environment reducing any stock having to be landfilled due to being ruined by the elements. The shop will officially open on 1 September 2018. The resource recovery income for the financial year was \$844,650; \$455,547 relating to sales through the shop and \$389,102 relating to sales of paper, metal, batteries and polystyrene.

We collaborated with Good Sammy's during the year to find further avenues to reduce waste to landfill. We have seen a drop in fridges and mattresses dropped off throughout the year as Councils make changes to their bulk collections.



Environmental

During the year the MRC has implemented 5 more groundwater sampling sites and 40 more landfill gas monitoring sites and a landfill gas surface emission investigation was also conducted. Odour audits showed a 45% reduction in odour on site with the implementation of an odour management plan. A further leachate evaporation pond was installed which assists in removing leachate that is generated by the landfill.

National Tree Planting day was the most successful one to date where we can see a high success rate of plants helping to screen the landfill from the northern neighbours in the new Catalina suburb.

OHS

The MRC has completed another safe and successful year with the Team proudly achieving the significant milestone of no Lost Time Injury (LTI) events for the whole of the financial year. The success of reaching this milestone can be attributed to the

consistent dedication shown by staff in ensuring a safety first mindset when completing their individual activities.

Our 3 yearly safety audit conducted by LGIS saw the MRC achieve a Due Diligence in Safety award in recognition of our performance and commitment to safety. This award, coupled with historically low rates of serious incidents being reported across site, was welcome recognition to the staff who continue to challenge behavioural 'norms' in the interest of implementing best practice initiatives.

Upskilling staff for employment across multiple work areas, from chemical handling to heavy plant operations has increased the baseline knowledge of staff providing greater understanding between departments and improved efficiencies overall. This upskill program followed a 'job shadow' initiative allowing staff to experience a day in the life of their colleagues from other departments that has helped improve overall understanding of MRC's activities for those that participated.



National Tree Planting day was the most successful one to date where we can see a high success rate of plants helping to screen the landfill.



face your waste

During the year the MRC launched the **'face your waste'** campaign signing up over 200 bin ambassadors across the region, who are willing to have the clear bins at their households.

A consolidated effort to ensure emergency preparedness across the organisation was achieved through reinforcement training and interaction with local DFES units. The MRC was once again able to make Tamala Park available for emergency services heavy recovery training on multiple occasions throughout the year, providing opportunities for local DFES units to exercise their own skills, whilst at the same time increasing their familiarity with the MRC's landfill operations.

Not solely focused upon safety in the workplace, the MRC has continued to deliver a number of welfare initiatives to staff, from awareness campaigns to practical health assessments. With a holistic approach to health and wellbeing as a means of complementing individual workplace health and safety, these initiatives included;

- Skin cancer screening,
- Health assessments,
- Immunisations programs, from flu to hepatitis, and;
- Awareness campaigns for the likes of Cancer, Alcohol and Drugs, and mental health.

Education and Community Engagement

The MRC's education team continues to focus on our vision of "winning back waste". The main objectives are to;

- Act as an advocate for change at all levels
- Improve community awareness and understanding of waste issues
- Encourage reduce, reuse, recycle and dispose wisely ethos and behaviours
- Encourage engagement on many levels to have waste dealt with as high on the waste hierarchy as practicable
- Promote infrastructure solutions as integral to the aim of diverting waste from landfill.

During the year the MRC launched the 'face your waste' campaign signing up over 200 bin ambassadors across the region, who are willing to have the clear bins at their households to help communicate and confront the amount of waste we are producing and inspire us to do better. The campaign has seen Member Councils place the 20 bins in high prominent streets in their Towns/Cities.

The MRC website was further developed to include online tour bookings, event registrations and feedback sections. This will hopefully reduce our administration time and create an easier pathway for communities to book tours and event. An A-Z disposal guide was also produced to advise customers of how to dispose of general and problematic items.

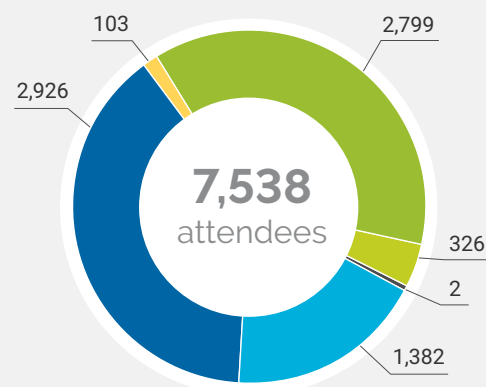
Earth Carers is a community outreach program promoting an ethos of "living with less waste". There are 495 active earth carers on record with 70 graduating within the financial year.

Some events that the team provided support to are; Perth royal show, Wanneroo show, Skyworks, Joondalup festival, garden week, Hyde park fair and Perth science festival.

Visit, Talks and Workshops

The education team presented tours and talks to various groups and over 7,500 attendees throughout the financial year 2017/2018;

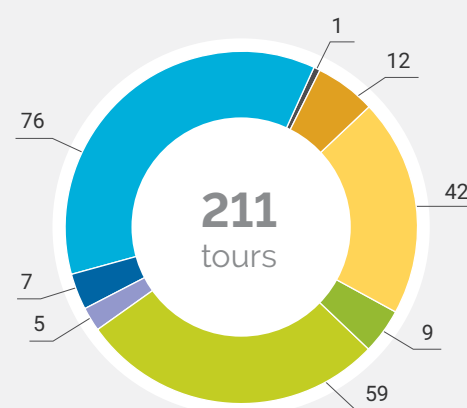
| Type of event | No. of attendees |
|-------------------------------|------------------|
| Battery assembly | 1,382 |
| Composting, worms and gardens | 2,926 |
| Nude your food | 103 |
| Waste and recycling talks | 2,799 |
| Waste audit | 326 |
| Other | 2 |
| TOTAL | 7,538 |



This has increased by over 1,800 attendees from the previous financial year.

Tours by Council (July 2017 – June 2018)

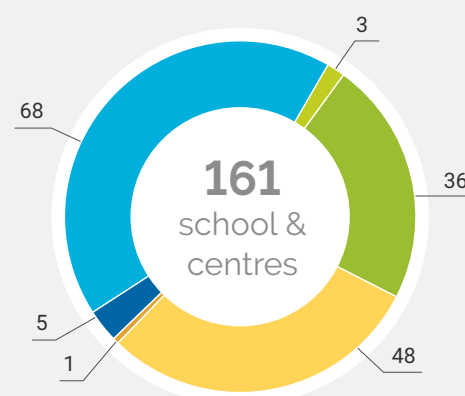
| Council | Number of tours |
|-----------------------|-----------------|
| Town of Cambridge | 12 |
| City of Joondalup | 42 |
| City of Perth | 9 |
| City of Stirling | 59 |
| Town of Victoria Park | 5 |
| City of Vincent | 7 |
| City of Wanneroo | 76 |
| Other | 1 |
| TOTAL | 211 |



MRC has continued its close working relationship with Waste Wise Schools with the purpose of delivering a broader and more consistent waste education program into schools throughout the region.

Visits to schools & day care centres by Council (July 2017 – June 2018)

| Council | Number of visits |
|-----------------------|------------------|
| Town of Cambridge | 3 |
| City of Joondalup | 36 |
| City of Perth | 0 |
| City of Stirling | 48 |
| Town of Victoria Park | 1 |
| City of Vincent | 5 |
| City of Wanneroo | 68 |
| TOTAL | 161 |





Financial Statements

Review of Financial Performance for the Year

The financial statements included in this report reflect the results and financial position of the Mindarie Regional Council (MRC) for the year ended 30 June 2018 and should be read in conjunction with the accounting policies and precepts adopted by the MRC.

Total comprehensive income

The total comprehensive income for the year ended 30 June 2018 was a surplus of \$2,217,743 (2016/17: \$248,548).

The surplus for the year is attributable to realised revaluation gains and savings made through an efficiency review.

Total operating revenues

The total operating income of \$53,906,517 has increased by \$1,317,812 (2.5%) compared with the previous year, primarily as a result of the increase in fees and charges received.

Operating expenses

The total operating expenditure for the year of \$52,728,036 has increased by \$140,950 (0.27%) compared to the previous year, as MRC conducted and implemented an efficiency savings review within the financial year.

Actual expenses are \$2,484,989 less than the budget for 2017/18, as a result of lower tonnes received from member councils during the year, combined with operational savings achieved across the business. \$1,579,934 of this saving relates to an agreement with the Western Metropolitan Regional Council (WMRC), which was budgeted for, but not incurred.

Significant variances in operating expenditure compared to the prior year were as a result of:

- Materials and Contracts

Expenditure increased by \$1,206,648 from 2016/17 primarily as a result of the RRF being operational all year.

Overall, the MRC produced a good result for the year compared to the budget deficit of \$1,800,747 as a result of operational savings achieved across the business.

Disposal Fees and Charges

Disposal fees and charges for the year ended 30 June 2018 are shown in the table below, as dollars per tonne inclusive of GST, unless otherwise indicated.

| GENERAL ENTRY | |
|--|----------|
| 0. Member local government | \$198.00 |
| 1. Minimum entry to site | \$17.00 |
| 2. General waste – price per tonne | \$210.00 |
| SPECIFIED MATERIALS | |
| 3. Asbestos – per tonne | \$250.00 |
| 4. Mattresses – per item (<i>in addition to general entry rate where part of a mixed load</i>) | \$25.00 |
| 5. Tyres – per tonne | \$355.00 |
| 6. Small animals – per animal | \$17.00 |
| 7. Large animals – per animal | \$35.00 |
| 8. Controlled waste – per tonne | \$240.00 |
| 9. Lightweight bulk material – per cubic metre | \$80.00 |
| 10. Special burials – per 5 cubic metres (<i>in addition to general entry rate</i>) | \$240.00 |
| 11. Odorous loads – per tonne | \$240.00 |
| 12. Car gas cylinders/industrial gas cylinders – per item | \$65.00 |
| 13. Fluorescent tubes – commercial loads – per item | \$0.40 |
| 14. Clean green waste – per tonne | \$80.00 |
| PENALTY CHARGES | |
| 15. Replacement of Driver Control Station cards | \$60.00 |
| 16. Replacement of gate access remotes | \$160.00 |
| 17. Tipping with no payment (drive-aways) | \$110.00 |
| 18. Clean up charge (per half hour) plus any 3rd party costs | \$150.00 |
| WEIGHBRIDGE UNAVAILABILITY | |
| 19. Uncompacted waste – per axle | \$45.00 |
| 20. Compacted waste – per axle | \$90.00 |

Waste Processed by the Mindarie Regional Council

The table below reflects the waste received for processing by the MRC over the period since it commenced operations in 1991.

| Period/Year | Total tonnes received by the MRC | Tonnes diverted to the RRF | Residue returned from RRF | Tonnes landfilled at Tamala Park | Tonnes landfilled offsite |
|--------------|----------------------------------|----------------------------|---------------------------|----------------------------------|---------------------------|
| 1991 | 32,991 | - | - | 32,991 | - |
| 1992 | 150,487 | - | - | 150,487 | - |
| 1993 | 156,024 | - | - | 156,024 | - |
| 1994 | 151,945 | - | - | 151,945 | - |
| 1995 | 163,818 | - | - | 163,818 | - |
| 1996 | 179,006 | - | - | 179,006 | - |
| 1997 | 186,875 | - | - | 186,875 | - |
| 1998 | 225,620 | - | - | 225,620 | - |
| 1999 | 249,114 | - | - | 249,114 | - |
| 2000 | 336,502 | - | - | 336,502 | - |
| 2001 | 339,285 | - | - | 339,285 | - |
| 2002 | 331,576 | - | - | 331,576 | - |
| 2003 | 319,756 | - | - | 319,756 | - |
| 2004 | 328,655 | - | - | 328,655 | - |
| 2005 | 333,437 | - | - | 333,437 | - |
| 2006 | 349,156 | - | - | 349,156 | - |
| 2007 | 352,544 | - | - | 352,544 | - |
| 2008 | 380,189 | - | - | 380,189 | - |
| 2009 | 368,495 | 7,868 | 2,112 | 362,739 | - |
| 2010 | 352,035 | 65,010 | 28,889 | 315,914 | - |
| 2011 | 323,834 | 97,353 | 44,489 | 270,970 | 4,276 |
| 2012 | 249,783 | 105,213 | 45,414 | 189,984 | 6,239 |
| 2013 | 234,237 | 97,957 | 48,016 | 184,296 | 965 |
| 2014 | 339,262 | 101,622 | 44,059 | 281,699 | - |
| 2015 | 320,785 | 105,657 | 51,575 | 266,703 | - |
| 2016 | 267,798 | 76,126 | 39,076 | 230,748 | - |
| 2017 | 249,062 | 106,463 | 51,134 | 193,733 | - |
| 2018 | 233,884 | 105,531 | 49,929 | 178,282 | - |
| TOTAL | 7,506,156 | 868,801 | 404,693 | 7,042,049 | 11,480 |

Waste Delivered Analysed by Source

Waste received by the MRC is analysed by major source in the table below for the current and previous year.

| Source | Tonnes received by the MRC 2018 | Tonnes diverted to the RRF | Tonnes landfilled at Tamala Park | Tonnes received by the MRC 2017 | Variance |
|-----------------------|--|----------------------------------|--|--|-----------------|
| Town of Cambridge | 6,766 | - | 6,766 | 7,157 | (391) |
| City of Joondalup | 52,106 | 39,419 | 12,687 | 54,283 | (2,177) |
| City of Perth | 13,410 | - | 13,410 | 13,872 | (462) |
| City of Stirling | 54,823 | - | 54,823 | 65,451 | (10,628) |
| Town of Victoria Park | 12,025 | 10,528 | 1,497 | 12,328 | (303) |
| City of Vincent | 13,672 | 7,661 | 6,011 | 14,185 | (513) |
| City of Wanneroo | 65,415 | 47,923 | 17,492 | 66,593 | (1,178) |
| Total members | 218,217 | 105,531 | 112,686 | 233,869 | (15,652) |
| Other casuals | 15,667 | - | 15,667 | 15,193 | 474 |
| Total casuals | 15,667 | - | 15,667 | 15,193 | 474 |
| RRF residue* | 49,929 | - | 49,929 | 51,134 | (1,205) |
| Total other | 49,929 | - | 49,929 | 51,134 | (1,205) |
| TOTAL | 283,813 | 105,531 | 178,282 | 300,196 | (16,383) |

* Not considered as part of the external tonnes received by the MRC in calculating the 233,884 tonnes (2017: 249,062) of waste received by the MRC.

Mindarie Regional Council

Financial Report

For the year ended 30 June 2018

Local Government Act 1995

Local Government (Financial Management) Regulations 1996

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

The attached financial statements, including the supporting notes and information, is based on proper accounts and records so as to present fairly the financial position of the Mindarie Regional Council as at 30 June 2018 and the results of its operations for the financial year then ended, in accordance with the Local Government Act 1995 and, to the extent that they are not inconsistent with the Act, the Australian Accounting Standards.

Signed as authorisation of issue on the 7th day of November 2018.

A handwritten signature in black ink, appearing to be 'G. Hoppe', written in a cursive style.

Günther Hoppe

Chief Executive Officer

Independent Auditor's Report

to the Members of the Mindarie Regional Council



Certified Practising Accountants

PARTNERS

Anthony Macri FCPA
Domenic Macri CPA
Connie De Felice CA

INDEPENDENT AUDITOR'S REPORT

TO: MEMBERS OF MINDARIE REGIONAL COUNCIL

Report on the Financial Report

Opinion

We have audited the financial report of **Mindarie Regional Council** (the Council), which comprises the Statement of Financial position as at 30 June 2018, the Statement of Comprehensive Income by Nature or Type, Statement of Comprehensive Income by Program, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information and Statement by Chief Executive Officer.

In our opinion, the annual financial report of the **Mindarie Regional Council** is:

- (i) based on proper accounts and records ; and
- (ii) fairly represents, in all material respects, the results of the operations of the Council for the year ended 30 June 2018 and its financial position at the end of that period in accordance with the *Local Government Act 1995* (the Act) and, to the extent that they are not consistent with the Act, Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with the auditor independence and ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report

to the Members of the Mindarie Regional Council

INDEPENDENT AUDITOR'S REPORT (Cont'd)

Responsibilities of the Chief Executive Officer and Council for the Financial Report

The Chief Executive Officer (CEO) of the Council is responsible for the preparation and fair presentation of the annual financial report in accordance with the requirements of the Act, the Regulations and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards. The CEO is also responsible for such internal control as the CEO determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the CEO is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State government has made decisions affecting the continued existence of the Council.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditor's Report

to the Members of the Mindarie Regional Council

INDEPENDENT AUDITOR'S REPORT (Cont'd)


Report on Other Legal and Regulatory Requirements

In accordance with the *Local Government (Audit) Regulations 1996*, we also report that:

- (a) In our opinion, there are no matters that indicate significant adverse trends in the financial position or financial management practices of the Council.
- (b) In our opinion, the asset consumption ratio and the asset renewal funding ratio included in the annual financial report were supported by verifiable information and reasonable assumptions:
- (c) All required information and explanations were obtained by us.
- (d) All audit procedures were satisfactorily completed.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the **Mindarie Regional Council** for the year ended 30 June 2018 included on the Council's website. Management is responsible for the integrity of the Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.


MACRI PARTNERS
CERTIFIED PRACTISING ACCOUNTANTS
SUITE 2, 137 BURSWOOD ROAD
BURSWOOD WA 6100


A MACRI
PARTNER

PERTH
DATED THIS 7TH DAY OF NOVEMBER 2018.

Statement of Comprehensive Income

(by nature and type)

For the year ended 30 June 2018

| | Notes | ACTUAL 2017/2018 \$ | BUDGET 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---|-------|---------------------------|---------------------------|---------------------------|
| Revenue from ordinary activities | | | | |
| Grants and subsidies | 34 | 8,000 | - | - |
| Contributions, reimbursements and donations | | 40,244 | 5,000 | 18,329 |
| Fees and charges | | 51,193,763 | 51,969,330 | 50,257,056 |
| Gas generation services | 2 | 1,519,666 | 730,000 | 1,288,449 |
| Interest earnings | 2 | 588,526 | 437,000 | 540,922 |
| Other revenue | 2 | 556,318 | 256,214 | 483,949 |
| Total operating income | | 53,906,517 | 53,397,544 | 52,588,705 |
| Operating expenses | | | | |
| Employee costs | | (5,151,579) | (5,337,039) | (5,150,277) |
| Materials and contracts | | (30,636,656) | (32,956,154) | (29,430,008) |
| Utilities | | (308,509) | (329,600) | (293,119) |
| Depreciation | 2 | (1,822,729) | (1,788,810) | (1,888,555) |
| Borrowing costs | 2 | (63,447) | (63,447) | (89,168) |
| Insurance | | (174,409) | (271,527) | (162,631) |
| Amortisation | 2 | (3,062,169) | (2,616,011) | (4,004,402) |
| Other expenses | 2 | (11,508,538) | (11,850,437) | (11,568,926) |
| Total operating expenses | | (52,728,036) | (55,213,025) | (52,587,086) |
| Profit from ordinary activities | | 1,178,481 | (1,815,481) | 1,619 |
| Profit on sale of assets | 23 | 29,489 | 18,526 | 35,445 |
| Loss on sale of assets | | - | (3,792) | (57,190) |
| Impairment of assets | | - | - | - |
| | | 29,489 | 14,734 | (21,745) |
| NET RESULT | | 1,207,970 | (1,800,747) | (20,126) |
| Other comprehensive income | | | | |
| Net change on revaluation of assets | 18 | 1,009,773 | - | 268,674 |
| Total other comprehensive income | | 1,009,773 | - | 268,674 |
| TOTAL COMPREHENSIVE INCOME | | 2,217,743 | (1,800,747) | 248,548 |

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

Statement of Comprehensive Income

(by program)

For the year ended 30 June 2018

| | Notes | ACTUAL 2017/2018 \$ | BUDGET 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---|-------|---------------------------|---------------------------|---------------------------|
| Operating revenues | | | | |
| General Purpose Funding | | 53,906,517 | 53,397,544 | 52,588,705 |
| Total operating revenues | | 53,906,517 | 53,397,544 | 52,588,705 |
| Profit on disposal of assets | | | | |
| Community amenities | | 29,489 | 18,526 | 35,445 |
| Total profit on disposal of assets | 23 | 29,489 | 18,526 | 35,445 |
| Operating expenses | | | | |
| Governance | | (3,890,923) | (4,262,862) | (3,558,151) |
| Community amenities | | (20,721,406) | (22,846,967) | (22,160,263) |
| Resource recovery facility | | (28,052,260) | (28,039,749) | (26,779,504) |
| Total operating expenses | | (52,664,589) | (55,149,578) | (52,497,918) |
| Loss on sale of assets | | | | |
| Community amenities | | - | (3,792) | (57,190) |
| Total loss on sale of assets | 23 | - | (3,792) | (57,190) |
| Finance costs | | | | |
| Community amenities | | - | - | (2,751) |
| Resource recovery facility | | (63,447) | (63,447) | (86,417) |
| Total finance costs | 2 | (63,447) | (63,447) | (89,168) |
| NET RESULT | | 1,207,970 | (1,800,747) | (20,126) |
| Other comprehensive income | | | | |
| Net change on revaluation of assets | 18 | 1,009,773 | - | 268,674 |
| Total other comprehensive income | | 1,009,773 | - | 268,674 |
| TOTAL COMPREHENSIVE INCOME | | 2,217,743 | (1,800,747) | 248,548 |

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

Statement of Financial Position

As at 30 June 2018

| | Notes | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--------------------------------------|-------|---------------------------|---------------------------|
| Current assets | | | |
| Cash and cash equivalents | 3 | 30,499,928 | 25,240,291 |
| Trade and other receivables | 4 | 3,145,629 | 3,633,418 |
| Inventories | 5 | 15,733 | 10,667 |
| Other current assets | 6 | 382,706 | 297,363 |
| Total current assets | | 34,043,996 | 29,181,739 |
| Non-current assets | | | |
| Property, plant and equipment | 7 | 13,949,922 | 14,139,186 |
| Infrastructure | 8 | 6,714,459 | 6,384,457 |
| Excavation work | 9 | 26,914,614 | 27,747,481 |
| Resource recovery facility | 10 | 5,088,863 | 5,551,578 |
| Rehabilitation asset | 11 | 5,451,885 | 6,150,828 |
| Total non-current assets | | 58,119,743 | 59,973,530 |
| TOTAL ASSETS | | 92,163,739 | 89,155,269 |
| Current liabilities | | | |
| Trade and other payables | 12 | 6,319,988 | 5,920,277 |
| Provisions | 13 | 875,860 | 854,398 |
| Borrowings | 14 | 117,948 | 184,781 |
| Total current liabilities | | 7,313,796 | 6,959,456 |
| Non-current liabilities | | | |
| Provisions | 13 | 99,020 | 72,731 |
| Borrowings | 14 | 855,078 | 973,026 |
| Rehabilitation provision | 15 | 15,949,356 | 15,495,138 |
| Other liabilities | 16 | 39,983 | 39,983 |
| Total non-current liabilities | | 16,943,437 | 16,580,878 |
| TOTAL LIABILITIES | | 24,257,233 | 23,540,334 |
| NET ASSETS | | 67,906,506 | 65,614,935 |
| EQUITY | | | |
| Retained surplus | | 10,303,109 | 14,685,948 |
| Reserves | 17 | 22,739,391 | 17,148,581 |
| Revaluation surplus | 18 | 30,778,280 | 29,768,507 |
| Council contributions | 19 | 4,085,726 | 4,011,899 |
| TOTAL EQUITY | | 67,906,506 | 65,614,935 |

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

Statement of **Changes in Equity**

For the year ended 30 June 2018

| | Retained Surplus \$ | Reserves \$ | Revaluation Surplus \$ | Council Contributions \$ | Total \$ |
|--|------------------------------------|------------------------|---------------------------------------|---|---------------------|
| Balance as at 1 July 2016 | 18,558,616 | 13,236,507 | 29,499,833 | 3,727,249 | 65,022,205 |
| Net result | (20,126) | - | - | - | (20,126) |
| Council Contributions | - | - | - | 284,650 | 284,650 |
| Transfer (to)/From Reserves | (3,912,074) | 3,912,074 | - | - | - |
| Net increase on revaluation of assets | - | - | 268,674 | - | 268,674 |
| Adjustment on asset disposal | 59,532 | - | - | - | 59,532 |
| Balance as at 30 June 2017 | 14,685,948 | 17,148,581 | 29,768,507 | 4,011,899 | 65,614,935 |
| Balance as at 1 July 2017 | 14,685,948 | 17,148,581 | 29,768,507 | 4,011,899 | 65,614,935 |
| Net result | 1,207,970 | - | - | - | 1,207,970 |
| Council Contributions | - | - | - | 73,827 | 73,827 |
| Transfer (to)/From Reserves | (5,590,810) | 5,590,810 | - | - | - |
| Net increase on revaluation of assets | - | - | 1,009,773 | - | 1,009,773 |
| Roundings | 1 | - | - | - | 1 |
| Balance as at 30 June 2018 | 10,303,109 | 22,739,391 | 30,778,280 | 4,085,726 | 67,906,506 |

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

Statement of Cash Flows

For the year ended 30 June 2018

| | Notes | ACTUAL 2017/2018 \$ | BUDGET 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|-------|---------------------------|---------------------------|---------------------------|
| Cash flows from operating activities | | | | |
| <u>Receipts</u> | | | | |
| Grants and subsidies | | 8,000 | - | - |
| Contributions, reimbursements and donations | | 40,244 | 5,000 | 18,329 |
| Service charges | | 1,519,666 | 730,000 | 1,288,449 |
| Fees and charges | | 57,019,313 | 59,427,384 | 55,386,674 |
| Interest earnings | | 476,682 | 437,000 | 479,714 |
| Other revenue | | 571,073 | 252,600 | 495,768 |
| <u>Payments</u> | | | | |
| Employee costs | | (5,101,890) | (4,907,674) | (5,090,609) |
| Materials and contracts | | (33,570,367) | (34,326,870) | (32,735,553) |
| Utilities | | (308,509) | (329,600) | (293,119) |
| Borrowing costs | | (63,447) | (63,447) | (89,168) |
| Insurance | | (174,409) | (267,027) | (162,631) |
| Other expenditure | | (11,508,538) | (14,065,401) | (11,568,924) |
| GST Paid | | (1,999,596) | - | (1,717,857) |
| Net cash from operating activities | 20(b) | 6,908,222 | 6,891,965 | 6,011,073 |
| Cash flows from investing activities | | | | |
| Payments for purchases of property, plant and equipment and infrastructure | | (1,635,605) | (6,536,048) | (1,619,644) |
| Council contributions | | 73,827 | 69,603 | 284,650 |
| Payments for work-in-progress | | - | - | (157,720) |
| Proceeds from sale of assets | | 97,974 | 468,482 | 154,499 |
| Net cash used in investing activities | | (1,463,804) | (5,997,963) | (1,338,215) |
| Cash flows from financing activities | | | | |
| Repayments of loans | 14 | (184,781) | (136,803) | (4,225,732) |
| Proceeds from new loans | | - | 6,000,000 | - |
| Net cash (used in)/from financing activities | | (184,781) | 5,863,197 | (4,225,732) |
| Net increase in cash and equivalents | | 5,259,637 | 6,757,199 | 447,126 |
| Cash and cash equivalents 1 July 2017 | 20(a) | 25,240,291 | 18,234,899 | 24,793,165 |
| Cash and cash equivalents 30 Jun 2018 | 20(a) | 30,499,928 | 24,992,098 | 25,240,291 |

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

Notes to and forming part of the Financial Statements

For the year ended 30 June 2018

1. Significant Accounting Policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of this financial report:

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations (as they apply to local governments), other mandatory professional reporting requirements, the *Local Government Act 1995* and accompanying regulations.

Except for cash flow information, the report has also 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

The preparation of the financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, 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 for judgements made in the absence of alternative sources of information. Actual results may differ from these estimates.

A key forecasting variable is the expected tonnes to landfill. Estimates of future tonnes have been based on the expected population growth forecasts for each of the member councils. There is inherent volatility in these estimates as they are subject to changes in consumer

behavior, advances in technology and intervention by State Government through mechanisms such as the landfill levy.

The calculation of amortisation on the excavation assets is based on specific estimates and judgements on the total capital costs and capacity of the landfill site. The amortisation rate charged is reviewed regularly and is based on an average cost per tonne. The cost per tonne is arrived at after taking into account a standard engineering cost per cubic metre of landfill and the estimated density of the waste. The amortisation expense is arrived at by applying the amortisation rate to the actual tonnages sent to landfill during the financial year.

(b) The Local Government reporting entity

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

In the process of reporting on the MRC as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated. The MRC did not hold any trust fund monies for the year ended 30 June 2018.

(c) Good and services tax

In accordance with recommended practice, revenues, expenses and assets are recognised net of any goods and services tax (GST) recoverable. Receivables and payables on the statement of financial position, are stated inclusive of GST.

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 included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities is included as operating cash flows.

Notes to and forming part of the **Financial Statements** (continued)

1. Significant Accounting Policies (continued)

(d) Cash and cash equivalents

Cash and cash equivalents on the statement of financial position are comprised of cash at bank and in hand, and short term deposits with an original maturity of 12 months or less, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Bank overdrafts are shown as short term borrowings under current liabilities in the Statement of Financial Position.

For the purpose of the Statement of Cash Flows, cash and equivalents consists of cash and equivalents as defined above, net of outstanding bank overdrafts.

(e) Trade and other receivables

Trade and other receivables include amounts due from member councils for waste processing and gate fees and are recorded at amounts due, less any allowance for doubtful debts.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value. Estimated replacement value is used as a proxy for net realisable value.

(g) Acquisition of assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition, plus any costs incidental to the acquisition. In the event that settlement of all or part of the acquisition price is deferred beyond normal credit terms, the purchase consideration is determined by discounting the amounts payable to their present value at date of acquisition.

(h) Property, plant and equipment, excavation work and infrastructure assets

Property, plant and equipment, excavation work and infrastructure assets are brought to account at cost, or fair value, less any accumulated depreciation, amortisation or impairment losses, where applicable.

Initial Recognition and Measurement between Mandatory Revaluation Dates

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the MRC includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the MRC and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the statement of comprehensive income in the period in which they are incurred.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation at the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Notes to and forming part of the **Financial Statements** (continued)

1. **Significant Accounting Policies** (continued)

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Those assets carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses, are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

In addition, the amendments to the Financial Management Regulations mandating the use of Fair Value impose a further minimum of 3 years revaluation requirement. As a minimum, all assets carried at a revalued amount, will be revalued at least every 3 years.

Computers and equipment, furniture and equipment and infrastructure have been independently valued during the 2017/18 financial year. These asset classes have been revalued to fair value in line with the valuer's report, with the increase in fair value being reflected in a revaluation surplus account. Any impairment in values have been recognised directly in the statement of comprehensive income in the current year.

The next valuation will be carried out in the 2018/19 financial year which will cover Plant and equipment. Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

Fixed assets are written down to recoverable amount where the carrying value of any fixed asset exceeds its recoverable amount. In determining the recoverable amount of fixed assets, the expected net cash flows are discounted to their present value.

Land Under Control

In accordance with Local Government (Financial Management) Regulation 16(a), the MRC is required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a sporting or recreational facility of State or regional significance.

The MRC does not have any Crown Land which comes under this regulation.

Land Under Roads

In Western Australia, all land under roads is Crown Land, the responsibility for managing which, is vested in the local government. Local Government (Financial Management) Regulation 16 (a)(i) prohibits local governments from recognising such land as an asset.

The MRC does not have any land which would fall within the ambit of the above regulation.

(i) Depreciation

Depreciation is provided on property, plant and equipment, including buildings but excluding freehold land. All non-current assets having a limited useful life are separately and systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Assets are depreciated on a straight-line basis using rates which are reviewed each financial year to take into account changes in the estimated useful lives of assets. The following estimated useful lives are used in the calculation of depreciation:

| | |
|---|-------------------------------------|
| Buildings | 20 years |
| Plant and equipment | 6 ² / ₃ years |
| Furniture and fittings | 5 years |
| Computers and equipment (excluding servers) | 3 years |
| Computers and equipment (servers) | 5 years |
| Roads, landscaping, fences, walls and security lighting | 20 years |

Assets less than \$1,000 are not capitalised.

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

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

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

When revalued assets are disposed of, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Notes to and forming part of the **Financial Statements** (continued)

1. Significant Accounting Policies (continued)

(j) Leased assets

The MRC has no leased assets classified as finance leases. Operating lease payments are recognised as an expense consistent with the pattern in which the economic benefits from the asset are consumed.

(k) Impairment

In accordance with Australian Accounting Standards, the MRC's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication that they may be impaired. Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 'Impairment of Assets' and appropriate adjustments made.

An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard whereby an impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

(l) Trade and other payables

Trade payables and other accounts payable are recognised when the MRC becomes obliged to make future payments resulting from the purchase of goods and services. The amounts are unsecured, recognised as a current liability and are usually paid within 30 days of recognition.

(m) Employee benefits

A provision is made for benefits accruing to employees in respect of salaries and wages, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably. Under the MRC workplace agreement, employees are paid for any unused sick leave on termination, based on a graduated entitlement defined in the agreement.

(i) Short term benefits

The provision for employees' benefits made in respect of salaries and wages, annual leave, sick leave and other employee benefits expected to be settled within 12 months represents the amount for which the MRC has an obligation arising from

employee services received up to the year end date. The provision has been calculated at the nominal amounts due, based on the remuneration rates the MRC expects to pay and includes related on-costs.

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

(ii) Long term benefits

Employee benefits payable later than one year have been measured at the present value of the expected future payments to be made in respect of the services provided by employees up to the reporting date. Consideration is given to expected future remuneration rates, anticipated employee departures and periods of service. Expected future payments are discounted using an appropriate risk-free discount rate, 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 re-measurements 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 MRC's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the MRC does not have the unconditional right to defer settlement beyond 12 months after the end of the reporting period, in which case the liability is recognised as a current liability.

(n) Interest bearing loans and borrowings

All loans and borrowings are recognised at the fair value of the consideration received less any directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured using their applicable repayment schedules. Fees paid on the establishment of loan facilities are recognised in the income statement. Borrowings are classified as non-current liabilities, with repayments due within 12 months after year end date recognised as current liabilities.

Notes to and forming part of the **Financial Statements** (continued)

1. Significant Accounting Policies (continued)

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 the commencement date for capitalisation is after 1 January 2009. Where this is the case, they are capitalised as part of the cost of the particular asset.

(o) Superannuation

In line with Superannuation Guarantee statutory requirements, the MRC makes a mandatory 9.5% contribution of the normal salary of qualifying employees, to the employees' nominated superannuation funds. In addition to this, the MRC matches contributions made by employees to these nominated superannuation funds on a sliding scale up to a limit of 7%.

(p) Provisions

Provisions are recognised when the MRC has a present legal or constructive obligation as a result of past events, which is likely to result in a reliably measurable outflow of resources to settle the obligation.

When the obligation is matched by a claim against a third party, the receivable from the third party claim is recognised as an asset to the extent that it is reliably measurable and likely to be realised.

(q) Provisions for restoration, rehabilitation, and site monitoring costs

The MRC complies with the full provision method for accounting provisions in respect of restoration, rehabilitation and site monitoring costs. Charges are made to expenses based on the estimated costs of restoring, rehabilitating and monitoring the Tamala Park landfill site. The rate charge is reviewed annually and is based on an estimated cost per tonne. The cost per tonne is arrived at after taking into account a standard engineering cost per cubic metre of landfill, the density of the waste and the most recent aerial surveys. Engineering rates differ according to the nature of the obligation to provide the service.

(r) Future capping expenditure

The liability for estimated future capping expenditure is provided for through a rehabilitation provision on a phase-by-phase basis and is discounted to its present value, with the unwinding of the discount being charged to the statement of comprehensive income within the amortisation charge. The discounted present value of the future capping expenditure is also capitalised as part of the rehabilitation asset and is amortised on a straight-line basis. Changes in estimates are recognised prospectively with corresponding adjustments to the provision and associated costs.

(s) Revenue recognition

Revenue from waste services is recognised when the waste is received.

Revenue from the disposal of assets is recognised when control of the asset has passed to the buyer.

Revenue from service contracts is recognised by reference to the stage of completion of the contract.

Revenue from the generation of gas services is recognised on an accrual basis. Proceeds from the sale of Renewable Energy Certificates are only recognised when the certificates are sold.

Interest income is recognised on an accrual basis.

Grants, donations and other contributions are recognised as revenues when received. Where conditional contributions are received and recognised in revenue in a period and the conditions attaching to the contributions have not yet been satisfied, they are disclosed in the notes to the financial statements as "Restricted assets".

Notes to and forming part of the **Financial Statements** (continued)

1. Significant Accounting Policies (continued)

(t) Comparative figures and rounding

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

When the MRC applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

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

(u) Current and non-current classifications

In the determination of whether an asset or liability is current or non-current, consideration is given to the timing of expected settlement of the item. The item is classified as current if there is an expectation that it will be settled within 12 months. Notwithstanding the above, where the MRC does not have the unconditional right to defer settlement of a liability beyond 12 months, the amount is classified as current.

(v) Budget figures

Unless otherwise stated, the budget figures shown in this financial report relate to the revised budget adopted pertaining to the relevant item.

(w) Rates

The MRC does not levy rates. Accordingly rating information as required under the Local Government (Financial Management) Regulations 1996 has not been presented in this financial report.

(x) Intangible Assets

Easements

Regulation 16 of the Local Government (Financial Management) Regulations 1996 requires easements to be recognised as assets. The MRC does not have any easements.

(y) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial assets are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

Loans and Receivables

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets).

Notes to and forming part of the **Financial Statements** (continued)

1. Significant Accounting Policies (continued)

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Council's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets).

Financial Liabilities

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

Fair Value

Fair value is determined based on current bid prices of all quoted investments. Valuation techniques are applied to determine the fair value of all unlisted securities, including arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the Council assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

(z) Fair Value of Assets and Liabilities

When performing a revaluation, the MRC uses a mix of both independent and management valuations using the following as a guide: Fair Value is the price that the MRC would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. 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 (i.e. the market with the greatest volume and level of activity for the asset 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.

Notes to and forming part of the **Financial Statements** (continued)

1. Significant Accounting Policies (continued)

Fair Value Hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

The MRC 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 MRC 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 an asset at its current service capacity.

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 MRC 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 and 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.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

(aa) Landfill Cells

There are three general components of landfill cell construction:

- Cell excavation and development,
- Cell liner costs, and
- Cell capping costs.

All cell excavation and development costs, cell liner costs and cell capping costs are capitalised and depreciated over the useful life of the cell, based on the volumetric consumption of the air space in the cell. Once a cell has been capped and is no longer available for use, the costs associated with the cell are written off.

Notes to and forming part of the Financial Statements (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|---------------------------|---------------------------|
| 2. Revenues and Expenses | | |
| The result from operating activities includes: | | |
| <u>Revenue</u> | | |
| Gas generation services | | |
| Gas sales | 1,519,666 | 1,288,449 |
| Interest earnings | | |
| Interest on reserve funds | 563,750 | 504,775 |
| Interest on other funds | 24,776 | 39,147 |
| | 588,526 | 540,922 |
| Other revenue | | |
| Other revenue | 556,318 | 483,949 |
| <u>Expenses</u> | | |
| Depreciation | | |
| Buildings | 332,202 | 292,868 |
| Furniture and equipment | 45,967 | 40,655 |
| Computing equipment | 174,164 | 247,624 |
| Plant and machinery | 890,286 | 929,953 |
| | 1,442,619 | 1,511,100 |
| Infrastructure | 380,110 | 377,455 |
| | 1,822,729 | 1,888,555 |
| Borrowing costs | | |
| Interest expense – loans | 63,447 | 88,103 |
| Loan expenses | - | 1,065 |
| | 63,447 | 89,168 |
| Amortisation | | |
| Excavation works | 1,446,293 | 2,198,872 |
| Decommissioning provision accretion | 454,218 | 545,995 |
| Decommissioning asset | 698,943 | 768,187 |
| Resource recovery facility assets | 462,715 | 491,348 |
| | 3,062,169 | 4,004,402 |
| Other expenses | | |
| State landfill levy | 10,520,270 | 10,577,045 |
| Other expenses | 988,268 | 991,881 |
| | 11,508,538 | 11,568,926 |
| Auditors' remuneration | | |
| Audit of the financial report | 52,500 | 27,140 |

Notes to and forming part of the **Financial Statements** (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|---------------------------|---------------------------|
| 3. Cash and Cash Equivalents | | |
| Unrestricted cash | 7,760,537 | 8,091,710 |
| Restricted cash | 22,739,391 | 17,148,581 |
| | 30,499,928 | 25,240,291 |
| The following restrictions have been imposed by Council resolution, regulation or external requirements: | | |
| Site rehabilitation reserve | 10,187,356 | 9,578,818 |
| Carbon abatement reserve | 491,076 | 491,076 |
| Capital expenditure reserve | 9,560,959 | 4,836,687 |
| RRF maintenance reserve | 500,000 | 250,000 |
| Participants' surplus reserve | 2,000,000 | 2,000,000 |
| Total reserves | 22,739,391 | 17,148,581 |
| 4. Trade and Other Receivables | | |
| <u>Current</u> | | |
| Trade receivables | 3,145,629 | 3,633,418 |
| Less provision for doubtful debts | - | - |
| | 3,145,629 | 3,633,418 |
| 5. Inventories | | |
| <u>Current</u> | | |
| Fuel | 15,733 | 10,667 |
| 6. Other Current Assets | | |
| Prepaid expenses | 102,579 | 114,326 |
| Accrued income | 280,127 | 183,037 |
| | 382,706 | 297,363 |

Notes to and forming part of the Financial Statements (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---|---------------------------|---------------------------|
| 7. Property, Plant and Equipment | | |
| Land at fair value | 6,760,000 | 6,760,000 |
| | 6,760,000 | 6,760,000 |
| Buildings – at fair value | 3,571,350 | 3,487,866 |
| Less Accumulated depreciation | (332,202) | - |
| | 3,239,148 | 3,487,866 |
| Furniture and fittings – at fair value | 250,552 | 262,601 |
| Less Accumulated depreciation | - | (139,202) |
| | 250,552 | 123,399 |
| Computers and equipment – at fair value | 385,220 | 680,884 |
| Less Accumulated depreciation | - | (498,177) |
| | 385,220 | 182,707 |
| Plant and equipment – at fair value | 4,252,752 | 4,051,013 |
| Less Accumulated depreciation | (1,219,044) | (616,630) |
| | 3,033,708 | 3,434,383 |
| | 13,668,628 | 13,988,355 |
| Work in progress | 281,294 | 150,831 |
| | 13,949,922 | 14,139,186 |

Movements in carrying amounts of each class of property, plant and equipment during the financial year are shown in the table below.

| | Land \$ | Buildings \$ | Furniture and fittings \$ | Computers and equipment \$ | Plant and equipment \$ | Work In progress \$ | Total \$ |
|---------------------------------|------------------|------------------|---------------------------------|-------------------------------------|------------------------------|---------------------------|-------------------|
| Opening balance | 6,760,000 | 3,487,866 | 123,399 | 182,707 | 3,434,383 | 150,831 | 14,139,186 |
| Additions | - | 83,484 | 1,256 | 142,828 | 558,096 | 281,294 | 1,066,958 |
| Transfers | - | - | - | 150,831 | - | (150,831) | - |
| Disposals | - | - | - | - | (68,485) | - | (68,485) |
| Depreciation | - | (332,202) | (45,967) | (174,164) | (890,286) | - | (1,442,619) |
| Devaluation | - | - | - | (3,351) | - | - | (3,351) |
| Revaluation | - | - | 171,864 | 86,369 | - | - | 258,233 |
| Closing Balance 30 June 2018 | 6,760,000 | 3,239,148 | 250,552 | 385,220 | 3,033,708 | 281,294 | 13,949,922 |

Notes to and forming part of the Financial Statements (continued)

7. Property, Plant and Equipment (continued)

Movements in carrying amounts of each class of property, plant and equipment during the previous financial year are shown in the table below.

| | Land \$ | Buildings \$ | Furniture and fittings \$ | Computers and equipment \$ | Plant and equipment \$ | Total \$ |
|---|------------------|------------------|---------------------------------|-------------------------------------|------------------------------|-------------------|
| Opening balance | 7,000,000 | 2,965,456 | 73,688 | 407,384 | 3,849,739 | 14,296,267 |
| Work in Progress | - | - | - | 150,831 | - | 150,831 |
| Additions | - | 247,074 | 90,366 | 22,947 | 690,841 | 1,051,228 |
| Disposals | - | - | - | - | (176,244) | (176,244) |
| Depreciation | - | (292,868) | (40,655) | (247,624) | (929,953) | (1,511,100) |
| Devaluation | (240,000) | - | - | - | (240,000) | - |
| Revaluation | - | 568,204 | - | - | - | 568,204 |
| Closing Balance 30 June 2017 | 6,760,000 | 3,487,866 | 123,399 | 182,707 | 3,434,383 | 14,139,186 |

The land owned by the MRC is the site which houses the RRF at 87 Pederick Road in Neerabup. Refer to note 21 for detailed disclosures regarding fair value measurements.

8. Infrastructure

Infrastructure – at fair value 2018

Additions

Less Accumulated depreciation

Work in Progress

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|-------------------------------------|---------------------------|---------------------------|
| Infrastructure – at fair value 2018 | 6,673,127 | 6,182,057 |
| Additions | - | 568,416 |
| Less Accumulated depreciation | - | (377,455) |
| | 6,673,127 | 6,373,018 |
| Work in Progress | 41,332 | 11,439 |
| | 6,714,459 | 6,384,457 |

Movements in carrying amounts of infrastructure assets during the financial year are shown in the table below.

| | Total \$ |
|---------------------------|------------------|
| Opening balance | 6,384,457 |
| Additions | 538,754 |
| Depreciation | (380,110) |
| Net revaluation of assets | 141,465 |
| | 6,673,127 |
| Work in progress | 41,332 |
| | 6,714,459 |

Notes to and forming part of the Financial Statements (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|---------------------------|---------------------------|
| 9. Excavation Work | | |
| Excavation work completed – at fair value 2018 | 26,914,614 | 32,531,628 |
| Less Accumulated depreciation | - | (4,784,147) |
| | 26,914,614 | 27,747,481 |

Movements in carrying amounts of excavation assets during the financial year are shown in the table below.

| | Total \$ |
|---------------------------|-------------------|
| Opening balance | 27,747,481 |
| Amortisation | (1,446,293) |
| Net revaluation of assets | 613,426 |
| Closing balance | 26,914,614 |

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|---------------------------|---------------------------|
| 10. Resource Recovery Facility | | |
| Capital expenditure | 7,728,481 | 7,728,481 |
| Less Accumulated amortisation | (3,819,047) | (3,432,399) |
| | 3,909,434 | 4,296,082 |
| Pre-operating expenses (commissioning) | 2,093,000 | 2,093,000 |
| Less Accumulated amortisation | (913,571) | (837,504) |
| | 1,179,429 | 1,255,496 |
| | 5,088,863 | 5,551,578 |

Movements in carrying amounts of the RRF assets during the financial year are shown in the table below.

| | Capital expenditure \$ | Pre-operating expenses \$ | Total \$ |
|-----------------|------------------------------|---------------------------------|------------------|
| Opening balance | 4,296,082 | 1,255,496 | 5,551,578 |
| Amortisation | (386,648) | (76,067) | (462,715) |
| Closing balance | 3,909,434 | 1,179,429 | 5,088,863 |

Notes to and forming part of the Financial Statements (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---|---------------------------|---------------------------|
| 11. Rehabilitation Asset | | |
| Decommissioning asset for stage 2 capping | 9,203,830 | 9,203,830 |
| Less Accumulated amortisation | (6,088,911) | (5,623,665) |
| | 3,114,919 | 3,580,165 |
| Post closure rehabilitation asset | 4,050,757 | 4,050,757 |
| Less Accumulated amortisation | (1,713,791) | (1,480,094) |
| | 2,336,966 | 2,570,663 |
| | 5,451,885 | 6,150,828 |

Movements in carrying amounts of decommissioning assets during the financial year are shown in the table below.

| | Stage 2 Phase 2 (East) \$ | Stage 2 Phase 2 (West) \$ | Stage 2 Phase 3 \$ | Total \$ |
|-----------------|------------------------------------|------------------------------------|--------------------------|------------------|
| Opening balance | 71,829 | 81,895 | 3,426,441 | 3,580,165 |
| Amortisation | (71,829) | (81,895) | (311,522) | (465,246) |
| Closing balance | - | - | 3,114,919 | 3,114,919 |

Movements in carrying amounts of post closure rehabilitation assets during the financial year are shown in the table below.

| | Total \$ |
|-----------------|------------------|
| Opening balance | 2,570,663 |
| Amortisation | (233,697) |
| Closing balance | 2,336,966 |

Notes to and forming part of the **Financial Statements** (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---|------------------------------------|------------------------------------|
| 12. Trade and Other Payables | | |
| <u>Current</u> | | |
| Sundry creditors | 5,580,772 | 5,196,369 |
| Accrued expenses | 361,635 | 310,690 |
| Accrued salaries and wages | 102,127 | 100,189 |
| GST Payable | 275,454 | 313,029 |
| | 6,319,988 | 5,920,277 |
| 13. Employee Related Provisions | | |
| <u>Current</u> | | |
| Provision for annual leave and sick leave | 576,629 | 557,146 |
| Provision for long service leave | 247,097 | 239,410 |
| | 823,726 | 796,556 |
| Employment on costs | 52,134 | 57,842 |
| | 875,860 | 854,398 |
| <u>Non-current</u> | | |
| Provision for long service leave | 92,898 | 67,099 |
| Employment on costs | 6,122 | 5,632 |
| | 99,020 | 72,731 |
| <u>Analysis of total provisions</u> | | |
| Current | 875,860 | 854,398 |
| Non current | 99,020 | 72,731 |
| | 974,880 | 927,129 |

Movements in carrying amounts of employee related provisions during the financial year are shown in the table below.

| | Provision for annual leave and sick leave \$ | Provision for on-costs \$ | Provision for long service leave \$ | Total \$ |
|------------------------------|---|--|--|---------------------|
| Opening balance 1 July 2017 | 557,146 | 63,474 | 306,509 | 927,129 |
| Additional provisions made | 582,987 | 34,985 | 70,276 | 688,248 |
| Amounts used | (563,504) | (40,203) | (36,790) | (640,497) |
| Closing balance 30 June 2018 | 576,629 | 58,256 | 339,995 | 974,880 |

Notes to and forming part of the **Financial Statements** (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|-----------------------|---------------------------|---------------------------|
| 14. Borrowings | | |
| <u>Current</u> | | |
| Loan principal | 117,948 | 184,781 |
| <u>Non-current</u> | | |
| Loan principal | 855,078 | 973,026 |

| BUDGET | Estimated principal 1 Jul 2017 \$ | Budgeted Draw-downs \$ | Budgeted principal repayments \$ | Projected principal 30 Jun 2018 \$ | Interest payments \$ |
|-----------------|--|------------------------------|---|---|----------------------------|
| RRF | | | | | |
| Loan 10 | 1,086,624 | - | 62,976 | 1,023,648 | 62,976 |
| Loan 11 | 73,827 | - | 73,827 | - | 471 |
| Closing balance | 1,160,451 | - | 136,803 | 1,023,648 | 63,447 |
| Facility fee | | | | | - |
| | | | | | 63,447 |

| ACTUAL | Actual principal 1 Jul 2017 \$ | Actual Draw-downs \$ | Actual principal repayments \$ | Actual principal 30 Jun 2018 \$ | Interest payments \$ |
|-----------------|---|----------------------------|---|--|----------------------------|
| RRF | | | | | |
| Loan 10 | 1,083,980 | - | 110,954 | 973,026 | 62,976 |
| Loan 11 | 73,827 | - | 73,827 | - | 471 |
| Closing balance | 1,157,807 | - | 184,781 | 973,026 | 63,447 |
| Facility fee | | | | | - |
| | | | | | 63,447 |

Notes to and forming part of the **Financial Statements** (continued)

14. Borrowings (continued)

Details of loans

Loan 10 – Resource Recovery Facility Infrastructure

Loan 11 – Resource Recovery Facility Land

Unspent Loans

All loan funds were fully expended.

New loans

No new loans were entered into during the year.

15. Rehabilitation Provision

Decommissioning provision for Stage 2 – Phase 2 (East)

Decommissioning provision for Stage 2 – Phase 2 (West)

Decommissioning provision for Stage 2 – Phase 3

Decommissioning provision for post closure rehabilitation

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|---------------------------|---------------------------|
| | 528,200 | 512,816 |
| | 528,186 | 512,816 |
| | 8,641,527 | 8,389,832 |
| | 6,251,443 | 6,079,674 |
| | 15,949,356 | 15,495,138 |
| | | |
| | 39,983 | 39,983 |

16. Other Liabilities

Non-current

Security deposit

Notes to and forming part of the **Financial Statements** (continued)

| | ACTUAL 2017/2018 \$ | BUDGET 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--------------------------------------|---------------------------|---------------------------|---------------------------|
| 17. Reserves | | | |
| CASH BACKED | | | |
| <u>Site rehabilitation reserve</u> | | | |
| Opening balance | 9,570,818 | 9,570,818 | 9,140,456 |
| Transfer to reserve | 616,538 | 616,538 | 430,362 |
| Transfer from reserve | - | - | - |
| | 10,187,356 | 10,187,356 | 9,570,818 |
| <u>Capital expenditure reserve</u> | | | |
| Opening balance | 4,836,687 | 4,836,687 | 1,604,975 |
| Transfer to reserve | 6,000,000 | 6,000,000 | 5,000,000 |
| Transfer from reserve | (1,275,728) | (4,682,902) | (1,768,288) |
| | 9,560,959 | 6,153,784 | 4,836,687 |
| <u>Participants' surplus reserve</u> | | | |
| Opening balance | 2,000,000 | 2,000,000 | 2,000,000 |
| Transfer to reserve | - | - | - |
| Transfer from reserve | - | - | - |
| | 2,000,000 | 2,000,000 | 2,000,000 |
| <u>Carbon abatement reserve</u> | | | |
| Opening balance | 491,076 | 491,076 | 491,076 |
| Transfer to reserve | - | - | - |
| Transfer from reserve | - | - | - |
| | 491,076 | 491,076 | 491,076 |
| <u>RRF maintenance reserve</u> | | | |
| Opening balance | 250,000 | 250,000 | - |
| Transfer to reserve | 250,000 | 250,000 | 250,000 |
| Transfer from reserve | - | - | - |
| | 500,000 | 500,000 | 250,000 |
| Total Reserves | 22,739,391 | 19,332,216 | 17,148,581 |

All of the cash-backed reserve accounts are supported by money held with financial institutions which matches the amounts shown as restricted cash in note 3 to the financial report.

In accordance with Council resolutions in relation to each cash-backed reserve account, the purposes for which the respective funds are set aside for are as follows:

Site rehabilitation reserve – to be used to fund the rehabilitation following the closure of the landfill.

Capital expenditure reserve – to be used to fund ongoing capital expenditure requirements.

Participants' Surplus Reserve – to be used to fund a deficit as shown in the year end accounts.

Carbon abatement reserve – to be used to fund carbon abatement projects.

RRF maintenance reserve – to be used to fund RRF maintenance obligations.

Notes to and forming part of the Financial Statements (continued)

| | ACTUAL 2017/2018 \$ | BUDGET 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|---------------------------|---------------------------|---------------------------|
| 18. Revaluation Surplus | | | |
| Revaluation surpluses have arisen on the revaluation of the following classes of non-current assets: | | | |
| <u>Land and buildings</u> | | | |
| Opening balance | 6,172,030 | - | 5,843,826 |
| Revaluation increment | - | - | 708,249 |
| Revaluation decrement | - | - | (380,045) |
| | 6,172,030 | - | 6,172,030 |
| <u>Furniture and fittings</u> | | | |
| Opening balance | 155,067 | - | 155,067 |
| Revaluation increment | 171,864 | - | - |
| Revaluation decrement | - | - | - |
| | 326,931 | - | 155,067 |
| <u>Computers and equipment</u> | | | |
| Opening balance | 538,668 | - | 538,668 |
| Revaluation increment | 86,369 | - | - |
| Revaluation decrement | (3,351) | - | - |
| | 621,686 | - | 538,668 |
| <u>Plant and equipment</u> | | | |
| Opening balance | 271,244 | - | 330,774 |
| Revaluation increment | - | - | - |
| Realised on sale | - | - | (59,530) |
| | 271,244 | - | 271,244 |
| <u>Infrastructure</u> | | | |
| Opening balance | 2,071,219 | - | 2,071,219 |
| Revaluation increment | 141,465 | - | - |
| Revaluation decrement | - | - | - |
| | 2,212,684 | - | 2,071,219 |
| <u>Landfill cell development excavation</u> | | | |
| Opening balance | 20,560,279 | - | 20,560,279 |
| Revaluation increment | 613,426 | - | - |
| Revaluation decrement | - | - | - |
| | 21,173,705 | - | 20,560,279 |
| Total Revaluation Surplus | 30,778,280 | - | 29,768,507 |
| Net Movement in year | 1,009,773 | - | 268,674 |

Notes to and forming part of the **Financial Statements** (continued)

| | | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|----------------------------------|----------|---------------------------|---------------------------|
| 19. Council Contributions | | | |
| City of Joondalup | (16.67%) | 680,958 | 668,654 |
| City of Wanneroo | (16.67%) | 680,958 | 668,654 |
| City of Stirling | (33.33%) | 1,361,906 | 1,337,296 |
| City of Perth | (8.33%) | 450,285 | 444,132 |
| City of Vincent | (8.33%) | 303,873 | 297,721 |
| Town of Cambridge | (8.33%) | 303,873 | 297,721 |
| Town of Victoria Park | (8.33%) | 303,873 | 297,721 |
| | | 4,085,726 | 4,011,899 |

20. Notes to the Statement of Cash Flows

20(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the year is reconciled to the related items in the statement of financial position as follows:

| | | |
|--|-------------------|-------------------|
| Cash and cash equivalents | 30,499,928 | 25,240,291 |
| 20(b) Reconciliation of the Net Result to net cash provided by operating activities | | |
| Net result | 1,207,970 | (20,126) |
| <u>Non cash items</u> | | |
| Depreciation | 1,822,729 | 1,888,555 |
| Amortisation – excavation | 1,446,293 | 2,198,872 |
| Amortisation and finance charges for capping | 698,943 | 1,042,421 |
| Amortisation – post closure site monitoring | 454,218 | 271,761 |
| Amortisation – RRF assets | 462,715 | 491,348 |
| (Profit)/Loss on sale of assets | (29,489) | 21,745 |
| Impairment of assets on revaluation | - | - |
| <u>Changes in current assets and liabilities</u> | | |
| (Increase)/decrease in receivables | 487,789 | (96,624) |
| (Increase)/decrease in inventories | (5,066) | 1,433 |
| (Increase)/decrease in prepayments and accrued income | (85,342) | (80,076) |
| (Decrease)/increase in payables | 399,711 | 270,379 |
| (Decrease)/Increase in employee provisions | 47,751 | 21,385 |
| Net cash provided by operating activities | 6,908,222 | 6,011,073 |

Notes to and forming part of the **Financial Statements** (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---|---------------------------|---------------------------|
| 20. Notes to the Statement of Cash Flows (continued) | | |
| 20(c) Undrawn borrowing facilities | | |
| NAB Credit card limit | - | 50,000 |
| NAB Credit card balance drawn | - | - |
| CBA Credit card limit | 50,000 | 50,000 |
| CBA Credit card balance drawn | - | - |
| Loan facility limits | 973,026 | 1,157,807 |
| Loan principal drawn | (973,026) | (1,157,807) |
| Total undrawn borrowing facilities | 50,000 | 100,000 |

21. Fair Value Measurements

The MRC measures the following non-current assets at fair value on a recurring basis:

- Land and buildings
- Furniture and fittings
- Computers and equipment
- Plant and equipment
- Infrastructure

The following table provides the fair values of the MRC's non-current assets measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

Recurring fair value measurements

| 30 June 2018 | | | | |
|-------------------------|---------------|------------------|-------------------|-------------------|
| | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
| Land | - | 6,760,000 | - | 6,760,000 |
| Buildings | - | - | 3,239,148 | 3,239,148 |
| Furniture and fittings | - | - | 250,552 | 250,552 |
| Computers and equipment | - | - | 385,220 | 385,220 |
| Plant and equipment | - | 114,272 | 2,919,436 | 3,033,708 |
| Infrastructure | - | - | 6,673,127 | 6,673,127 |
| | - | 6,874,272 | 13,467,483 | 20,341,755 |
| 30 June 2017 | | | | |
| | Level 1 \$ | Level 2 \$ | Level 3 \$ | Total \$ |
| Land | - | 6,760,000 | - | 6,760,000 |
| Buildings | - | - | 3,487,866 | 3,487,866 |
| Furniture and fittings | - | - | 123,399 | 123,399 |
| Computers and equipment | - | - | 182,707 | 182,707 |
| Plant and equipment | - | 118,044 | 3,316,339 | 3,434,383 |
| Infrastructure | - | - | 6,373,018 | 6,373,018 |
| | - | 6,878,044 | 13,483,329 | 20,361,373 |

Notes to and forming part of the **Financial Statements** (continued)

21. Fair Value Measurements (continued)

21(a) Transfers policy

The policy of the MRC is to recognise transfers into and transfer out of the fair value hierarchy levels as at the end of the reporting period. There were no transfers in and out of Levels 1, 2 or 3 measurements.

21(b) Highest and best use

There were no assets valued where it was assumed that the highest and best use was other than their current use.

21(c) Valuation techniques and inputs used to derive fair values

The following table summarises valuation inputs and techniques used to determine the fair value for each asset class.

| Asset class | Level of valuation input | Fair Value at 30 June 2018 \$ | Valuation techniques | Inputs used |
|-------------------------|---------------------------------|--------------------------------------|---------------------------------|--------------------|
| Land | 2 | 6,760,000 | Market approach | A |
| Buildings | 3 | 3,239,148 | Cost approach | B |
| Furniture and fittings | 3 | 250,552 | Cost approach | B |
| Computers and equipment | 3 | 385,220 | Cost approach | B |
| Plant and equipment | 2 / 3 | 3,033,708 | Market approach / Cost approach | B |
| Infrastructure | 3 | 6,673,127 | Cost approach | B |
| Total | | 20,341,755 | | |

A - Sales of similar properties

B - Estimates of residual value, useful life, pattern of consumption and asset condition and relationship to the assessed level of remaining service potential of the depreciable amount

Recurring fair value measurements

In order to estimate the price implied by the appropriate basis of value, the valuer will need to apply one or more valuation approaches. A valuation approach or method refers to generally accepted analytical methodologies that are in common use.

Land

Level 2 inputs refer to a comparative approach that considers the sales of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, a property being valued (a subject property) is compared with sales of similar properties that have been transacted in the market. Listing and offerings may also be considered.

Buildings

The MRC's buildings are considered to be of a specialised nature (non-market type properties which are not readily traded in the market place), such assets valued by a professionally qualified registered valuer using the cost approach. This approach is commonly referred to as the current replacement cost (CRC) approach.

Notes to and forming part of the **Financial Statements** (continued)

21. Fair Value Measurements (continued)

21(c) Valuation techniques and inputs used to derive fair values (continued)

The CRC approach considers the cost (sourced from cost guides such as Rawlinson's, Cordell, professional quantity surveyors and recent construction costs for similar projects throughout Western Australia) to reproduce or replace similar assets with an asset in new condition, including allowance for installation, less an amount for depreciation in the form of accrued physical wear and tear, economic and functional obsolescence.

The depreciation consists of a combination of unit rates based on square metres and quantification of the component parts of the asset. Other inputs (i.e. remaining useful life, asset condition and utility) required extensive professional judgement and impacted significantly on the final determination of fair value. Therefore, all the MRC's buildings were classified as having been valued using Level 3 valuation inputs.

Furniture and fittings

The MRC's furniture and fittings were valued by a professionally qualified registered valuer, using the cost approach to determine amounts for replacement with new value, less an amount for depreciation due to physical wear and tear, economic and functional obsolescence. Market research has been carried out into costs for the same or similar assets from manufacturers, agents and or suppliers.

Where information is not available to source the replacement cost of an asset due to the specialised nature or the asset being purpose built, the replacement cost of the asset has been established by applying quantity surveying techniques in breaking down the components of the asset. Construction rates (sourced from various cost guides such as Rawlinson's, Cordell's, Quantity Surveyors, material suppliers, construction companies etc.) have been used as the basis for replacing assets.

The depreciation is based on the asset's condition and its estimated remaining useful life which required extensive professional judgement and impacted significantly on the final determination of fair value. Therefore, all the MRC's furniture and fittings were classified as having been valued using Level 3 valuation inputs.

Computers and equipment

The MRC's computers and equipment were valued by a professionally qualified registered valuer, using the cost approach to determine amounts for replacement with new value, less an amount for depreciation due to physical wear and tear, economic and functional obsolescence. Market research has been carried out into costs for the same or similar assets from manufacturers, agents and or suppliers.

The depreciation is based on the asset's condition and its estimated remaining useful life which required extensive professional judgement and impacted significantly on the final determination of fair value. Therefore, all the MRC's computers and equipment were classified as having been valued using Level 3 valuation inputs.

Plant and equipment

The MRC's mobile plant assets were valued based on Level 2 inputs which refer to a comparative approach that considers the sales of similar or substitute assets and related market data, and establishes a value estimate by processes involving comparison. In general, an asset being valued (a subject asset) is compared with sales of similar asset that have been transacted in the market.

The remaining plant and equipment were valued by a professionally qualified registered valuer, using the cost approach to determine amounts for replacement with new value, less an amount for depreciation due to physical wear and tear, economic and functional obsolescence. Market research has been carried out into costs for the same or similar assets from manufacturers, agents and or suppliers.

Notes to and forming part of the **Financial Statements** (continued)

21. Fair Value Measurements (continued)

21(c) Valuation techniques and inputs used to derive fair values (continued)

The depreciation is based on the asset's condition and its estimated remaining useful life which required extensive professional judgement and impacted significantly on the final determination of fair value. Therefore, all the remainder of the MRC's plant and equipment were classified as having been valued using Level 3 valuation inputs.

Infrastructure

The MRC's infrastructure assets are considered to be of a specialised nature (non-market type assets which are not readily traded in the market place), such assets valued by a professionally qualified registered valuer using the cost/CRC approach.

The depreciation consists of a combination of unit rates based on square metres and quantification of the component parts of the asset. Other inputs (i.e. remaining useful life, asset condition and utility) required extensive professional judgement and impacted significantly on the final determination of fair value. Therefore, all the MRC's infrastructure assets were classified as having been valued using Level 3 valuation inputs.

21(d) Valuation process

The MRC engages external, independent and qualified valuers to determine fair value of the building, plant, furniture, equipment and infrastructure on a regular basis. This is in line with Regulation 17(A) of the Local Government (Financial Management) Regulations 1996.

As at 30 June 2017, an assessment of the revaluation work performed by the external valuers, which included a review of the valuer's methodology, limitations, algorithms, key assumptions and inputs used in applying the valuation methodology to ensure they were appropriate in their application. Changes in fair value were analysed at the end of the reporting period. Consequently, management is satisfied with the results of the valuations undertaken and confirm that the movement in the asset values are reasonable.

21(e) Disclosed fair value measurements

The following assets and liabilities are not measured at fair value in the statement of financial position, but their fair values are disclosed in the notes:

- Borrowings

The following table provides the level of fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used:

| Description | Note | Fair value hierarchy level | Valuation technique | Inputs used |
|-------------|------|----------------------------|--|--|
| Borrowings | 14 | 2 | Income approach using discounted cash flow methodology | Current treasury borrowing rates for similar instruments |

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the notes to the financial statements.

Notes to and forming part of the **Financial Statements** (continued)

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---|---------------------------|---------------------------|
| 22. Operating Lease Commitments | | |
| The operating lease relates to the lease of the land at Tamala Park. Lease payments are split as follows: | | |
| - not later than one year | 712,038 | 706,213 |
| - later than one year, but not later than five years | 2,848,153 | 2,824,851 |
| - later than five years | 5,696,306 | 7,062,127 |
| | 9,256,497 | 10,593,191 |

23. Asset Disposals**Budget**

Plant and equipment

| | | | |
|-------------------------------------|----------------|----------------|---------------|
| Komatsu WA470 Loader | 89,439 | 92,000 | 2,561 |
| Komatsu WA470 Loader | 89,439 | 92,000 | 2,561 |
| Foton Dual Cab | 13,045 | 12,000 | (1,045) |
| Foton Single Cab | 10,747 | 8,000 | (2,747) |
| Self bunded fuel tank 5,000ltrs | - | 4,293 | 4,293 |
| Self bunded fuel tank 10,000ltrs | - | 4,293 | 4,293 |
| Sumitomo Excavator | 68,820 | 72,000 | 3,180 |
| Kubota Lawnmower | - | 1,000 | 1,000 |
| Toyota Forklift | 12,362 | 13,000 | 638 |
| Kia Grand Carnival | 23,482 | 23,482 | - |
| Net profit on sale of assets | 307,334 | 322,068 | 14,734 |

Actual

Plant and equipment

| | | | |
|----------------------------------|---------------|---------------|---------------|
| Self bunded fuel tank 5,000ltrs | - | 4,293 | 4,293 |
| Self bunded fuel tank 10,000ltrs | - | 4,292 | 4,292 |
| Kia Carnival | 23,486 | 30,455 | 6,969 |
| Hino bin truck | 45,000 | 56,664 | 11,664 |
| Nissan Navara dual cab | - | 2,271 | 2,271 |
| Profit on Sale of Assets | 68,486 | 97,975 | 29,489 |

Notes to and forming part of the **Financial Statements** (continued)

| | ACTUAL 2017/2018 | ACTUAL 2017/2016 | ACTUAL 2016/2015 |
|-----------------------------------|---------------------|---------------------|---------------------|
| 24. Financial Ratios | | | |
| Current ratio | 1.55 | 1.73 | 1.44 |
| Asset sustainability ratio | 0.58 | 0.68 | 1.42 |
| Debt service cover ratio | 28.87 | 1.40 | 2.39 |
| Operating surplus ratio | 0.04 | 0.01 | 0.07 |
| Own source revenue coverage ratio | 1.02 | 1.00 | 1.07 |
| Asset consumption ratio | 0.63 | 0.68 | 0.72 |
| Asset renewal funding ratio | 1.00 | 0.55 | 0.68 |

Ratio formulas

Current ratio

$(\text{Current assets} - \text{restricted current assets}) / (\text{Current liabilities} - \text{liabilities associated with restricted current assets})$

Asset sustainability ratio

$\text{Capital renewal and replacement expenditure} / \text{depreciation expense}$

Debt service cover ratio

$\text{Annual operating surplus before interest and depreciation} / \text{principal and interest}$

Operating surplus ratio

$\text{Operating revenue} - \text{operating expense} / \text{own source operating revenue}$

Own source revenue ratio

$\text{Own source operating revenue} / \text{operating expenses}$

Asset consumption ratio

$\text{Depreciated replacement cost of assets} / \text{current replacement cost of depreciated assets}$

Asset renewal funding ratio

$\text{NPV of planned capital renewals over 10 years} / \text{NPV of capital expenditure over 10 years}$

Notes to and forming part of the **Financial Statements** (continued)

25. Assets Classified by Type and Local Government Program

Statement of objective

The MRC was formed in 1987 to undertake '...the orderly and efficient treatment and/or disposal of waste... 'on behalf of its seven member councils.

Component of Functions

The activities relating to the Council's functions reported in the Statement of Comprehensive Income:

| | |
|-------------------------|---|
| General Purpose Funding | - Interest from investments |
| Governance | - Member Council elected delegates, corporate support services. |
| Community Amenities | - Costs of the recycling centre, transfer station and landfill. |

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|----------------------------|---------------------------|---------------------------|
| Current assets | | |
| Community amenities | 34,366,622 | 29,181,738 |
| Non-current assets | | |
| Land and buildings | | |
| Governance | 1,425,816 | 1,550,686 |
| Community amenities | 1,813,332 | 1,937,180 |
| Resource recovery facility | 6,760,000 | 6,760,000 |
| Furniture and fittings | | |
| Governance | 4,950 | 705 |
| Community amenities | 245,602 | 122,695 |
| Computers and equipment | | |
| Governance | 20 | 158 |
| Community amenities | 385,200 | 333,380 |
| Plant and equipment | | |
| Governance | 70,764 | 41,536 |
| Community amenities | 2,962,944 | 3,392,847 |
| Infrastructure | | |
| Community amenities | 6,673,127 | 6,373,018 |
| Excavation work | | |
| Community amenities | 26,914,614 | 27,758,920 |
| Resource recovery facility | | |
| Resource recovery facility | 5,088,863 | 5,551,578 |
| Rehabilitation asset | | |
| Community amenities | 5,451,885 | 6,150,828 |
| TOTAL ASSETS | 92,163,739 | 89,155,269 |

Notes to and forming part of the **Financial Statements** (continued)

| | ACTUAL 2017/2018 \$ | BUDGET 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---|---------------------------|---------------------------|---------------------------|
| 26. Fees and Charges Classified by Type and Local Government Program | | | |
| General Purpose Funding | 53,269,747 | 52,955,544 | 52,029,454 |
| Total Fees and charges | 53,269,747 | 52,955,544 | 52,029,454 |

27. Financial Activity Information and Member Charges

| BUDGET | Processable Tonnes | Non- processable Tonnes | Total Tonnes | Rate* \$ | Revenue \$ |
|------------------------|-----------------------|-------------------------------|-----------------|-------------|-------------------|
| <u>Waste</u> | | | | | |
| City of Joondalup | 50,202 | 1,927 | 52,129 | 176.36 | 9,193,644 |
| City of Wanneroo | 56,182 | 7,147 | 63,329 | 176.04 | 11,148,512 |
| City of Stirling | 40,458 | 10,243 | 50,701 | 176.15 | 8,930,840 |
| City of Perth | 13,000 | 1 | 13,001 | 176.20 | 2,290,708 |
| City of Vincent | 12,900 | 1,700 | 14,600 | 176.61 | 2,578,450 |
| Town of Cambridge | 6,050 | 1,200 | 7,250 | 176.66 | 1,280,808 |
| Town of Victoria Park | 13,000 | 500 | 13,500 | 176.70 | 2,385,385 |
| <u>Residue</u> | | | | | |
| BioVision | - | 48,700 | 48,700 | 176.21 | 8,581,189 |
| Closing balance | 191,792 | 71,418 | 263,210 | | 46,389,536 |

| ACTUAL | Processable Tonnes | Non- processable Tonnes | Total Tonnes | Rate* \$ | Revenue \$ |
|------------------------|-----------------------|-------------------------------|-----------------|-------------|-------------------|
| <u>Waste</u> | | | | | |
| City of Joondalup | 50,060 | 2,046 | 52,106 | 176.35 | 9,188,994 |
| City of Wanneroo | 56,801 | 8,614 | 65,415 | 176.17 | 11,524,408 |
| City of Stirling | 37,976 | 16,848 | 54,824 | 176.33 | 9,666,965 |
| City of Perth | 13,372 | 37 | 13,410 | 176.32 | 2,364,456 |
| City of Vincent | 11,620 | 2,052 | 13,672 | 176.35 | 2,411,084 |
| Town of Cambridge | 5,716 | 1,049 | 6,766 | 176.42 | 1,193,688 |
| Town of Victoria Park | 11,815 | 210 | 12,025 | 176.29 | 2,119,559 |
| <u>Residue</u> | | | | | |
| BioVision | - | 49,929 | 49,929 | 176.29 | 8,802,176 |
| Closing balance | 187,362 | 80,785 | 268,147 | | 47,271,330 |

*Average tonnage rates may vary as a result of certain waste types being charged at the approved non-standard rates for that waste category.

Notes to and forming part of the **Financial Statements** (continued)

27. Financial Activity Information and Member Charges (continued)

| | ACTUAL 2017/2018 \$ | BUDGET 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|-----------------------------------|---------------------------|---------------------------|---------------------------|
| <u>Make up of surplus funding</u> | | | |
| Cash | 30,499,928 | 24,992,097 | 25,240,291 |
| Receivables | 3,145,629 | 3,940,642 | 3,633,418 |
| Inventories | 15,733 | 10,296 | 10,667 |
| | 33,661,290 | 28,943,035 | 28,884,376 |
| <u>Less</u> | | | |
| Reserves – cash restricted | (22,739,391) | (13,697,633) | (17,148,581) |
| Sundry creditors and GST | (6,319,988) | (3,694,465) | (5,920,277) |
| Provisions | - | (1,668,876) | - |
| | (29,059,379) | (19,060,974) | (23,068,857) |
| | 4,601,911 | 9,882,061 | 5,815,519 |

28. Councillors' Remuneration

The following fees, expenses and allowances have been paid to council members and the Chairman:

| | | | |
|--|----------------|----------------|----------------|
| Meeting fees | 124,913 | 128,750 | 123,455 |
| Chairman's and Deputy Chairman's allowance | 24,463 | 19,570 | 24,463 |
| Conference expenses | 13,968 | 4,893 | 20,379 |
| Members' allowances | 11,755 | 15,000 | 12,054 |
| | 175,099 | 168,213 | 183,351 |

29. Employee Numbers

The number of full-time equivalent employees at year end was:

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|---------------------------|---------------------------|
| | 40.2 | 38.4 |

Notes to and forming part of the **Financial Statements** (continued)

30. Financial Risk Management

The MRC's activities expose it to a variety of financial risks, including, but not limited to, price risk, credit risk, liquidity risk and interest rate risk. The MRC's overall risk management focuses on the unpredictability of financial markets and seeks to minimise the effect of potentially adverse events on the financial performance of the MRC.

The MRC does not engage in transactions in foreign currencies and is therefore not subject to foreign currency risk. Financial risk management is carried out under policies approved by the Council.

The MRC held the following financial instruments at year end:

| | Carrying value | | Fair value | |
|------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2017/2018 \$ | 2016/2017 \$ | 2017/2018 \$ | 2016/2017 \$ |
| Financial assets | | | | |
| Cash and equivalents | 30,499,928 | 25,240,291 | 30,499,928 | 25,240,291 |
| Receivables | 3,145,629 | 3,633,418 | 3,145,629 | 3,633,418 |
| | 33,645,557 | 28,873,709 | 33,645,557 | 28,873,709 |
| Financial liabilities | | | | |
| Payables | 6,319,988 | 5,920,277 | 6,319,988 | 5,920,277 |
| Borrowings | 973,026 | 1,157,807 | 855,369 | 883,713 |
| | 7,293,014 | 7,078,084 | 7,175,357 | 6,803,990 |

For cash and equivalents, receivables, payables, borrowings and held-to-maturity investments, carrying values are deemed to approximate fair value.

30(a) Cash and cash equivalents

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

A monthly report is provided to Council summarising the cash and investment portfolio.

Cash and investments are subject to interest rate risk and credit risk. The MRC has entered into rolling short term cash investments to partially mitigate the effects of interest rate risk. The MRC has a significant concentration of credit risk, given that its cash investments are all held with one counterparty, however the institution has a sound credit rating which is considered to sufficiently ameliorate any potential credit risk.

A 1% fluctuation in annualised interest rates is estimated at approximately \$304,999.

30(b) Receivables

The MRC's material receivables comprise of member council user fees and charges. These receivables are subject to a level of credit risk, however, given the counterparties, this is considered negligible. Significant exposures to individual counterparties are monitored on an ongoing basis.

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

Notes to and forming part of the Financial Statements (continued)

30. Financial Risk Management (continued)

The ageing profile of the MRC's receivables at year end was:

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|---------------------------------|---------------------------|---------------------------|
| Receivables within credit terms | 3,122,791 | 3,625,767 |
| Receivables overdue | 22,838 | 7,651 |
| Provisions for bad debts | - | - |
| | 3,145,629 | 3,633,418 |
| | % | % |
| Receivables within credit terms | 100 | 100 |
| Receivables overdue | - | - |
| | 100 | 100 |

30(c) Payables and borrowings

Payables and borrowings are both subject to liquidity risk. In addition, one of the long-term borrowing facilities is subject to interest rate risk.

The MRC manages its liquidity risks by monitoring its cash flow requirements and liquidity levels on an ongoing basis and through maintaining an adequate cash buffer. In addition, the MRC has access to an overdraft facility to cover any short-term liquidity issues. Interest rate risk is managed through the negotiation of long term facilities and fixing interest rates where it is considered advantageous to do so.

The table below sets out the maturity profile of the MRC's payables and borrowings.

| | Due within 1 year \$ | Due between 1 and 5 years \$ | Due after 5 years \$ | Total contractual cash flow \$ | Carrying value \$ |
|---|----------------------------|------------------------------------|----------------------------|---|-------------------------|
| 30 June 2018 | | | | | |
| Payables | 6,319,988 | - | - | 6,319,988 | 6,319,988 |
| Borrowings | 117,948 | 639,862 | 215,216 | 973,026 | 855,369 |
| | 6,437,936 | 639,862 | 215,216 | 7,293,014 | 7,175,357 |
| <i>Weighted average effective interest rate on borrowings</i> | 5.95% | | | | |
| 30 June 2017 | | | | | |
| Payables | 5,920,277 | - | - | 5,920,277 | 5,920,277 |
| Borrowings | 184,781 | 629,837 | 343,189 | 1,157,087 | 883,713 |
| | 6,150,058 | 629,837 | 343,189 | 7,078,084 | 6,803,990 |
| <i>Weighted average effective interest rate on borrowings</i> | 6.20% | | | | |

There have been no material events after the reporting period which would affect the financial report of the MRC for the year ended 30 June 2018 or which would require separate disclosure.

As at 30 June 2018, the MRC had no contingent liabilities.

35. Related Party Disclosures

The totals of remuneration paid to KMP of the Council during the year are as follows:

| | | |
|------------------------------|----------------|----------------|
| Short-term employee benefits | 327,825 | 333,113 |
| Post-employment benefits | 18,685 | 48,909 |
| Other long-term benefits | 7,175 | 27,389 |
| Termination benefits | - | - |
| | 353,865 | 409,411 |

Notes to and forming part of the **Financial Statements** (continued)

35. Related Party Disclosures (continued)

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found at Note 28.

Post-employment benefits

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

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

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

Related Parties

The Council'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. **Entities subject to significant influence by the Council**

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.

Transactions with related parties

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

The following transactions occurred with related parties:

| | ACTUAL 2017/2018 \$ | ACTUAL 2016/2017 \$ |
|--|------------------------------------|------------------------------------|
| Associated companies/individuals: | | |
| Sale of goods and services | 42,872,659 | 42,769,341 |
| Purchase of goods and services | 926,899 | 929,011 |
| Amounts outstanding from related parties: | | |
| Trade and other receivables | 2,261,317 | 2,746,919 |
| Amounts payable to related parties: | | |
| Trade and other receivables | 27,214 | 46,473 |

Notes to and forming part of the **Financial Statements** (continued)

36. New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Council.

Management's assessment of the new and amended pronouncement that are relevant to the Council, applicable to future reporting periods and which have not yet been adopted are set out as follows:

| | Title and topic | Issued | Applicable | Impact |
|------|--|---------------|-------------------|---|
| i. | AASB 9 – Financial Instruments (Incorporating AASB 2014-7 and AASB 2014-8) | Dec 2014 | 1 Jan 2018 | Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the Council, it is not anticipated the standard will have any material effect. |
| ii. | AASB 15 Revenue from Contracts with Customers | Dec 2014 | 1 Jan 2019 | This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the Council has with third parties. It may or may not be significant. |
| iii. | AASB 16 Leases | Feb 2016 | 1 Jan 2019 | <p>Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted.</p> <p>Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the Council, the impact is not expected to be significant.</p> |

Notes to and forming part of the **Financial Statements** (continued)

36. New Accounting Standards and Interpretations for Application in Future Periods (continued)

| Title and topic | Issued | Applicable | Impact |
|---|----------|------------|---|
| iv. AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8) | Dec 2016 | 1 Jan 2019 | <p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Council's operations.</p> |

Adoption of New and Revised Accounting Standards

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

- AASB 2016-4 (Applicable to reporting periods commencing on or after 1 January 2017)
Amendments to Australian Accounting Standards – Recoverable amount of non cash generating specialised assets for not-for-profit entities.
- AASB 2016-7 (Applicable to reporting periods commencing on or after 1 January 2017)
Amendments to Accounting Standards – Deferral of AASB 15 for not-for-profit entities.







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