

# Annual Report 2019/20





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Cover Image  
Image above  
Image page 4-5

Legendairy Public Art Sculpture, Ratalang Bashams Beach Conservation Reserve  
Middleton Beach  
Sunrise, Hindmarsh Islan

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# Welcome





# Welcome to Alexandrina

The Alexandrina region is uniquely positioned in the picturesque Southern Fleurieu Peninsula at the end of the River Murray and as a gateway to the iconic Coorong. It is within an easy drive from metropolitan Adelaide – about an hour and a quarter or 85 kms south from Adelaide Airport.

Alexandrina Council comprises some 182,684 hectares. It extends from the north-western side of Lake Alexandrina to the Murray Mouth, and the western end of the Coorong - taking in river communities of Langhorne Creek, Milang, Clayton Bay, Goolwa and Hindmarsh Island. It extends along the south coast to Port Elliot and inland to Mount Compass and Strathalbyn.

The Alexandrina vision is about 'connecting communities' through regional innovation, a thriving environment, quality of life and wellbeing for all, increasing cultural vitality and activating vibrant spaces.

The Alexandrina community encompasses many townships, villages and rural areas, with two major hubs – Strathalbyn to the north-east (edge of the Adelaide Hills) and Goolwa (to the south at the end of the River Murray). The Alexandrina area is one of the fastest growing regional areas in South Australia – experiencing peri-urban trends while also noted for its high quality agricultural production (the second largest industry in the region). The area is renowned for its environment, heritage and lifestyle.

Our population also extends to the south alongside stunning coastline, acting as an annual nursery for Southern-Right Whales and a popular holiday and visitor destination. To the north, the population disperses throughout rolling hills and pastures, as a mix of rural living and large broadacre farming and vineyards.



## Council Information Snapshot



### Principal Office

11 Cadell Street  
Goolwa



### Strathalbyn Office

1 Colman Terrace  
Strathalbyn



### Postal Address

PO Box 21  
Goolwa SA 5214



### One Mayor

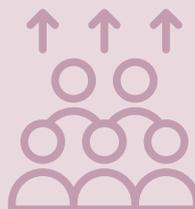
Elected at large



Area •  
**1,827 km<sup>2</sup>**

### Population 27,427

**1.44%** Increase  
since previous financial year (2018/19)



**08 8555 7000**



**alex@alexandrina.sa.gov.au**

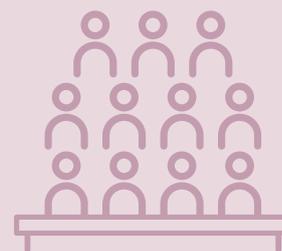


**alexandrina.sa.gov.au**

**visitalexandrina.com**

**businessalexandrina.com.au**

**ourlocalalexandrina.com.au**



### Eleven Councillors

# Introduction by Mayor Keith Parkes



I have been incredibly proud to represent you as Mayor of Alexandrina throughout this challenging period, in a time when our true character, our care and understanding of each other, has been highlighted.

Welcome to Alexandrina Council's 2019-20 Annual Report.

I feel fortunate to present a positive summary of our achievements, despite the past 12 months presenting unprecedented changes. Schools, businesses and households were forced to quickly adapt to a new normal in the wake of the COVID-19 pandemic. I have been incredibly proud to represent you as Mayor of Alexandrina throughout this challenging period, in a time when our true character, our care and understanding of each other, has been highlighted. **Although maintaining physical distancing, we have come closer together on many fronts to support each other.**

My role allows me to meet with members of our community, liaise with various community groups and attend numerous regional events. I meet caring and creative people, observe the amazing natural environment, and hold great respect for our varied heritage...all these factors give Alexandrina its enviable identity.

We have accomplished much in 2019-20, and while the pandemic certainly came with an added workload for our Council, it has been important to push ahead with the planning and implementation of current and future projects, carrying our productive momentum from 2019 into 2020 and beyond.

**This Annual Report delivers an outline of what we have achieved and provides insight toward future planning and development.** It aims to summarise key highlights and achievements across our various departments. For example, major projects continued to progress this year, strengthening our region's infrastructure, natural environment, wellbeing, culture, and leisure opportunities.

In the 2019-20 financial year we completed some long-awaited projects including the Mount Compass Recreation Park, the Sandergrove Road Revitalisation, and the Goolwa Pump Track. Along with Surf Life Saving South Australia, we were thrilled to be part of the completion and opening

of the new Goolwa Surf Life Saving Club building and the commencement of the new Port Elliot Surf Life Saving Club facility.

Over the year, we worked with Federal and State Governments to secure funding for other key projects which we look forward to delivering in the near future; including the Strathalbyn Senior Citizens Building, the Goolwa Wharf Precinct Revitalisation, the Goolwa Oval Sporting Precinct and the Strathalbyn Streetscape Revitalisation.

We have continued to protect and enhance our natural environment through a number of projects and initiatives. And, as a council we have committed to a series of climate pledges, continued advocacy for a full and timely implementation of the Murray-Darling Basin Plan and made a Climate Emergency Declaration.

Although some services, events and facilities were impacted in 2020, we collectively found solutions to challenges, and consolidated our future of self-sustaining growth and innovative outcomes.

We will continue to deliver projects and services that enrich life in Alexandrina. We aim to keep our community involved, informed, and empowered. Alexandrina is a prosperous and sustainable region and we will continue to grow in a way that aligns with our community's expectations.

On behalf of myself and my fellow Elected Members, we thank you, our ratepayers, residents and businesses for our opportunity to serve and represent you through our strategic decision making and processes that shape a vibrant Alexandrina.

We hope you find this report interesting and discover more about what Council has been doing through 2019-20.



Mayor Keith Parkes

# From the Chief Executive Officer



Council has achieved a variety of exciting community outcomes, guided by strategic intent and purposeful vision. One of the best parts about preparing an annual report is looking back on such achievements, through the range of services Council provides to develop and improve our communities.

In presenting the 2019-20 Annual Report I **commend our Council and community**, for their consolidated efforts despite the many challenges we have all faced as a result of the Coronavirus pandemic. Council kept businesses and individuals informed with regular updates and most importantly; ensured support services were in place for ratepayers, while the community worked together to stay safe, buy local and help others.

It was rewarding to reflect on Council achievements through 2019-20, and on the many benefits of living in Alexandrina. Council has achieved a variety of exciting community outcomes, guided by strategic intent and purposeful vision. One of the best parts about preparing an annual report is looking back on such achievements, through the range of services Council provides to develop and improve our communities.

These services include infrastructure and engineering; health, safety, and wellbeing; tourism and visitor experience; the environment; arts and culture; and library amenities. We are supported by a reliable and diligent team of volunteers who shape our sense of place and build upon our community spirit, through their loyal involvement, whom I thank for their vital part in building a strong community network.

**This report provides a snapshot of our achievements**, with examples of the types of diverse projects, programs and services Council worked on throughout 2019-20, and confirms our ongoing commitment to work towards our planned aspirations and outcomes.

Our framework for implementing and prioritising our various projects, programs and services is in-line with the **Alexandrina Council's 2014-23 Strategic Plan, which supports the vision of Connecting Communities**.

Our Community Strategic Plan and Annual Business Plan, plus other high-level plans, inform Council's decision-making processes and related discussions. Along with feedback and insight from our loyal and valued community, these plans guide our priorities and actions toward building sustainable and resilient communities.

**I wholeheartedly believe that we can achieve the aspirations and outcomes in our 2014-23 plan.**

- *with a resilient economy, productive community assets, and proactive leadership and accountability, we can **Innovate Throughout our Region***
- *through vibrant communities, memorable experiences and liveability of townships and rural areas, we will **Activate our Spaces***
- *with accessible services and opportunities, collaborative community ventures and self-sustaining communities, we can **Participate in Wellbeing***
- *with progressive approaches to climate change, protection of water resources and enhanced biodiversity, we will **Thrive in a Clean Green Future***

I assure you that Alexandrina Council will continue to enhance our service offerings, using the Community Strategic Plan to build on both the tangible and non-tangible assets of our region. We will continue to listen to the community and be **innovative in our approach to positive future outcomes**.

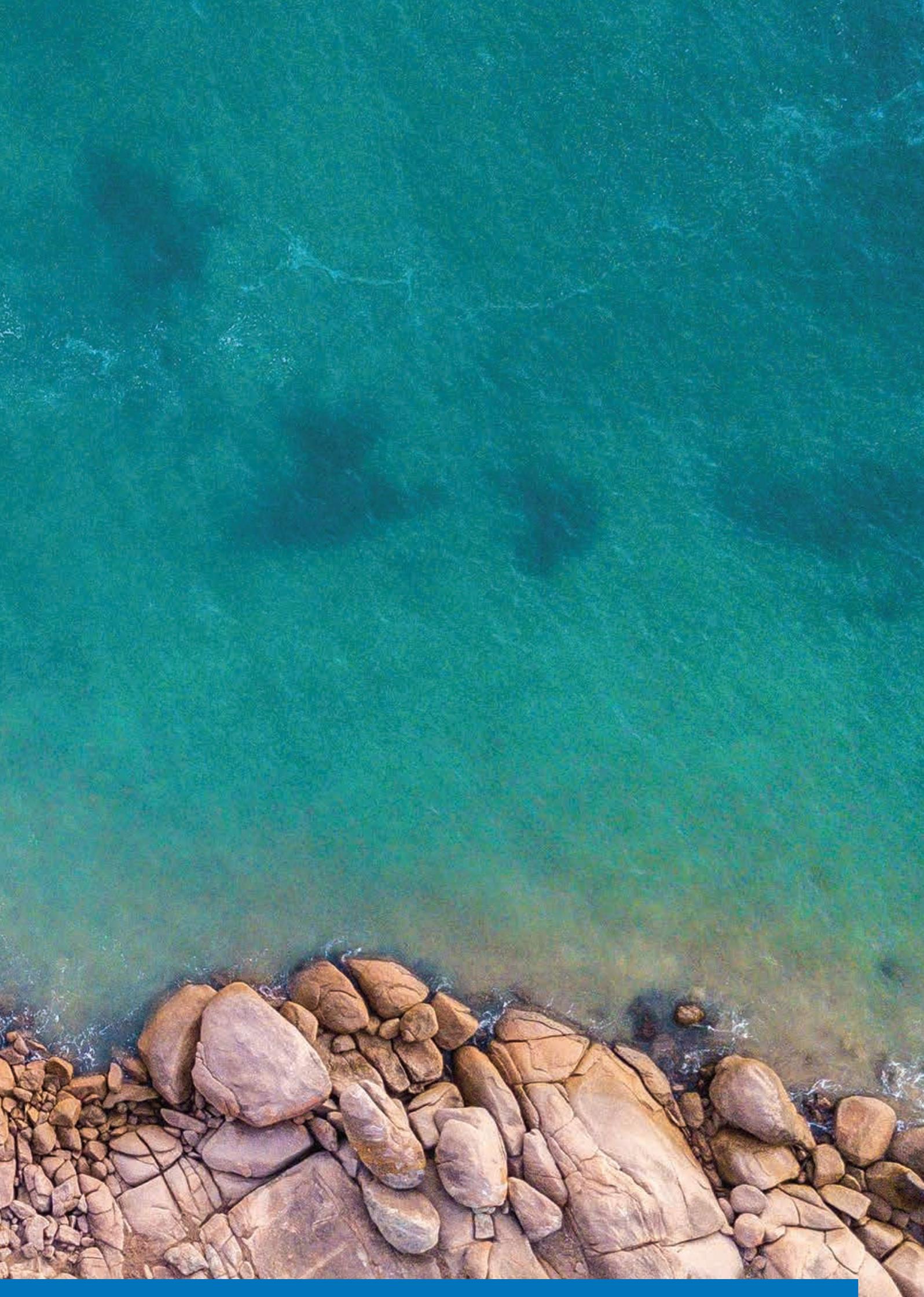
Our staff and volunteers work decisively toward delivering our objectives and achieving our vision, and I would like to genuinely thank them for their time and commitment. I would also like to extend my sincere appreciation to Mayor Keith Parkes and fellow Elected Members, who provide a 'voice' and ongoing support to the communities we serve, in turn strategically guiding the organisation to achieve a culture and community that provides benefits to individuals, businesses and the environment alike.

A handwritten signature in black ink, which appears to read "Glenn Rappensberg". The signature is written in a cursive, flowing style.

Glenn Rappensberg

# Our Council





# Elected Members

The Council is made up of the Mayor (Chairperson) and eleven Councillors (the Elected Members) who represent five Wards.

Elected Members are responsible for policy making and decisions that impact on future plans for the region, and the lives and livelihoods of individuals, organisations and businesses that live and operate within it.

**The role of Elected Members is to:**

- Participate in the deliberations and civic activities of Council.
- Formulate the Council's objectives and policies; keep the Council's objectives and policies under review to ensure they are appropriate and effective.
- Keep Council as well as resource allocation, expenditure and associated activities; as well as the efficiency and effectiveness of its service delivery, under review.
- Represent the interests of residents and ratepayers; to provide community leadership and guidance; and to facilitate communication between the community and Council.



**Mayor**  
Keith Parkes



**Strathalbyn**  
Rex Keily<sup>AM</sup>



**Strathalbyn**  
Craig Maidment



**Angas Bremer**  
Karyn Bradford



**Angas Bremer**  
Michael Farrier



**Nangkita – Kuitpo**  
Bill Coomans



**Port Elliot Middleton**  
Michael Scott <sup>ASM OAM</sup>



**Port Elliot Middleton**  
Bronwyn Lewis



**Goolwa Hindmarsh Island**  
John Carter



**Goolwa Hindmarsh Island**  
Margaret Gardner



**Goolwa Hindmarsh Island**  
James Stewart



**Goolwa Hindmarsh Island**  
Melissa Rebbeck

# Alexandrina Council Ward Boundaries



## Townships

Ashbourne  
Clayton Bay  
Currency Creek  
Finniss  
Goolwa  
Langhorne Creek  
Middleton  
Milang  
Mount Compass  
Port Elliot  
Strathalbyn

## Localities

Angas Plains	Hope Forest	Nangkita	Tooperang
Belvidere	Kuitpo	Nurragi	Willunga Hill
Blackfellows Creek	Kyeema	Pages Flat	Willyaroo
Bletchley	Lake Plains	Paris Creek	Woodchester
Bull Creek	McHarg Creek	Point Sturt	Yundi
Chiton (previously Hayborough)	Montarra	Prospect Hill	
Gemmells	Mosquito Hill	Red Creek	
Hartley	Mount Jagged	Salem	
Highland Valley	Mount Magnificent	Sandergrove	
Hindmarsh Island	Mt Observation	The Range	
	Mundoo Island	Tolderol	

# 2014–23

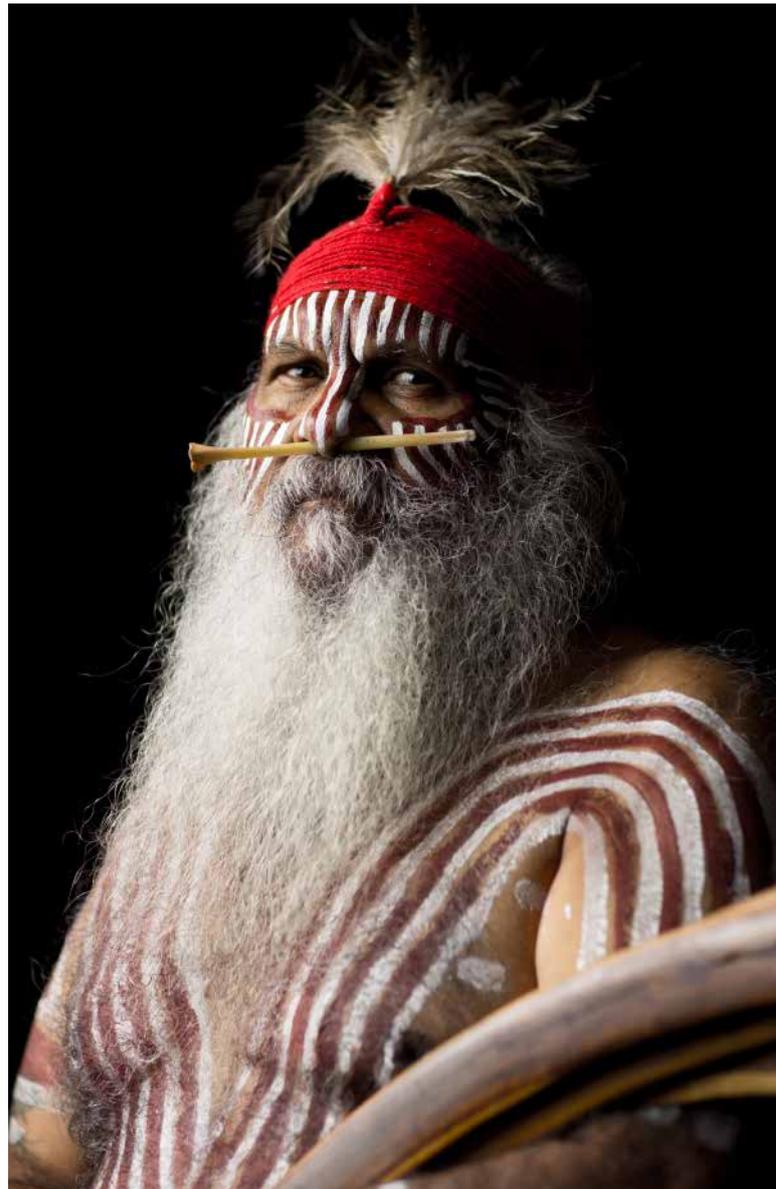
## Our Community Strategic Plan

Our Community Strategic Plan is a living account of our community's aspirations, interests and priorities. It guides resourcing plans such as the Long Term Financial Plan, Infrastructure and Asset Management Plan and Annual Business Plan and Budget.

It is based on significant community input, population and demographic forecasts and consideration of how Alexandrina Council might support community interests in the context of economic, social, environmental and cultural trends.

Alexandrina Council operates in accordance with seven core values:

1. Living an inspiring vision
2. Communicating our strategies and goals
3. Developing our people
4. Recognising our people
5. Caring for our people
6. Listening and adapting to our customers' needs
7. Continually improving our systems.



*Alexandrina Council and its communities acknowledge the Ngarrindjeri people as the traditional custodians of the lands and waters of our Council district.*

Image Major 'Moogie' Sumner

# Community Strategic Plan Framework

A full copy of the Community Strategic Plan can be viewed on Council's website at [alexandrina.sa.gov.au](http://alexandrina.sa.gov.au)



# Structure and Function of Council

## Council, through its Elected Members, is the principal decision-making body and is guided strategically through the region's 2014–23 Community Strategic Plan.

Council is committed to a high standard of corporate governance and delivery of agreed strategic community outcomes.

Council's organisational structure in 2019-20 consisted of the following Divisions:

- Environment
- Growth
- Office of the CEO (Leadership and People)
- Resources
- Wellbeing.

Divisions are overseen by a General Manager, who report directly to the Chief Executive Officer.

The Office of the Chief Executive includes the principal office of the Mayor and Chief Executive Officer and provides support for all Elected Members in the fulfilment of their civic duties.

### Corporate Information

**Auditor:** Dean Newbery and Partners. Remuneration paid to Council's auditors in 2019–2020 was \$19,500

**Bank:** ANZ

**Solicitors:** Montgomery & Co, Norman Waterhouse, Wallmans, Kelledy Jones, RSA Law

**Debt Collection:** Milton Graham

### Council Meetings, Briefings and Workshops

Ordinary meetings of the full Council were held on the first and third Monday of each month, commencing at 5.00pm.

All Council Meetings are held in the Council Community Chambers "Wal Yuntu Warrin" Goolwa (unless stated otherwise). All meetings are open to the public.

The agenda and minutes of meetings are on display at the Goolwa and Strathalbyn Offices, and available on Council's website for public inspection.

Council Briefings commenced at 5.00pm (unless otherwise stated) and held in the Council Community Chambers "Wal Yuntu Warrin", Goolwa.

All Council workshops and briefings are held in the Council Community Chambers "Wal Yuntu Warrin", Goolwa (unless otherwise stated). Members of the public are welcome to attend Council workshops and briefings, unless it is deemed that the Council workshop or briefing is to be held In Confidence.

### Staff Overview

As at 30 June 2020, Council employed	
Full time permanent staff	108
Part time permanent staff	32
Full time contract	7
Part time contract	0
Full time fixed term basis	19
Part time fixed term basis	23
Casual staff	12
Total employees	201
Full time equivalent (FTE) at 30 June 2020 total	174
Contract labour	0
Trainees not paid via payroll	4

### Allowances Paid to Members of Council and Senior Executive Officers

#### Mayor

- Maximum allowance under Section 76 of the Local Government Act, and Regulations Number 245 of 1999
- Motor vehicle
- Reimbursement of expenses incurred on Council business
- Telephone line rental, facsimile, data service, plus Council calls
- Laptop, printer and modem.

### Deputy Mayor

At their first meeting for the November 2018 - November 2022 Council term, Elected Members resolved not to appoint a Deputy pursuant to Section 51 (3) and (4) of the Local Government Act 1999 (SA).

### Councillors

- Maximum allowance under Section 76 of the Local Government Act, and Regulations Number 245 of 1999
- Reimbursement of expenses incurred on Council business
- Mobile phone allowance for 'bring your own' (BYO) device
- Laptop, printer and data service.

### Senior Executive Officers Remuneration Chief Executive Officer

- Performance-based Contract package:
  - Salary
  - Motor vehicle – full private use
  - Council-provided telephone/data service and mobile phone for Council business
  - Superannuation Guarantee Contribution 10%.

### General Managers and Group Managers

- Performance-based Contract Package:
  - Salary
  - Motor vehicle – full private use
  - Council-provided telephone/data service and mobile phone for Council business
  - Superannuation Guarantee Contribution 10%.

### Council Process

Elected Members, comprising the Mayor and Councillors, are responsible for the direction of Council and for making significant decisions on community matters.

Alexandrina Council governs on behalf of the community, setting direction and associated priorities for the Administration.

It delegates authority under the Local Government Act 1999 to the Chief Executive Officer to implement programs and undertake activities in accordance with strategic policies and associated budgets.



Image Horse riding, Goolwa beach

# Highlights





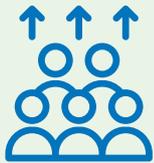
# Innovate throughout our Region

Throughout 2019 -20, Council's organisational structure focused on six key areas - leadership, people, resources, environment, wellbeing and growth.



## Council Services Snapshot

**27,427**  
residents



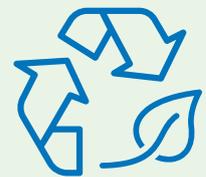
**1.44%** Population increase

**\$3.6M**  
Regulatory services\*



**\$50**  
per tonne

South Australian Government solid waste levy in 2019–2020



**\$3.1M**  
Waste and recycling

**1347 kms**  
Total length of roads managed by Council at 30 June 2020

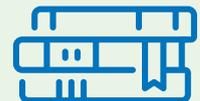


**8,704**  
Active library borrowers

**32,352 tonnes**  
of waste processed for the region, including recycled and green waste



**\$4.5M**  
Community services and public safety\*



**\$2.4M**  
Investment in economic development

**\$2.8M**  
Libraries and culture services\*



**\$10.7M**  
Maintenance and renewal of roads, footpaths and kerbing\*



**24,227 tonnes**  
of regional waste diverted from landfill

**\$3.1M**  
Stormwater, street lighting and environmental services



**\$5.2M**  
Recreation and sport



\*Expenditure

# Innovate throughout our Region

## Finance Services

Council adopted the 2020/21 Annual Business Plan and Budget which included a rate increase of 1.2%.

**Major projects outlined in the 2020/21 Annual Business Plan and Budget included:**

- Coorong Quays Wastewater Transition
- Strathalbyn Streetscape Revitalisation
- Goolwa Sporting Complex
- Goolwa Wharf Revitalisation Project

**The Capital Program Budget for 2020/21 includes:**

- \$3.5 million for land and buildings
- \$1 million for kerbs and footpaths
- \$7.6 million for roads and bridges
- \$3.8 million for Community Wastewater Management Schemes
- \$2.3 million for Recreation and Open Space
- \$3.3 million for Plant and Equipment.

The draft 2020/21 Annual Business Plan and Budget was released in June 2020 and went to public consultation from 16 June to 6 July 2020.

## Summary of Budget Movements

Council has improved its year end operating position when compared with its original adopted budget. Council initially budgeted for an operating deficit of \$276,000 in 2019-20.

**Movement throughout the year has resulted in a year end operating surplus of \$330,000. This can be predominately attributed to the following movements:**

- An increase to Council's annual Roads to Recovery funding of **\$121,000**
- **\$302,000 additional Roads to Recovery funding** received in conjunction with drought funding eligibility
- **\$61,000 increase** in Council's allocation of the **Grant Commission** Financial assistance grant
- **\$66,000 increase** in statutory charges
- **\$443,000 interest saving** due to the timing of cash flows associated with **carry forward capital projects of \$5.9 million**; and lower interest rates
- **\$300,000 savings** from the re-measurement adjustments of Council's landfill liabilities offset by a **\$201,000 net increase** in depreciation due to revaluation of Council's building assets
- **\$330,000 contribution** to the **Port Elliot Surf Life Saving Club** for the redevelopment project
- **\$160,000 COVID-19 funding** assistance to **Community Centres.**

Council spent \$8.7 million in renewing, upgrading and expanding its assets during 2019-20 in accordance with its Asset Management Plans.

Council has decreased its loan borrowings during 2019-20 to \$23.2 million and is carrying a responsible level of debt relative to its rate revenue and asset base. Council's debt strategy is outlined in its Long-Term Financial Plan, and remains well within its debt target range.

## Community Group Audits



Image Mount Compass Recreation Park Planting Day



Image Mayor Short Story Challenge

Council provided auditing services to three non-profit community organisations in regards to their previous financial year's activity. Advice from a financial professional, helps to ensure these groups are able to account for all their transactions and meet their regulatory requirements.

### Creating a Culture of Customer Service Excellence

In 2019-20, the Council's Service Centre received 44,181 phone calls. Of the 103,653 council payments made, 21,441 council payments were processed by staff over the phone or in person at the Goolwa office and Strathalbyn Library.

Further acceptance of online payment options has resulted in 77 percent of payments being processed online, consistent with the 2108-19 result. Council continues to provide face to face payment options for customers who prefer personal assistance.

Council processed 1,757 Property Search requests to the value of \$95,020.

This year we continued to embrace the 'Dogs and Cats Online (DACO)' initiative introduced by the Dog and Cat Management Board in 2018. The Customer Experience team supported the community to embrace the initiative by assisting 2,152 customers to renew and pay their animal registration in person and over the phone, with 3,068 or 59 percent of customers embracing the opportunity to renew and pay online.

DACO TRANSACTIONS	\$	No. of transactions
Renewed and paid online by owner	\$168,614.50	3,068
Renewed and paid online by council	\$45,126.00	922
Council payment processed via cash/chq	\$45,681.00	1,230

### Valuing our Volunteers

Alexandrina Council acknowledges and greatly appreciates the significant contribution made by the 477 registered volunteers who participate and add value across a diverse range of council areas.

Our Human Resource Plan contains key strategies for best practice to meet the National Volunteer Standards introduced in 2015. Achievement of these standards will allow us to better support and provide connection and skills enhancement for our current and future volunteers.

In the 2019-20 year, Alexandrina Council's volunteers contributed over 31,847 hours of their time, and we sincerely thank them for their contribution and encourage and welcome new volunteers to join our Council.

COVID-19 related closures and alterations to Council services and facilities resulted in less volunteer hours in 2019-20; but importantly, Council acknowledges the commitment and dedication of all volunteers, many of whom continued to contribute via electronic means throughout the period of significant social restrictions.

### Communicating with our Community

In 2019-20, Council remained focused on improving the way it communicates with residents and ratepayers. Ongoing promotions of Council achievements appear on multiple platforms, including local media, social media and websites.

The 'Latest News' tab on Council's website is frequently updated to keep the community informed, as is the corporate Facebook page. In 2019-20, almost 100 Latest News items were posted and almost 300 Facebook posts were published.

Council's MySay website continues to provide access to community consultation surveys. In 2019-20, 18 public consultations were conducted through MySay, resulting in over 5,700 site visits and almost 1,000 community members having their say on a range of proposals. Never has it been easier to have your say!

The continual growth of social media has seen the corporate Facebook page increase its number of followers, surpassing 5,000. The engagement on our posts and interaction via Facebook has also increased significantly since the 2018-19 reporting period, with an average post reach of 1,998.

# Innovate throughout our Region

Meanwhile, our quarterly high-quality newsletters, which feature achievements, project updates and future events, generate keen interest and feedback after each mailout. This year we updated the newsletter design and format to enhance aesthetic appeal. Our bi-monthly contribution to Coast Lines magazine is also well received.

Our responsive, mobile-friendly, corporate website is regularly modified and maintained, hosting event listings, latest news, general Council information and more at [www.alexandrina.sa.gov.au](http://www.alexandrina.sa.gov.au)

## Recycling and Reuse

Council provides mobile phone 'muster' units in the main Goolwa office and library, Strathalbyn Library and our Port Elliot and Milang Library depots. Collecting mobile phones, batteries and accessories for recycling supports the environment, with over 26kg recycled over the past year, along with over 112kgs of alkaline batteries collected, therefore supporting the diversion of these components from landfill.

Council continues to sell composting tools and materials at a discounted rate, encouraging everyone to recycle more and embrace the new waste stream. This year, 13 compost bins, 34 worm farms and 232 kitchen caddies were sold through our customer service centres.



Image Adelaide International Guitar Festival

## Alexandrina 2040 Review of Community Strategic Plan

In the spring of 2019, Council put a call out for ideas, asking residents and visitors alike what they love about Alexandrina. We also asked what challenges and opportunities the region might face between now and 2040. This multi-phase feedback process plays an important part in the review of Council's strategic management plans.

Over 1,100 people contributed through an online survey and a series of listening-post events. In January 2020, the Phase 2 Report, highlighting the outcomes, was released. The report set the basis for a series of eight 'Village Conversation' workshops around the region in February and March. Here, residents had the opportunity to comment on the potential projects planned for each town based on the ten-year expansion program within the current long-term financial plan. It was pleasing that many people willingly provided feedback and contributed additional project ideas for Council to consider.

The Phase 3 Report collated and summarised outcomes from over 500 responses, which included those from nearly 230 people who attended across eight workshops. A further 271 completed an online survey.

The response to Phase 3 of the long-term strategic planning process confirmed a high level of community investment and involvement. Participants liked having their say and being heard by Council.

A series of aspirations and Action Areas, which were developed from the Phase 2 findings, were validated as being a sound reflection of participants' expectations: important for the Alexandrina region and community moving forward.

Council received consistent feedback that people are comfortable with the level of service currently provided in relation to Waste Management and Parks and Recreation. These Action Areas receive a lower investment priority overall and across most locations.

Climate change, along with 'Well-managed growth and economic development' were the Action Areas the community prioritised most highly. Council recently invested in the area of Economic Development and the benefits associated with this increased investment will become evident to the community in the near future, via initiatives such as the soon-to-be-opened Alexandrina Business Hub and other programs.

Different towns and wards had different priorities when it came to Action Areas, which is to be expected. This highlights the importance of consulting the community at a local level to fully understand local needs and priorities. In particular, the level of priority associated with Road Maintenance & Upgrades varied considerably between the rural and town areas, with three of the rural towns plus those living in rural localities placing this as their highest priority.

### Drought Funding

The Alexandrina Community's drought resilience was bolstered in November 2019 by Council's eligibility for \$1million in the Federal Government's Drought Community Programme – Extension. Alexandrina Council attained the full \$1million allocation, by completing a series of agreed projects before 30 June 2020.

The three key initiatives that secured funding include a business enterprise centre based in Goolwa, Clayton Bay Foreshore public realm improvements and the renewal of irrigation infrastructure in reserves around the district.

The aim of the Alexandrina Business Enterprise Centre (renamed the Business Alexandrina Hub) is to establish a hub for new, emerging and existing business across the region; strengthen economic growth opportunities and provide general business support and guidance. The project is consistent with Council's Economic Development Strategy to foster collaboration, networking and enhancement of local businesses.

The Clayton Bay Foreshore Public Realm Improvement Project supports the demand for quality public spaces that encourage tourism and boost economic activity in Clayton Bay. These improvements were extensively researched, with consultancy sought, as part of the Clayton Bay Foreshore Master Plan.

The maintenance and improvements to our parks and reserves is of utmost importance. Irrigated green spaces have been shown to reduce ground and air temperatures, as well as offer pleasant outdoor areas that appeal to locals and visitors alike, providing respite from extreme summer weather.

The renewal of irrigation infrastructure was implemented at various sites across the region and involved replacing existing redundant irrigation hardware to increase water efficiency and help safeguard public and open spaces from the impacts of climate change, rising temperatures

and drought. Investing in efficient, water-saving irrigation networks helps maintain our valued green spaces in our urban environments.

### COVID-19 Response

In March 2020, Council began taking an active role in responding to the Coronavirus (COVID-19) pandemic and the public health emergency declared by the South Australian Government.

Council closely monitored information provided by the Australian and South Australian Governments relating to COVID-19, with their priority on the health and safety of our community and staff, whilst also seeking to maintain effective and efficient council services.

As the situation changed at state and national levels, Council encouraged everyone to keep up to date with the latest information from official Government sources.

At a local level, Council made decisions which impacted the delivery of some Council services, events and programs, activating a comprehensive Business Continuity Plan and providing regular updates about Council's response via the corporate website, print media and Facebook page.

A dedicated COVID-19 information line was established via telephone and email as well as the implementation of financial and business support measures. As the South Australian Government Roadmap was released, Council reacted to each phase as required, providing further advice and direction to the community, including the welcoming of intrastate visitors to the region in May.



Image Clayton Bay carpark and path

# Innovate throughout our Region

## Business Support Package

In April 2020, Council implemented a comprehensive Business Support Package to help alleviate the local economic impact of the COVID-19 pandemic.

The package, delivered in three distinct phases, is aimed at supporting business survival in the short term (April – June 2020), business recovery in the medium term (July – December 2020) and business growth and resilience in the longer term (January 2021 onwards).

The package supplements existing economic stimulus and financial relief measures announced by both the Australian and South Australian Governments.

The centrepiece of the package was up to \$200,000 of immediate financial relief measures including a three-month rent free period (April – June 2020) for eligible tenants of Council buildings; and the automatic fee waiver of specific business permits including outdoor dining permits and health inspection fees for the period April – June 2020.

Medium and longer-term initiatives foreshadowed in the package include prioritising the establishment of an Economic Development and Events Recovery Grant Program in the 2020/21 budget considerations; and the implementation of an Alexandrina Business Digital Economy Strategy to assist as many businesses in the region as possible to be online.

The package outlined a range of business support initiatives which commenced in early March including reduced payment terms for local suppliers, a food guide promoting local businesses offering take-away and delivery options, flexible on-street parking controls, a dedicated COVID-19 business support portal on the Council website and establishment of the Alexandrina Business Hotline for local businesses seeking Council support and advice.

Local businesses and other community members experiencing financial hardship were also able to access a range of rate relief measures under Council's existing 'Hardship Policy', including postponement of 4th quarter 2019-20 and 1st quarter 2020/21 rates until December 2020.

## Funding Assistance to Community Groups

In June, Council supported an allocation of funds from the 2019-20 financial year as a once off COVID-19 initiative to support Community Centres across Alexandrina.

The financial assistance aimed to support community-run organisations to meet the increased demand for support

for vulnerable and disadvantaged community members; and assist community centres to meet unexpected funding shortfalls and increased operational costs as they recover from the pandemic.

Council also helped promote philanthropic grants available to these organisations, in an effort to help maximise their revenue potential. Council funded subscriptions to directories including Philanthropy Australia Directory of Funders and Our Community Funding Centre.

The funding was divided across the region to include centres in:

### G

Goolwa

**\$80,000**

### S

Strathalbyn

**\$40,000**

### M

Milang

**\$20,000**

### MC

Mount Compass

**\$10,000**

### LC

Langhorne Creek

**\$10,000**

## Doing Business with Council

During November 2019, Council held four successful information sessions for our pre-qualified contractors and new contractors, consultants and suppliers. The sessions were well attended with 43 current and seven new suppliers attending in Strathalbyn, and 32 current and five new suppliers attending in Goolwa.

These sessions were designed to provide a better understanding of Council's procurement methods and Council's 2019-20 Procurement Plan, as well as providing an opportunity to meet with suppliers to answer questions and obtain feedback. Some consistent feedback about Council's procurement process was received across all sessions, which will be given consideration in planning for future sessions and supplier engagement opportunities.

## Solar Charging and Wi-Fi Stations

To keep our community and our visitors safe and connected to the mobile network, Council launched two new state-of-the-art smart solar charging stations as part of a trial with a South Australian based manufacturer in mid-December 2019. These stations feature a solar powered canopy, convenient and comfortable picnic style seating, USB wireless chargers, auto LED Lighting and free public Wi-Fi. The solar capability of these stations allows the provision of these services in our open parks and gardens spaces without significant infrastructure costs.

Initial trial locations of these new green, environmentally friendly Charge and Wi-Fi Stations were selected based on peak visitor demand over the holiday period. They are currently located at Bristow Smith Reserve, Goolwa, and Commodore Reserve, Pt Elliot. The benches can be relocated, ensuring they will be in spaces that benefit most from the technology.

There has been significant use of the stations since their installation, with people accessing the recharge options as well as the free Wi-Fi. There are future opportunities to add sensors to the benches that measure such things as air quality and moisture, which may assist with climate change initiatives.

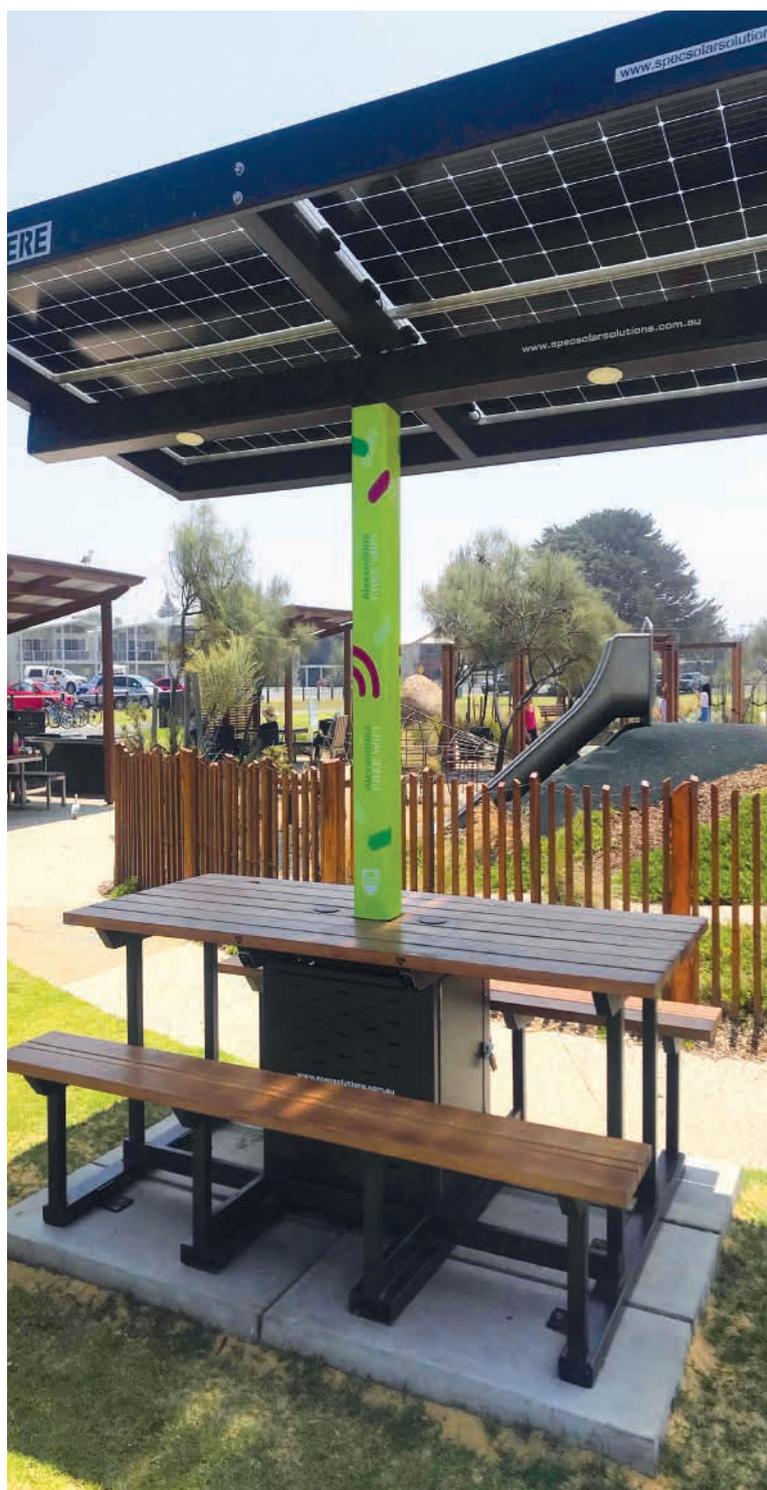


Image Smart Bench, Goolwa

# Activate our Spaces



Image Goolwa Pump Track

## Development Activity



### 1,107 development applications

were received by Council's Planning and Development Department throughout 2018–19.



### \$103.16 million

worth of building activity throughout our Council area.



### 316 new dwellings

approved from these applications (compared to 206 in 2018–19).



### 81 dwelling additions

approved from these applications (compared to 60 in 2018–19).

Throughout 2019-20, Council's Planning and Development Department processed 1,107 development applications, which equated to \$103.16 million worth of building activity throughout our Council area. Of these applications, there were 316 new dwellings approved and 81 dwelling additions.

The number of land division applications approved was slightly higher compared to last year, with 54 being approved. However, the number of new allotments created was less at 70 allotments, compared to 86 in 2017-18 and 201 in 2018-19.

The Council Assessment Panel (CAP) comprises five members, four being independent members, of which one is appointed as the Presiding Member. The remaining member of the CAP is an Elected Member. In 2019-20, the CAP met on six occasions and made a total of seven decisions. Of these decisions, four were approvals, two refusals and one was deferred.

Aside from approving new developments, Council has a requirement to ensure buildings are being constructed in accordance with State Regulations. As a result, the Building Team undertook 194 inspections, including on structural frames, footings, bushfire compliance and other general follow up matters; 29 of these inspections were for swimming pools.

# Activate our Spaces

## Economic Development

In 2018, Council implemented a 'Growth Division', formalising an economic development department including the portfolios of Tourism, and Arts and Culture. With dedicated resourcing for economic development, we aim to recognise the importance of this outcome for the entire Alexandrina region. Growth in Alexandrina's economy will deliver an enriched living and working environment for both residents and visitors alike.

The COVID-19 pandemic created a difficult time for local business operators from early 2020, with many businesses forced to operate under State Government imposed restrictions.

Council's economic development function aims to support local businesses rebuild and grow by providing:

- a targeted industry capability building program focused on partnerships
- access to expert advisors
- business community building through networking events
- an online collective marketing presence at [www.ourlocalalexandrina.com.au](http://www.ourlocalalexandrina.com.au)

## Tourism

Well known for its support and proactive approach within the tourism industry, Alexandrina Council reaps the benefits of partnering, participating and supporting networks and functions. The synergy with tourism, and arts and culture broadens our visitor experiences and increases the liveability of our region for both community and tourists alike. By attracting, promoting, and fostering local tourism, Council provides economic and social benefits to the region and its community.

Alexandrina Council maximises tourism opportunities as a funding-partner and stakeholder with regional tourism associations: Fleurieu Peninsula Tourism, and Murray River, Lakes and Coorong Tourism Alliance.



Image Just Add Water Arts and Culture program launch, Signal Point Gallery, Goolwa Wharf Precinct



Image PS Oscar W, Goolwa Wharf Precinct

## Arts and Culture

The Alexandrina Council region is well known and respected for its interesting array of artisans rich creative culture. There is a synergy with Tourism, Arts and Culture in the operation of Council's Just Add Water (JAW) Program, which broadens visitor experiences and increases the liveability for both our community and visitors to the Alexandrina Council area.

### Just Add Water Arts and Culture Program

The Just Add Water Arts and Culture Program is an annual program of events and activities. The Program delivers broadly diverse performances, exhibitions, activities and cultural events across the Alexandrina Council region. The intent is to offer something for all interests and ages, including film, visual arts, musical and theatrical performances, exhibitions, public programs and opportunities for participation and learning.

Live performances, exhibitions, and children's activities, (as part of the 2019 JAW Program) were carried out across a number of venues, however much of the 2020 program was cancelled from March 2020 due to the emerging COVID-19 pandemic.

### South Coast Regional Art Centre

The South Coast Regional Art Centre promotes emerging and professional artists from across the Southern Fleurieu region. The Gallery showcases a variety of arts and artists with nine exhibitions held this year.

### Signal Point Gallery

Signal Point Gallery offers a continuous program of high-quality exhibitions, workshops and events showcasing the best professional artists from the region and nationally. Following some cancellations due to COVID-19 and closure of the gallery, only eight exhibitions were held over the year.

### Strathalbyn Exhibitions

Three exhibitions were held at Strathalbyn as part of the JAW program at the Strathalbyn Library, the Strathalbyn Museum and the Langhorne Creek Old School House, all part of the South Australian Living Artists (SALA) Festival.

## Centenary Hall

Centenary Hall is Alexandrina Council's premier performing arts venue located in Goolwa. It is an adaptable space offering up to 216 seats theatre style, and retractable seating to allow for alternative use of the space including cabaret style shows and conferences.

The community are regular users each month, and from 1 July 2019 to mid-March 2020, 94 community activities and events were held in Centenary Hall. In addition, 21 performances were presented as part of the JAW Program. A further nine commercial hire and Council events such as the Australia Day Citizenship Ceremony, public interest films, forums and public seminars were presented during the 2019-20 financial year.

### Public Art

Council has a public art framework that informs the allocation of funding and decision making for the design and installation of public art in the region.

The 'Legendairy' cow sculpture at Ratalang Basham Beach Conservation Reserve was unveiled in July 2019. While another sculpture, Neptune's Pearls, was installed at Horseshoe Bay, Port Elliot in April 2020.

### PS Oscar W and Goolwa Riverboat Centre

The Friends of the Oscar W Incorporated continue to maintain and operate the paddlesteamer PS Oscar W on behalf of the Alexandrina Council. Regular day cruises are offered each month with the exclusion of July, which is used for maintenance and survey requirements.

The PS Oscar W is also available for charters and participates in events, where possible, such as Goolwa Regatta Week, Yesterday's Power Rally in Milang and events at up-river townships such as Morgan and Mannum.

During the second half of 2019, PS Oscar W operated cruises, providing passengers with a unique experience, however from March 2020, operations were impacted and halted due to COVID-19 restrictions.

PS Oscar W cruises and charters in 2019-2020:

- 21 public cruising days: 52 x 1 hour cruises and 3 x Clayton Bay lunch cruises
- 10 private charters.

# Activate our Spaces

The operation of the PS Oscar W and the Goolwa Riverboat Centre is only possible with the support of many volunteers from our community. There is a sense of pride in owning a paddle boat and offering authentic cruises to our community and visitors. The PS Oscar W offers a unique volunteering experience, and Council acknowledges and thanks these volunteers for their commitment and passion.

## Events Alexandrina

Council provides significant support to local community and tourism events, encouraging visitors to our region with the opportunity to enjoy vibrant and varied activities in a naturally attractive environment.

The Community Grants Program funded four Christmas events during 2019-20. Community events for which funding was provided included New Year's Eve 'Fireworks off the Bridge,' Goolwa Regatta Week; Strathalbyn Agricultural Show, The South Coast Jazz Festival and Yesterday's Power Rally.

Community events from March to June 2020 were postponed or cancelled due to COVID-19.

## Mount Compass Recreation Park

Alexandrina Council officially opened its newest recreation park during a community event in October 2019. The Mount Compass Recreation Park was completed on budget, and incorporates a state-of-the-art skate park, a new BMX track and open play spaces for families to enjoy. The park also has a meandering creek for nature play, and an area with a basket swing, large slide, sandpit and picnic table. Other convenient additions to the park include a bike station for minor repairs and a filtered water 'bubbler.' The Pump Track and bike park design cater for beginners and intermediate riders, and also includes a unique 'Snake Run' feature from a higher access point, connecting into the BMX area.

The Mount Compass Recreation Park cost \$1.15 million and was jointly funded by Alexandrina Council and the State Government's Department of Planning, Transport and Infrastructure. The external funding contribution was secured with the support of local MP, Member for Finnis, David Basham.

## Sandergrove Road Completion

The final stages of Strathalbyn's Sandergrove Road Revitalisation Project were completed in August 2019, including significant street-level enhancements to

underground power lines and the installation of new heritage-style streetlamps. Recent comprehensive civil and landscape works were also carried out, including new footpaths, street-side kerbing, a stormwater management system, road asphaltting, street furniture, trees and landscaped gardens.

Council is pleased with the result which has created an attractive southern entrance to Strathalbyn: a welcoming gateway to the Southern Fleurieu coastal townships. A revamped Sandergrove Road modernises infrastructure and street appeal, while retaining the historic character of Strathalbyn

## Mount Compass Library Kiosk

As a direct outcome of the Library Services Review, which commenced in 2017, a new Library Kiosk model was introduced in Mount Compass in September 2019, in collaboration with the Australia Post Office in Compass Central. In the quarter since establishing the new location, Mount Compass experienced a fifty percent increase in service usage from an average of 20 items to 53 items borrowed per month.

Functioning as a pick-up and drop-off location for library items, the Kiosk allows customers to access the OneCard Network of over 3.7 million items that can be requested through a standalone tablet unit. Once these items are relocated from libraries around the state, the customer is notified and can collect the item from a dedicated corner of the Post Office.

## Goolwa Pump Track

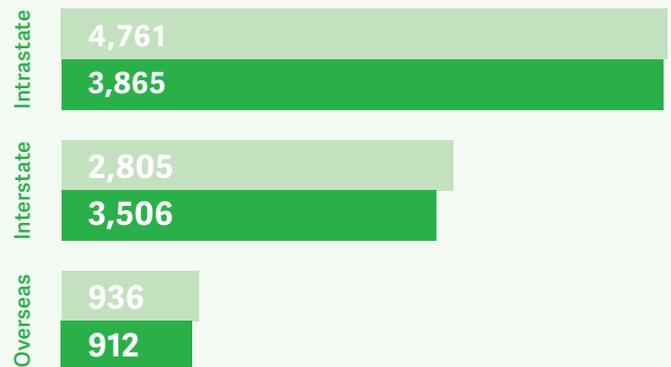
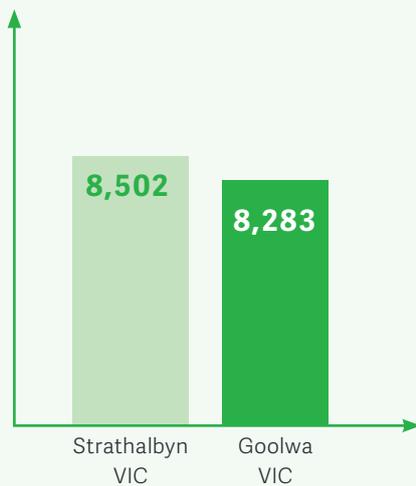
The Goolwa Pump Track opened in October 2019. Nestled next to the Goolwa Skate Park and BMX track on Glendale Grove, the new asphalt Pump Track features a series of banked turns and humps, allowing the rider to navigate the circuit by creating momentum using a 'pumping' motion, rather than pedalling.

The addition of the Pump Track transforms the precinct into an even greater hub for skating, scooting and BMX action.

## Alexandrina Visitor Services

Alexandrina Visitor Services' (AVS) staff and volunteers promote the region, providing support to the tourism industry and local businesses through booking tours and accommodation, and providing invaluable travel advice and information to visitors.

Alexandrina's Visitor Information Centres (VICs) ceased general operations on 27 March 2020 due to COVID-19, remaining closed for the remainder of the financial year given social distancing requirements at the time.



The Visitor Services team was supported by:

**82** volunteers

**8,733** volunteer hours

**Three** Alexandrina Visitor Services sites

**Seven** days operating per week

Seat Adviser Box Office (SABO) ticket sales for the year include:

**2,963** tickets sold

**28** shows

**\$68,019** gross value of ticket sales for the Just Add Water Program

# Activate our Spaces

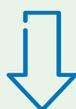
Bookings of tours, cruises and accommodation within 2019–2020:

Alexandrina Visitor Information Centre's (Goolwa and Strathalbyn VICs)

**\$74,979**  
gross

**\$8,701**  
commission

**46%**  
decrease



on the previous  
financial year  
2018–19

It is important to note the summer bushfires in SA and other parts of Australia had a significant impact on travel during the Alexandrina region's peak travel season in 2019-20. Our visitor numbers were beginning to recover from the bushfires when COVID-19 restrictions were introduced, closing borders, and again restricting visitor numbers.

The decision was made, for the safety of our staff and volunteers, to close the Goolwa and Strathalbyn shop fronts on Monday 23 March. Visitor service provision was maintained through our dedicated phone lines, visitor website, Facebook and email during the period our VIC shop fronts were closed.

Gross retail sales for 2019-20



**\$23,229**  
Goolwa VIC



**\$9,480**  
Strathalbyn VIC



**\$20,657**  
Goolwa Riverboat Centre

Goolwa Riverboat Centre cruise bookings (bookings and payments for Goolwa Riverboat Centre are only taken on the day of travel): gross payments \$13,382, commission \$1,606.

Branded souvenir items continue to be stocked at our Visitor Information Centres. The branded items are different for each centre based on the demographic of people who visit, and the most popular items sold or requested.



Image Goolwa Surf Life Saving Club

### Goolwa Surf Life Saving Club Opening

Following an incredibly efficient construction period, which commenced in August 2018, the new Goolwa Surf Life Saving Club (SLSC) building was officially opened in October 2019.

Alexandrina Council representatives, including Mayor Keith Parkes and CEO Glenn Rappenberg, joined Goolwa SLSC, Surf Life Saving South Australia and other stakeholders to celebrate what will become an iconic monument of beach life in Goolwa for many years to come.

In collaboration with Surf Life Saving South Australia (SLSSA) and Goolwa SLSC, Council worked to bring this much-needed facility to fruition. The \$3.5 million project is partly funded by Alexandrina Council, which allocated \$500,000 to SLSSA from its 2018-19 budget. Council also conducted site preparation, including the establishment of new public toilet facilities. SLSSA contributed further funding through their Club Rebuild Program, while Goolwa SLSC provided eleven percent of the project cost – tirelessly raised through many fundraising activities.

After a detailed procurement process, SLSSA Facilities Management Group appointed Mossop Construction + Interiors to construct the facility. The new building not only provides the Goolwa SLSC with a permanent home (after operating from a temporary facility for the past seven seasons), it will provide the space and facilities to be able to branch out into new fundraising activities such as function hire and other catering opportunities.

The Goolwa SLSC is the first stage in the transformation of the entire precinct, with the Club planned and designed in line with the Goolwa Beach Car Park and Environs Masterplan. Over the next 20 years, this Masterplan aims to guide future development and management of the Goolwa Beach area, as a vibrant and functional mixed-use precinct.

### Engineering Services Team Highlights



Over 2,250 customer requests



Maintained 32 play spaces



Over 200 trees planted



Maintained over 195 hectares of open space



Hand and truck watered over 1,000 street trees



Resheeted over 22km of road



Over 1,600 potholes repaired



Over 1,000 signs repaired



Over 60km of trees trimmed



Over 800km of roads graded

# Activate our Spaces



Image Launch of Rural Womens' Gathering



Image Eddie Betts' book reading, Alexandrina Libraries Program



Image Goolwa Pump Track opening

# Activate our Spaces

## Strathalbyn Senior Citizens Building Upgrades

Upgrades to the Strathalbyn Senior Citizens building commenced in April 2020. When the works are completed in late 2020, the Strathalbyn Neighbourhood Centre will commence management of this functional building to deliver a variety of community development programs for surrounding residents.

The new building will also have an air-conditioned extension added, while the existing building will be significantly upgraded with a new kitchen servery and associated appliances. Modifying existing design elements will improve the aesthetics and assist in visually connecting both structures. Internal and external painting will be completed throughout, and new floor coverings laid.

External works include the construction of concrete footpaths to provide formal access and highlight the way from the carpark to the main entrances of the new and existing building. A new concrete pad will be installed for the garden club volunteers to install their garden shed. Landscaping work will involve laying instant turf and preparing for future garden beds and vegetable patches.

The upgrade to the Strathalbyn Senior Citizens building was funded through the Federal Government Stronger Communities grant, the State Government Fund my Neighbourhood program and the Alexandrina Council.

## Goolwa Oval Sporting Precinct Funding

In May 2020, Council was successful in securing \$800,000 to commence Stage One of the multi-stage Goolwa Oval Sporting Precinct project.

This funding was secured from round two of the State Government's Grassroots Football, Cricket and Netball Facility Program, as announced by the Minister for Recreation, Sport and Racing, the Hon Corey Wingard MP. Funding will allow for the construction of a new comprehensive multi-purpose community sporting facility, including four unisex change rooms, community spaces, player and spectator amenities, umpire and official areas, administrative spaces and storage.

The upgrade has been a long sought-after dream for users of the facility including the Goolwa-Port Elliot Football Club, Goolwa Netball Club, and Goolwa Cricket Club. The upgrade will also benefit many other users of the precinct and encourage new sporting groups into the area.

## Port Elliot SLSC Funding Announcement

In May 2020, Council announced a \$330,000 contribution to the Port Elliot Surf Life Saving Club (SLSC) as part of the 2019-20 budget. This allocation was in addition to funds previously made to Surf Life Saving South Australia (SLSSA) to ensure club redevelopment works continued in Alexandrina.

Council's support for this project in partnership with Surf Life Saving South Australia and the South Australian Government will provide many benefits for community, local business and to the region's overall economy. The decision further supports feedback received from the Alexandrina community about the value we place on our lifestyle and well-being.



Image Port Elliot SLSC funding announcement



Image Legendairy Public Art Sculpture, Ratalang Bashams Beach

## Goolwa Wharf Revitalisation

In June 2020, Council celebrated funding announcements from Federal and State Governments for the Goolwa Wharf Precinct Revitalisation Project.

Federal Minister for Infrastructure, Transport and Regional Development, the Hon Michael McCormack MP, and South Australian Liberal Senator, Andrew McLachlan CSC announced \$3.75 million in funding under the Australian Government's Building Better Regions Fund, Round 4. This is supplemented by a further funding commitment from the State Government's Minister for Primary Industries and Regional Development, the Hon Tim Whetstone MP of \$1.25 million for the project.

Alexandrina Council, Mayor Keith Parkes and Chief Executive Officer (CEO) Glenn Rappensberg, were joined at the Goolwa Wharf Precinct by South Australian Liberal Senator, Andrew McLachlan CSC and Member for Finnis, David Basham MP to acknowledge the co-contributions from all levels of government.

Combined with Council's funding commitment of \$2.5 million, the total project value is \$7.5 million. This project will greatly support Alexandrina's regional economy and the 27,000 plus people who live in the Alexandrina local government area, as well as increase tourism visitation to the area.

## Legendairy Cow Statue

The Legendairy Cow Statue was officially unveiled at Ratalang Basham Beach Conservation Reserve in July 2019. Mayor Keith Parkes, CEO Glenn Rappensberg and Member for Finnis David Basham MP congratulated artists James Stewart and Tracey Grivell on the fantastic outcome of creating such a unique metal statue.

The Legendairy Cow public artwork was supported by Council and the Alexandrina Arts and Cultural Advisory Committee; and recognises the significant contribution made to our region by the dairy industry.

## Field Services and Civil Assets

Council continues to maintain open space recreation facilities as well as sealed and unsealed roads across the district.

Council is responsible for over 567km of sealed and 780km of unsealed roads across a wide range of terrain,

from the high rainfall areas of Mount Compass and Kuitpo, to the plains of Langhorne Creek and Milang. As well as roads, Council maintains a network of footpaths and cycle tracks across all eleven townships and a wide variety of bridges and major culverts.

Alexandrina Council also owns and manages many parks and gardens within our district that cater for a broad range of activities for all ages. These parks and gardens range from neighbourhood areas to larger central community places.

Council endeavours to keep up to date with the latest trends 'place' activation to ensure current and future needs of community are met. Everyone is welcome to enjoy our parks, gardens and playgrounds. Council welcomes and encourages locals and visitors to utilise our open space recreation facilities for exercise and general recreation.

To further enhance the livability of our urban places and to reduce ambient heat, almost 200 new street trees were planted in 2019-20.

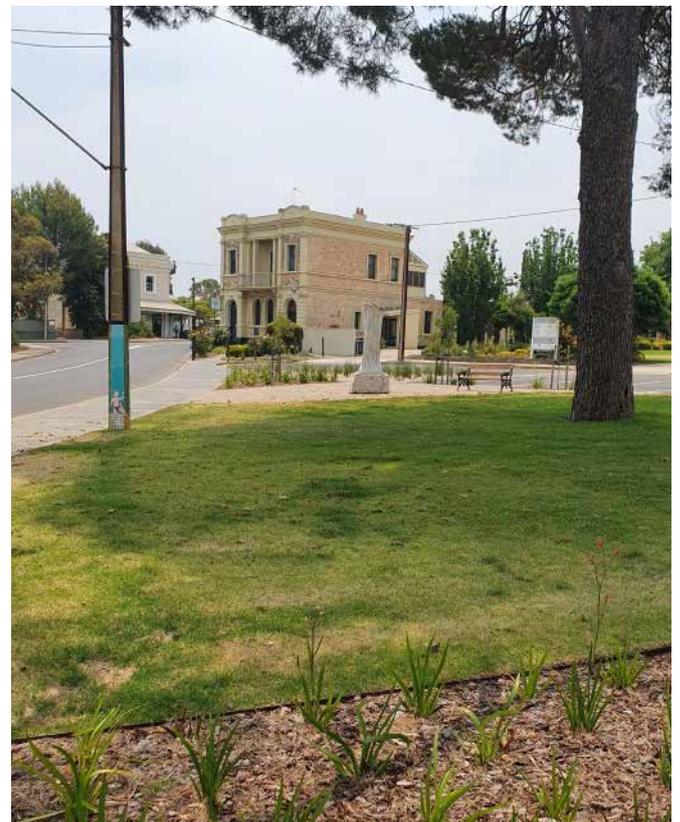


Image Sunter Street Pocket Park, Strathalbyn

# Participate in Wellbeing

## Community Connect Program

Council's Community Connect programs provide access to social support and transport, including domestic assistance, home maintenance and helping people to remain living independently in their own homes.

In 2019-20, Community Connect programs provided services to 545 people over the age of 65. This equates to over 1,421 hours of individual contact and 8,465 hours of group

	Clients	Total trips
Alexandrina Community Connect	545	2,570
Hills Community Transport	137	792
Milang Old School House Centre	42	546
Southern Communities Transport Scheme	650	6,948
<b>Total</b>	<b>951</b>	<b>12,279</b>

social support. A further 440 hours of home maintenance was also provided across the region. There were 2,570 transport services provided, allowing residents to attend social activities, medical appointments and access general retail. There were 38 under 65 consumers supported by the program, which provided more than 440 occasions of transport, 1,330 hours of group social support, and more than 1,500 hours of individual support.

Due to COVID-19, Community Connect services were suspended on 18 March 2020, with 488 customers receiving an information letter and fact sheets relating to the virus and how to access Community Connect services in a COVID safe way.

## Community Grants Program and Christmas Contributions

Community Grants attracted 56 eligible applications across nine categories in 2019-20. Of these, 24 applicants were awarded funding (partial or full), totalling \$70,102. In addition, two Local Heritage Grant Applications were funded from Council's Community Donations pool, for \$2,000 each.

Additional contributions were also made to district-wide Christmas events. Grant categories included: Community Environment, Community Development, Rural Initiative, Local Heritage, Connecting Communities Through the Arts,

Festivals and Events, Recreational Capital, Community Halls and Small Recreation and Sport. Council encourages applicants to consider applying in future.

## Agricultural Shows

In October 2019, Council was physically represented at both the Strathalbyn and the Port Elliot Shows via Information Marquees, in which a comprehensive array of material was provided in an effort to promote council services, major projects, events and visitor information.

## Australia Day Celebrations and Citizen of the Year Recipients

Mayor Keith Parkes and Chief Executive Officer, Glenn Rappensberg officiated Australia Day celebrations at Strathalbyn and Goolwa, where Citizenship Ceremonies were conducted, and Citizen of the Year Awards were presented to community members.

Citizen of the Year Awards were presented to Anthony Baker of Mount Compass, and Leonie Henderson of Clayton Bay.

Anthony has been an active member of the Mount Compass Community for many years; having volunteered at the CFS since moving to the town. He was an active committee member of the Mount Compass War Memorial Community Centre and was also involved in the community drive for a recreation park to be established in Mount Compass.

Leonie volunteered at the Clayton Bay Boat Club for many years, is the former President of the Clayton Bay Community Association Committee, has volunteered with the Clayton Bay Environmental Group, and created the Clayton Bay Calendar for the past eight years, raising money for the Clayton Bay Community Association. She was also responsible for securing grants for various projects around Clayton Bay and was a key organiser of the 2019 Rural Women's Gathering in Strathalbyn.

Young Citizen of the Year Awards were presented to Ebony Brackstone of Goolwa, and Tabitha Lewis of Strathalbyn.

Ebony has been a passionate and enthusiastic volunteer and member with the Southern Fleurieu Youth Advisory Committee and the Strathalbyn Community Youth Group for a number of years. She was a key planner in many regional youth events and also part of a group that won a Local Drug Action Team grant to provide a 'natural high' event in Strathalbyn, engaging youth participants and promoting

a drug-and-alcohol-free lifestyle. For over a decade, Tabitha has been a mentor and advocate for youth in the Strathalbyn community. She fostered confidence and life skills in countless young people through her involvement in the Strathalbyn Youth Theatre Group, Strathalbyn Players and the Church of Christ. She also taught many people to swim through her role as swimming coach at the Strathalbyn Swimming Club. Tabitha has also planned many entertainment events for the Strathalbyn Rotary Club.

Community Service of the Year Awards were presented to Allan Pomery of Port Elliot, and the Strathalbyn Rotary Club for the Great Duck Race.

Allan has been a long-standing contributor to the Alexandrina community, having worked with Alexandrina Council for almost 40 years. He has many skills through various roles which have seen him develop a detailed knowledge of the area. Allan is also captain of the Port Elliot CFS Brigade and has volunteered his services both locally and interstate for many years. For over 45 years, Allan has wound the clock at St Jude's Church in Port Elliot on a weekly basis. He is a wealth of knowledge about local history.

The Strathalbyn Rotary Club has successfully run the Great Duck Race for over 30 years, raising significant funds to donate to local groups and charities. The ever-popular event is well supported by local businesses and community members, and attracts many people from outside of the region, who enjoy the spectacle and fanfare associated with 'racing' ducks.

The Community Event of the Year Awards were presented to The South Coast Jazz Festival and the SA Rural Women's Gathering.

### **South Australian Wooden Boat Festival wins State Award**

Council and community were thrilled when the 2019 SA Wooden Boat Festival (SAWBF) received the Winner's Award in the Festivals and Events category at the South Australian Tourism Awards.

Held on 27 and 28 April 2019, the SAWBF entertained around 14,000 people with over 140 participating wooden boats seeing the festival reach its capacity three weeks prior to the event.

The award is a prestigious accolade in the tourism industry and signifies a wonderful recognition of the substantial effort that enabled the 2019 SAWBF to come to life.

The Alexandrina community celebrated this well-deserved win on Friday 8 November 2019.

The SAWBF would not have been possible without the dedication of the organising committee and the generous support of the community, sponsors and volunteers. The SAWBF remains an exciting instalment on Alexandrina Council's biennial calendar of events.

Providing longevity and a major role in regional tourism, the SAWBF is just one of the incredible tourism initiatives that has contributed to the \$476 million in regional expenditure (to June 2019) that the Fleurieu has experienced.



Image The South Australian Wooden Boat Festival

# Participate in Wellbeing

## Library Programs

Alexandrina Libraries held a number of highly successful events and programs over the 2019-20 year in the Goolwa and Strathalbyn Libraries. However, programs were either suspended, or moved to online formats in March 2020, following the announcement of the COVID-19 pandemic.

In October 2019, the Alexandrina Library hosted a book reading event at the Strathalbyn Football Club with famous footballer Eddie Betts as the special guest/author. An audience of 220 people enjoyed Eddie engaging children to assist him reading his book *My Kind* (about kindness, the environment, bullying, speaking up when you're feeling down and making someone smile). Following the book reading, Eddie patiently signed books and posed for photos with attendees. The SANFL also attended and hosted children's activities on the oval. Eddie was in no hurry to leave and stayed for an extended period, venturing out on to the oval to kick the football with the kids.

Library Services recognised the celebration for International Women's Day 2020 in March, with a display of books that were specifically written by women, about women who have shaped our world, or issues that women face across the globe.

A highlight of the Library Program's calendar was Adelaide Writers' Week in early March 2020. Approximately 450 people attended over the three days of Adelaide's premier literary festival live streamed directly from the East Stage in Adelaide's Pioneer Women's Memorial Garden to the Goolwa Library and the Strathalbyn Library Community Centre. Those who attended were extremely positive about the experience and in particular the opportunity to be a

part of Writers' Week without the need to travel to the city. A number of people had been regular attendees at Writers' Week over many years but were now restricted due to mobility issues or ageing, so they were delighted they did not have to miss out.

As a result of COVID-19, our Library Service Depots at Milang, and Port Elliot, the Mount Compass Library Kiosk and the Goolwa and Strathalbyn Libraries were closed in March 2020. This included the cancellation of all adults and childrens events, programs and sessions scheduled to run in March. Some programs and workshops moved to an online format, including regular Story Time readings, of which Mayor Parkes Ceo Glenn Riappensberg were special guests.

Prior to the closures, workshops included 'create your own indoor jungle', which was attended by over 60 people, who were keen to learn tips and the tricks of successful indoor gardening.

## Mayors' Short Story Challenge 2019

The talents of young writers from across the region were celebrated by family, friends and teachers on Wednesday 4 September at the 2019 Mayors' Short Story Presentation, with over 200 guests attending at the Goolwa Library. A collaboration between Alexandrina Council, City of Victor Harbor and the District Council of Yankalilla, the 'Challenge' is about encouraging school aged children from Reception to Year 10 to let their imaginations run wild and share stories through creative writing. The winner from each Council received a \$100 book voucher, with their school awarded a prize of \$1000.

It was fantastic to see 1,010 entries from across the three council regions, with 431 of these from Alexandrina, resulting in a new entry record for all councils.

Mayor Parkes presented awards to our successful young writers, commending them on their imaginative and well written short stories.

## NAIDOC Week Celebrations 2019

The theme of NAIDOC Week 2019 was 'Voice, Treaty, Truth – Let's work together for a shared future.' Running from 7 to 14 July, NAIDOC Week provided an opportunity for all Australians to come together to celebrate the rich history, culture and achievements of Aboriginal and Torres Strait people.



Image Mayors' Short Story Challenge



Image NAIDOC Week Strathalbyn

Culturally significant and fun, family events were hosted by Council in Strathalbyn and Goolwa, starting with a Welcome to Country by Traditional Owners and a flag raising ceremony. Activities including craft, games, dance performances, singing, and weaving demonstrations. A language trail and storytelling in Kondoli the whale, were also enjoyed by many community members. Both venues had native bush food tastings and light lunches, which were cooked by the Strathalbyn Rotary and Goolwa Lions Clubs.

### Environmental Health Service

Council's Environmental Health Team is primarily responsible for exercising the functions of legislation relating to the health of the community, such as the Food Act and South Australian Public Health Act, involving food safety, wastewater management and public health.

Council continues to provide immunisation services to the community. In addition to school clinics, monthly community clinics are held in the Goolwa and Strathalbyn Libraries. Council actively promotes the importance of immunisation within our community.

A High Risk Manufactured Water System (HRMWS) register is maintained by Council's Environmental Health Team, and staff also ensure that regulatory audits of these systems are undertaken as required.

Over the past year the Environmental Health Team issued 347 wastewater works approvals. Additionally, 349 plumbing inspections were undertaken to ensure that the installation of these wastewater systems was undertaken in accordance with approvals.

As a result of community concerns, inspections and servicing reports, Council's Environmental Health Officers (EHOs) followed up 236 complaints relating to wastewater systems and 137 aerobic servicing reports, which identified new issues of non-compliance with relevant legislation.

As a result of these investigations, 25 Compliance Notices were issued under the South Australian Public Health Act.

Our EHOs continue to undertake food business inspections at frequencies recommended under the SA Health Risk Classification tool. The number of routine food business inspections undertaken throughout 2019-20 was 176.

Over the past year, EHOs investigated nine concerns involving alleged cases of food poisoning and general complaints in relation to the operation of food businesses.

Council continues to provide online food safety training to the community through 'I'M ALERT'. The Environmental Health Team also participated in Public Health Week and Food Safety Week in an effort to improve the public health of the community through education and awareness.

### Community Safety Team

Council's Community Safety Team is primarily responsible for exercising the functions of legislation relating to the safety of the community, including management of dogs and cats, fire prevention, management of the Local Nuisance and Litter Control Act, parking controls and enforcement of Council's by-laws.

The Community Safety Team investigated 315 dog and cat related matters, including reports of dogs wandering at large and dog attacks. Over the past year Community Safety Officers impounded 96 dogs, mainly because they were wandering at large, returned 56 directly to their owners without impoundment and returned 30 to owners via the pound. The other eight dogs were either transferred to Welfare Organisations or re-homed through other agencies. Council's feral cat program resulted in 37 cats being trapped. Those that could be identified were returned to owners. Cats that were not feral whose owners could not be identified were sent to the RSPCA.

The Roadside Slashing contract for fire mitigation was into its second year of a three-year contract. Due to timeframes

# Participate in Wellbeing

not being met and substandard quality of works, the contractor was ordered to cease works. This resulted in the engagement of two further contractors, to ensure the specifications of the Rural Roadside Slashing contract were met.

The team undertook a review of their fire prevention, block clearing process. The approach during this period was educational, whereby information brochures were sent out to the majority of land owners in the district providing them with guidelines on how to ensure they are compliant with their requirements under the Fire and Emergency Services Act. In its first year, this approach has seen a significant reduction in the requirement to issue legal notices.

There was however an increase in legal notices issued for this period, up to 345 from 140 the previous reporting period. Of the legal notices issued only 13 of these properties required Council intervention to ensure that bushfire risk was sufficiently reduced.

There were 31 reports of abandoned vehicles investigated over the course of the year, with vehicles removed on behalf of vehicle owners where required.

With the introduction of The Local Nuisance and Litter Control Act there continues to be an increase in reports of Local Nuisance and Litter complaints. The Community Safety Team dealt with a total of 82 reports of illegally dumped rubbish or litter and 58 reports of local nuisance. This has been an increase in illegally dumped rubbish or litter and a slight reduction in reports of local nuisance.

The Community Safety Team continues to undertake parking patrols as part of their routine work and in addition to proactive patrols, 62 parking related complaints were investigated.

## Microchipping - Chipblitz

Australia has one of the highest rates of pet ownership in the world with more than 63 percent of Australian households owning a pet. Alexandrina Council, in partnership with CHIPBLITZ, held a series of \$10 microchipping days for pets across the region in 2019-20. Council's aim is to keep pets safe and allow fast return to owners should they go missing.

The CHIPBLITZ events provided a great opportunity to have pet dogs and cats microchipped at a low cost, following the legislated changes which occurred on 1 July 2018, with the Dog and Cat Management Act requiring all dogs and cats to be microchipped.



Image Greyhound Run-around

## International Women's Day

Council celebrated the influence and inclusion of women in its workforce by hosting two International Women's Day morning and afternoon teas on Monday 2 March 2020.

The theme for International Women's Day in 2020 was 'Each for Equal', signifying that an equal world is an enabled world, providing a unified direction to guide and galvanise continuous collective action toward creating a gender-equal society.

Alexandrina Council proudly supported the initiative, embracing the roles women play in the organisation. Women hold 66 percent of Alexandrina Council's executive team roles and 36 percent of senior leadership roles, which is six percent above the industry average.

Council's enterprise bargaining agreement is also tailored towards providing supportive conditions for female employees with inclusions of twelve weeks' paid maternity leave, provision for breastfeeding mothers returning to work and work-friendly practices such as flexible hours of employment and part-time options for carers of young children.

## Greyhound Run-Around Events

Greyhound off-leash events continued at the Port Elliot Dog Park in 2020 following the hugely successful 'greyhound only' events in 2019.

Council was granted a continued exemption by the Dog and Cat Management Board for the monthly Greyhound Run-Around events.

On these specially designated days, greyhound owners can spend time together and enjoy watching their beloved dogs play and run freely, off-leash in the dog park, as other breeds are permitted to do. In South Australia, greyhounds are not to be exercised off-leash in a public place. They must be walked on-leash only, restricting their natural instincts to stretch out and run freely. These events are a proud collaboration between Alexandrina Council, Friends of the Port Elliot Dog Park, Greyhound Racing SA Adoption Program and the Dog and Cat Management Board. Bookings indicate that greyhound owners are coming from far and wide, contributing to tourism in the area.

**Main image** – Goolwa Pump Track and Skate Park, Top Middle Image – 2019-20 Community Grants recipients, Top Right image – Goolwa Oval Sports Precinct funding announcement'



# Thrive in Clean, Green Futures

## Environmental Assets

Protecting, maintaining, and restoring biodiversity within Council's land was an area where Alexandrina Council continued to deliver services throughout the 2019-20 year. Council's Nature Conservation Team actively manages 211 hectares of reserve and 195 km of roadsides for the benefit of nature conservation. Council gratefully acknowledges their conservation partners who manage 65 hectares of reserve.

Collaborative initiatives in partnership with Department of Environment, Water and Natural Resources (DEWNR), Natural Resources Management (NRM) and community stakeholders ensure protection and enhance local biodiversity outcomes. This range of expertise continually improves management of Council's environmental assets.

## Community Wastewater Management Systems

Alexandrina Council owns and operates one of the largest water-sewerage retailer industries in South Australia. Through its Community Wastewater Management System (CWMS) Alexandrina Council captures, treats, and reuses around 650 megalitres of water-sewerage per year for more than 7000 customers within the region.

Treatment plants at Goolwa, Port Elliot, Strathalbyn, Mount Compass and Milang receive and treat wastewater, which is then used for a number of beneficial applications including recreational, economic development and primary production. Alexandrina's CWMS is leading the way with efficient and environmentally sound methods of wastewater treatment.

Considering Alexandrina's diverse natural environment, Council is pleased that approximately 36ML of stormwater has been reused, which is 40 percent above the historical average. Also, 607ML of treated wastewater has been beneficially used which is above the historical average, though lower than 650ML reused last year. The main driver for this fluctuation were early autumn rains in the region, which reduced the last quarter volume demands by half.

Image Middleton beach



## Wastewater Treatment Plant Locations

Significant land area coverage for maintenance and service



**182,684** hectares

**5** schemes

**>70** pump stations

**>7,000** customers

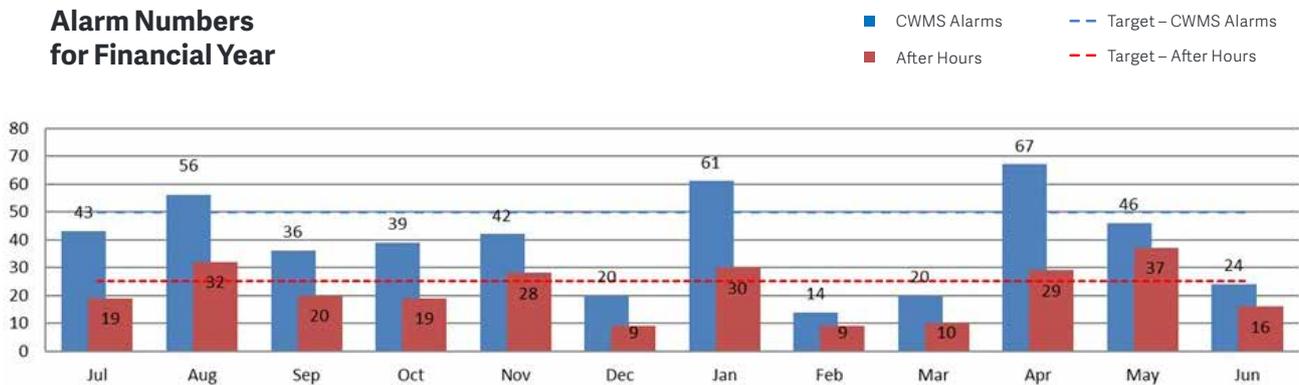
**\$60M** in assets

**650ML** recycled water

**\$5M** operational expenditure

**24/7** 24 hrs, 7 days/wk service

## Alarm Numbers for Financial Year



# Thrive in Clean, Green Futures

## Protecting the Ecology and Economy of the Murray, Lakes and Coorong

During 2019-20, Alexandrina Council joined other South Australian Councils adjoining the River Murray, to advocate for a full and timely implementation of the Murray-Darling Basin Plan. Mayor Parkes was vocal on various radio stations and in print media, stating why the Murray, Lakes and Coorong needs reliable volumes of water from upstream to remain healthy. He made regular reference to the Millennium Drought and to our agricultural and environmental industries that rely on a healthy river system.

Council continues to play an active role in the Murray Darling Association (MDA) Region 6, working in collaboration with Coorong District Council and the Rural City of Murray Bridge to help secure a freshwater future for the Lower Murray, Lakes and Coorong.

A successful Region 6 Stakeholder Symposium was held on 25 September 2019, bringing together approximately 70 representatives from local conservation, industry and community groups with a common interest in the health of the Lower Murray, Lakes and Coorong. The outcomes of this workshop will drive the Region 6 advocacy agenda over the coming year.

Council assisted Region 6 members in their preparations for MDA National Conference that occurred in Toowoomba in late October 2019.



Image Goolwa Barrage

## Coorong Quays Wastewater Transition

Alexandrina Council and Coorong Quays announced in early 2019 that the Coorong Quays wastewater management system (sewer system) will transition to Alexandrina Council ownership over the next two years. This change of ownership will ensure residents and the broader community enjoy security, longevity, and sustainability of the system, reflecting its importance as a critical piece of regional infrastructure.

The Community Wastewater Management System (CWMS) for Coorong Quays, formerly known as The Marina Hindmarsh Island, provides for the collection, treatment and disposal of wastewater (sewerage) generated within the development.

The transition will lead to the by-passing and subsequent de-commissioning and remediation of the wastewater treatment plant at Coorong Quays, located between Tolarno Drive and Randell Road, which will improve the general amenity of Coorong Quays and reduce environmental risk. Following the transition, all wastewater treatment will be conducted at the Council's Goolwa facility.

Coorong Quays will retain ownership and operation of the Coorong Quays CWMS during the two-year construction and transition timeframe, while Council project manages the necessary infrastructure improvements.

The past 12 months have seen significant progress in the project, with detailed tendering and procurement processes completed. Construction and civil works have commenced, to enable the transition within the proposed timeframe.

## National Threatened Species Day

National Threatened Species Day is recognised across the country on 7 September each year, to raise awareness of plants and animals at risk of extinction. The day also celebrates the amazing work that is done by passionate conservationists, researchers and volunteers, to support threatened species recovery.

In September 2019, at the request of the Environmental Advisory Panel, Council partnered with not-for-profit environmental organisation, Nature Glenelg Trust, to help raise awareness about threatened local fish species.

Alexandrina is proud to be known as a region of national and international environmental importance, with a diverse network of bushland, coastal and aquatic habitats. However, in a changing climate, our native, small-bodied fish are very



Image River Murray, Goolwa

much at risk of decline and even extinction. Nature Glenelg Trust loaned Council a large fish tank for a display at Goolwa Library, which is home now to four endangered fish species from the Eastern Mount Lofty Ranges and Lower Lakes region including: the Yarra Pygmy Perch, Mountain Galaxias, Southern Purple Spotted Gudgeon and Murray-Darling Rainbow Fish.

Alexandrina Council also supported the important call for a Wetlands Research Centre to be established in the Lower Lakes region, which can monitor, investigate and evaluate options for supporting the recovery of freshwater and estuarine wetland species and environments.

### Climate Change Emergency Declaration

Council acknowledged the serious risks of climate change to our community by declaring a climate emergency at its Council Meeting on 16 December 2019.

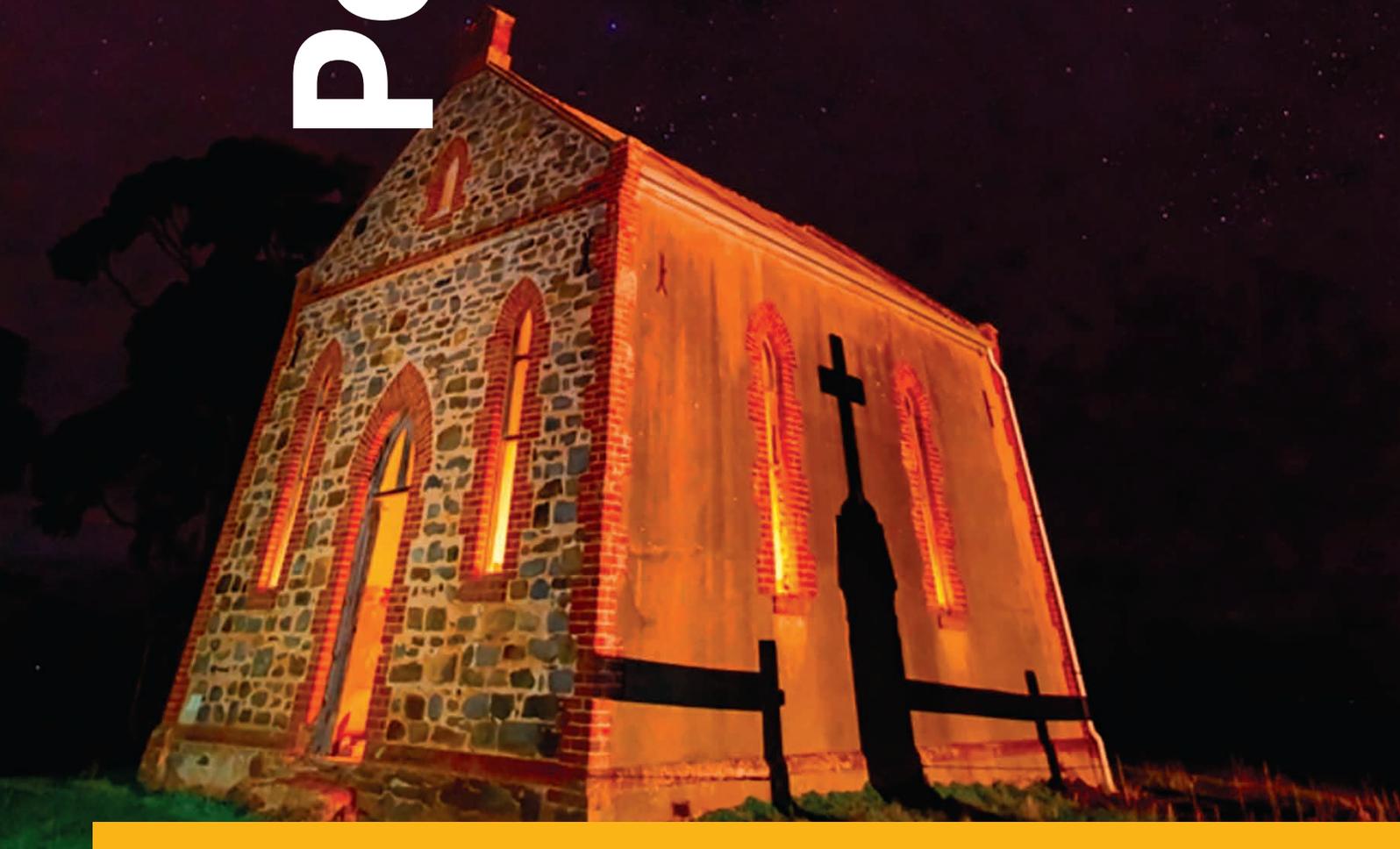
Many local government bodies around the world are leading climate change actions in response to findings by the Intergovernmental Panel on Climate Change (IPCC) which states that urgent action is required now to mitigate the effects of climate change.

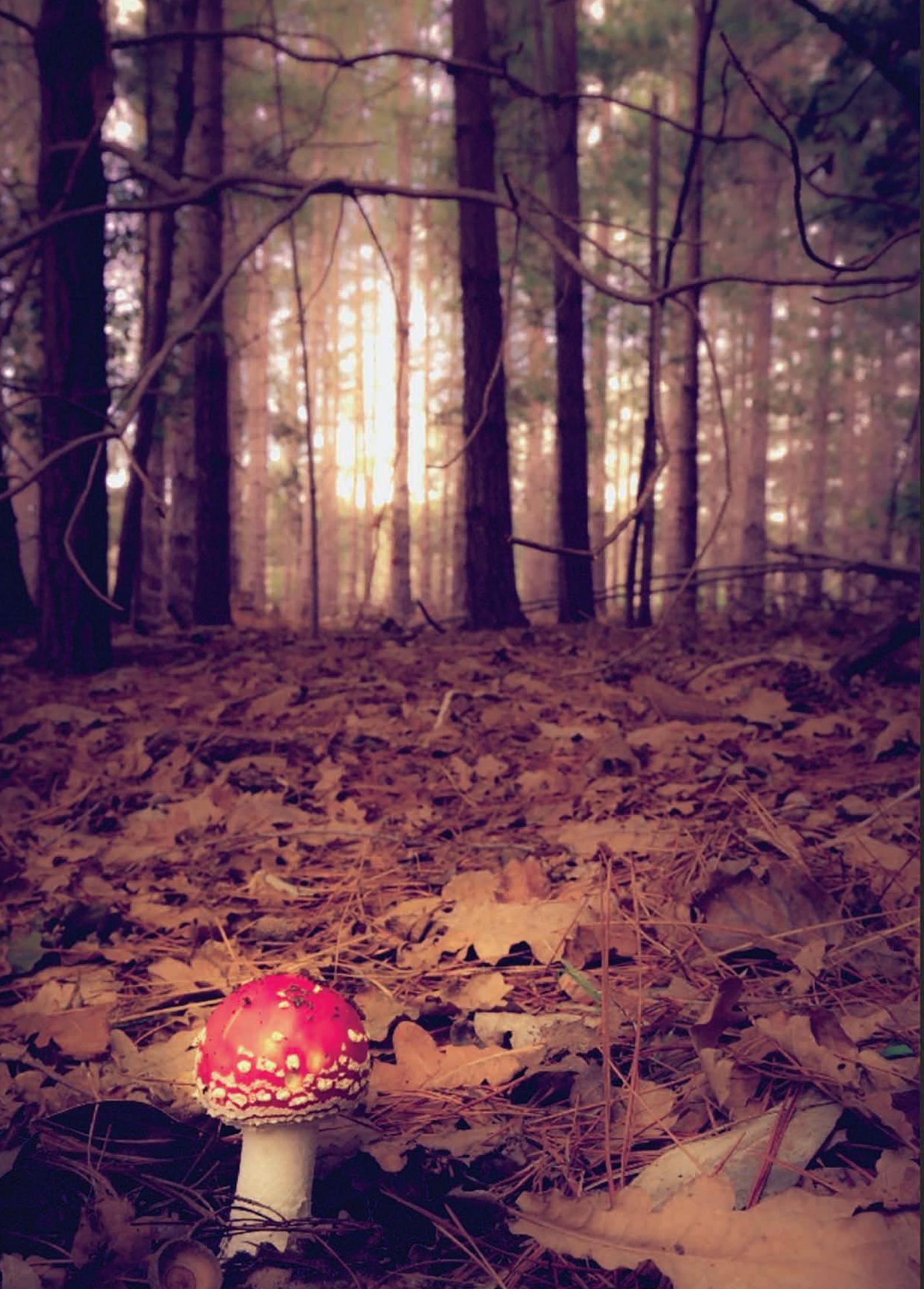
In making the declaration, Alexandrina Council has a clear mandate to recognise climate change as pivotal to its planning and policy development, as well as to focus on climate change mitigation and adaption strategies. This will be done by following key details summarised within the declaration, including:

- Forming a Climate Emergency Advisory Committee of Council
- Developing and implementing a Climate Emergency Plan
- Considering effective resourcing as part of the 2020/21 Annual Business Plan and Budget process for strategies and actions that are specific, timely and appropriately resourced.

Council will explore and articulate further initiatives to best deliver local actions featured in the declaration – and will continue to advocate toward a climate ready future, supporting the resilience of our unique community.

# Our Performance





# Governance

## Committees and Advisory Groups of Council

Name of Committee	Staff Member	Councillor Representative/s
<b>Alexandrina Arts and Cultural Advisory Committee</b>	Leah Grace	Mayor Keith Parkes (ex-officio) Cr Bronwyn Lewis Cr James Stewart
<b>Alexandrina Sustainable Agricultural Round Table</b>	Sally Roberts	Mayor Keith Parkes Cr Melissa Rebbeck Cr Michael Scott
<b>Audit Committee</b>	Elizabeth Williams	Mayor Keith Parkes (ex-officio) Cr Michael Farrier Cr Rex Keily
<b>Australia Day Awards Committee</b>	Anne Liddell	Mayor Keith Parkes Cr Karyn Bradford Cr Bill Coomans Cr Margaret Gardner Cr Michael Scott
<b>Ratalang Basham Beach and Horseshoe Bay Advisory Committee</b>	Mark van der Pennen David Mullins	Cr Bronwyn Lewis Cr Michael Scott
<b>Chief Executive Selection Panel (as needed)</b>	Anne Liddell	Mayor Keith Parkes (Chair)
<b>Chief Executive Performance Panel</b>	Sarah Kay Anne Liddell	Mayor Keith Parkes (Chair) Cr Bill Coomans Cr Michael Farrier Cr Rex Keily Cr Bronwyn Lewis
<b>Community Grants Panel</b>	Linda Scholz	Mayor Keith Parkes Cr John Carter Cr Bill Coomans Cr Michael Farrier Cr Rex Keily Cr Bronwyn Lewis
<b>Council Assessment Panel</b>	Matt Atkinson	Cr Bill Coomans Cr James Stewart
<b>Currency Creek Cemetery Advisory Committee</b>	Kathryn Gallina	Cr Michael Scott
<b>Economic Development Advisory Panel</b>	Matt Grant	Mayor Keith Parkes Cr Craig Maidment
<b>Environmental Advisory Panel</b>	Shen Mann Monika Rhodes	Cr Karyn Bradford Cr Melissa Rebbeck

Images page 48 & 49 – Church located in rural countryside Strathalbyn, and Kuitpo Forest

<b>Fleurieu Region Community Services Advisory Committee (Council withdrew membership, effective 30 June 2020)</b>	Linda Scholz	Cr Karyn Bradford Cr Margaret Gardner
<b>Heritage Advisory Committee</b>	Sally Roberts	Cr Margaret Gardner Cr Craig Maidment
<b>Road Naming Advisory Group</b>	Mark van der Pennen	Mayor Keith Parkes Cr Craig Maidment Cr Michael Scott Cr James Stewart
<b>South Australian Wooden Boat Festival Committee</b>	Carol Cooney Janet Alexander	Cr John Carter Cr James Stewart
<b>Southern Communities Transport Advisory Committee</b>	Linda Scholz	Cr Karyn Bradford
<b>Strategic Planning and Development Policy Committee</b>	Sally Roberts	Mayor Keith Parkes All Elected Members
<b>Strathalbyn Community Advisory Panel (disbanded as at 20 January 2020)</b>		Cr Rex Keily Cr Craig Maidment
<b>Woodshed Committee (Strathalbyn) (dissolved as at 1 February 2020)</b>	Linda Scholz	Cr Craig Maidment

## Payments to Committee Members in 2019–20

<b>Audit Committee (per meeting)</b>	
Independent Chair	\$1,200
Independent Committee Member	\$450
<b>Total</b>	<b>\$1,650</b>
<b>Council Assessment Panel (per meeting)</b>	
Presiding Member (Independent)	\$500
Committee Members (including Elected Members):	\$350
<b>Total</b>	<b>\$1,900</b>

## Listing of Codes of Conduct and Practice

In accordance with Schedule 4 of the Local Government Act, 1999, the following Codes of Conduct are held at Council's Principal Office:

- Code of Conduct for Elected Members
- Code of Conduct for Council Employees
- Code of Practice Access to Council and Committee Meetings and Documents
- Code of Practice – Council Meeting Procedures
- Code of Conduct for Volunteers
- Elected Members Code of Conduct Complaints Handling Procedure.

## Listing of Registers

In accordance with Schedule 4 of the Local Government Act, 1999, the following Registers are held at Council's Principal Office:

- Allowances and Benefits Register – Elected Members
- Delegations Register
- Disclosure of Conflicts of Interest Register – Elected Members
- Gifts and Benefits Register – Elected Members
- Gifts and Benefits Register – Employees
- Council Members Disclosure of Interest Register
- Voters Roll Register
- Register of Public Streets and Roads.

## Elected Member Training and Development

Since 1 July 2019, Elected Members have attended the following training and workshops:

- Roles and Responsibilities of Council Members; Meeting Procedure Training; Social Media Training; Draft Policy and Public Interest Disclosure Act
- Strategic Management Plans Workshop
- Alexandrina 2040 Futurist Workshop.

# Governance

## Elected Member Representation on Section 43 Subsidiaries or External Bodies

Alexandrina Council's Elected Members are also engaged in representation on external bodies as part of their duties representing the Alexandrina community and participation in local government generally.

<b>Mayor Parkes</b>	<ul style="list-style-type: none"> <li>• Australian Coastal Councils Association</li> <li>• Coorong Partnership (State Government Advisory Group)</li> <li>• Goolwa to Wellington LAP (Chair)</li> <li>• LGA Board of Directors</li> <li>• Local Government Transport Advisory Panel (Chair)</li> <li>• SA Coastal Councils' Alliance (Chair)</li> <li>• SA Region of Councils Board Member</li> <li>• Southern and Hills Local Government Association (Chair)</li> </ul>
<b>Cr Karyn Bradford</b>	<ul style="list-style-type: none"> <li>• Clayton Bay Community Association</li> <li>• Long Nosed Fur Seal Working Group of the Department for Environment and Water</li> <li>• Milang and District Community Association</li> <li>• Fleurieu Region Community Services Advisory Committee (<i>Council withdrew from this committee effective 30 June 2020</i>)</li> </ul>
<b>Cr John Carter</b>	<ul style="list-style-type: none"> <li>• Adelaide Hills Regional Waste Management Authority – Deputy Board Member</li> <li>• Goolwa Recreation Ground Committee</li> <li>• Goolwa Tourism 5214 Committee</li> </ul>
<b>Cr Bill Coomans</b>	<ul style="list-style-type: none"> <li>• Fleurieu Regional Waste Authority – Deputy Board Member</li> </ul>
<b>Cr Michael Farrier</b>	<ul style="list-style-type: none"> <li>• Adelaide Hills Regional Waste Management Authority – Board Member</li> </ul>
<b>Cr Margaret Gardner</b>	<ul style="list-style-type: none"> <li>• Fleurieu Region Community Services Advisory Committee (<i>Council withdrew from this committee effective 30 June 2020</i>)</li> </ul>
<b>Cr Rex Keily</b>	<ul style="list-style-type: none"> <li>• Strathalbyn Community Consultative Committee</li> <li>• Strathalbyn &amp; District Concert Band Inc Strathalbyn Town Hall Committee</li> </ul>
<b>Cr Bronwyn Lewis</b>	<ul style="list-style-type: none"> <li>• Libraries Board of SA</li> </ul>
<b>Cr Craig Maidment</b>	<ul style="list-style-type: none"> <li>• Strathalbyn Oval Controlling Committee</li> </ul>
<b>Cr Melissa Rebbeck</b>	<ul style="list-style-type: none"> <li>• Coorong, Lower Lakes and Murray Mouth Community Advisory Panel of the Department for Environment and Water</li> <li>• Murray Darling Association Region 6 – Chair</li> </ul>
<b>Cr Michael Scott</b>	<ul style="list-style-type: none"> <li>• Fleurieu Regional Waste Authority – Board Member</li> <li>• Murray Darling Association Region 6</li> </ul>
<b>Cr James Stewart</b>	<ul style="list-style-type: none"> <li>• Goolwa Recreation Ground Committee</li> </ul>

## Management Plans for Community Land

Community Land Management Plans are prepared in accordance with the requirements of the Local Government Act 1999, for all Local Government land (except roads) referred to as Community Land. Community land is land owned by a Council, and/or land which though not owned by the Council, is under its care, control and management. Council holds an overarching Community Land Management Plan which was last reviewed in June 2011.

The Plan provides guidance for Council in the management of public land for community benefit.

## Internal Review of Council Decisions

Under Section 270(8) of the Local Government Act, 1999, Council must, on an annual basis, initiate and consider a report that relates to:

- (a) the number of applications for review made under this section
- (b) the kinds of matters to which the applications relate
- (c) the outcome of applications under this section
- (d) such other matters as may be prescribed by the regulations. For the 2019–20 Financial Year, Council did not receive any applications for an internal review under Section 270(8) of the Local Government Act, 1999.

## Confidential Items

Under Section 90(2) of the Local Government Act, 1999, the following information is provided with regard to the Confidential Items raised at Council and Committee Meetings from 1 July 2019 to 30 June 2020.

— Total number of orders made: 55

Under Section 91(7) of the Local Government Act, 1999, the following information is provided with regard to the Confidential Items raised at Council Meetings from 1 July 2019–30 June 2020.

— Total number of orders made: 55

— The number of orders that expired or ceased to apply during the 2019–20 financial year: 10

— The number of orders that were revoked during the 2019–20 financial year: 26

— The number of orders that remained operative during the 2019–20 financial year: 49

Council undertakes a review of any orders made under Section 91 (7) every three months.

Provisions under Section 90 (3) which were relied upon to close the meeting to the public:

Provision	Number of
a	17
b	19
c	0
d	9
e	0
f	0
g	1
h	4
i	3
j	3
k	1
m	0
n	0

A Confidential Items Register is kept on any orders made under Section 91 (7) which contains the following information:

- Date of Original Meeting
- Item Number
- Title
- Original Recommendation/Resolution re Release
- Officer Responsible for Review
- Recommended Date of Release/Review
- Date Released & Council Item & Council Item Number (if applicable)
- Last Review Date
- Next Review Date.

# Governance

## Principal Role of a Council

(Local Government Act, 1999)

**A council is, under the system of local government established by this Act, to provide for the government and management of its area at the local level and, in particular:**

- to act as a representative, informed and responsible decision-maker in the interests of its community
- to provide and co-ordinate various public services and facilities and to develop its community and resources in a socially just and ecologically sustainable manner
- to encourage and develop initiatives within its community for improving the quality of life of the community
- to represent the interests of its community to the wider community
- to exercise, perform and discharge the powers, functions and duties of local government under this and other Acts in relation to the area for which it is constituted.

## Functions of Council

The functions of a council include:

- to plan at the local and regional level for the development and future requirements of its area
- to provide services and facilities that benefit its area, its ratepayers and residents, and visitors to its area
- (including general public services or facilities – including electricity, gas and water services, and waste collection, control or disposal services or facilities
- control or disposal services or facilities
- to provide for the welfare, wellbeing and interests of individuals and groups within its community
- to take measures to protect its area from natural and other hazards and to mitigate the effects of such hazards
- to manage, develop, protect, restore, enhance and conserve the environment in an ecologically sustainable manner, and to improve amenity
- to provide infrastructure for its community and for development within its area
- to promote its area and to provide an attractive climate and locations for the development of business, commerce, industry and tourism
- to establish or support organisations or programs that benefit people in its area or local government generally
- to manage and, if appropriate, develop, public areas vested in, or occupied by, the council
- to manage, improve and develop resources available to the council
- to undertake other functions and activities conferred by or under an Act.

## Freedom of Information Statement

The Freedom Information Statement is published by Alexandrina Council in accordance with the requirements of the Freedom of Information Act 1991. An updated Freedom Information Statement is published every 12 months to Council's website.

## Policies and Procedures

The following Policies and Procedures are available for public inspection free of charge at Council offices at Goolwa and Strathalbyn. Copies of the documents may be purchased as per Council's Fees and Charges Register.



Image Adelaide International Guitar Festival



Image The Cockle Train

These documents can also be accessed on Council's website at no charge.

Alexandrina Libraries – Collection Development  
 Alexandrina Libraries – Service  
 Alexandrina Libraries – User Code of Conduct  
 Annual Budget and Performance Policy  
 Arts and Culture Policy  
 Asset Accounting Policy  
 Building and Swimming Pool Inspections Policy  
 Building Upgrade Finance Policy  
 Caretaker (Local Government Elections) Policy  
 Cemeteries and Memorials Policy  
 Communication Policy  
 Community Donation Policy  
 Community Grants Policy  
 Community Group Loan Policy  
 Complaints Policy  
 Complaints Handling Procedure  
 Corporate Credit Card Policy  
 Development Plan Amendments (Privately Funded Policy  
 Development Plan Amendments (Privately Funded Procedure  
 Disposal of Council Land and Other Assets Policy  
 Elected Members – Allowances, Benefits, Support and Facilities Policy  
 Elected Members – Code of Conduct Complaints Handling Procedure  
 Elected Members – Induction for New Councils Policy  
 Elected Members – Information Management Policy  
 Elected Members – Training and Development Policy 2018  
 Election Signs Guidelines  
 Emergency Management Policy  
 Enforcement Policy  
 Financial Internal Control Policy  
 Fraud and Corruption Prevention Policy  
 Hardship Policy  
 Informal Gatherings Policy  
 Informal Gatherings Procedure  
 Information Management Policy  
 Internal Review of Council Decisions Policy  
 Internal Review of Council Decisions Procedure

Kerbside Waste Collections Policy  
 Mobile Food Vendor Procedure  
 Naming of Reserves Policy  
 Ombudsman's Enquiry Policy  
 Order Making Policy  
 Lease and Licence Policy  
 Privacy Policy  
 Privacy Procedure  
 Procurement Policy  
 Procurement Procedure  
 Prudential Management Policy  
 Public Arts Policy  
 Public Consultation Policy  
 Public Consultation Procedure  
 Public Interest Disclosure Policy  
 Public Interest Disclosure Procedure  
 Rating Policy 2020–2021  
 Requests for Services Policy  
 Request for Services Procedure  
 Risk Management Policy  
 Risk Management Framework  
 Road and Public Place Names Policy  
 Safe Environment Policy  
 Safe Environment Code of Conduct  
 Safe Environment Reporting Procedure  
 Safe Environment Screening Guidelines  
 Signs, Banners and Flags Policy  
 Temporary Road Closure Policy  
 Treasury Management Policy  
 Tree Management Policy  
 Tree Management Procedure

# Governance

## Statement of Council's Representation Quota

The information below compares Alexandrina Council's representation quota with neighbouring and other comparable councils.

The Representation Quota is determined by dividing the total number of electors for the area of the council by the number of members of the Council.

Alexandrina Council's Representation Quota (as advised by the Local Government Association of South Australia) from 1 July 2019 to 30 June 2020 is 1,735.

## Statement of the Average Representation Quota for councils of a similar size

<b>Barossa Council</b>	1,495	<b>Murray Bridge</b>	1,462
<b>Berri Barmera</b>	814	<b>Port Pirie</b>	1,288
<b>Copper Coast</b>	1,140	<b>Victor Harbor</b>	1,246
<b>Light Regional</b>	957	<b>Wattle Range</b>	705
<b>Loxton Waikerie</b>	742	<b>Yorke Peninsula</b>	739
<b>Gawler</b>	1,628	<b>Mt Gambier</b>	2,154
<b>Adelaide Hills</b>	2,292	<b>Mt Barker</b>	2,326

## Periodic Review of Elector Representation

In accordance with the existing provisions in Section 12 of the Local Government Act 1999, Alexandrina Council is required to review all aspects of the composition of the Council, including ward boundaries, at least once in every eight years. Alexandrina Council last undertook a representation review in 2013. The next Representation Review has been gazetted for 2020–21.

## Competitive Tendering and Service Reviews

Council has a Policy in compliance with Section 49 of the Local Government Act 1999, covering Contracts, Tenders and Purchasing.

A review of this policy is undertaken biennial or as regular reviews are undertaken on our service delivery to ensure the community continues to receive cost effective services.

As part of Council's strategic focus, regular reviews are undertaken on service delivery so as to ensure the community continues to receive cost effective services.



Image Goolwa Jetty

## National Competition Policy

Council has had regard to the National Competition Policy (NCP). Council has no significant business activities to declare under the Application of Competition Principles to Local Government agreement. No complaints were received during 2019–20.

## Competitive Neutrality

The Council and its Authorities must comply with the principles of competitive neutrality in the conduct of significant business activities. The principles of competitive neutrality do not limit the types of business activities which councils may engage in, but requires that where the business activities are significant they are provided in a manner which is competitively neutral (provided that the public benefits of doing so outweigh the costs).

The South Australian Government Department of Premier and Cabinet (DPC) received two complaints of alleged breach of competitive neutrality requirements against the Fleurieu Regional Aquatic Centre Authority in 2017. The Fleurieu Regional Aquatic Centre Authority have been liaising with the Competition Commissioner in regards to their recommendations with an expectation to finalise any necessary outcomes in the first half of the 2020/21 financial year.

## Equal Employment Opportunity

Council continues to promote its commitment to equal employment opportunity.

This is achieved by ensuring that the workplace is free from all forms of unlawful discrimination and harassment.

Council's Employee Code of Conduct defines the principles of probity and ethical behaviour that is expected of staff.

In undertaking their duties, Council staff are required to be reasonable, just and non-discriminatory while carrying out their roles and responsibilities.

## Public Consultation Policy

Council is committed to open, accountable and responsive decision making, which is informed by effective communication and consultation between Council and the community.

The Public Consultation Policy sets out the steps Council will take to establish partnerships and encourage

community involvement in planning and decision making regarding the services Council provides and the management of community resources.

Council aims to ensure that appropriate and cost effective methods are used to inform and involve the local community, key stakeholders and interested parties relevant to the specific circumstances of each consultation topic.

Alexandrina Council is committed to engaging as widely and actively as possible with its diverse communities, through a range of community consultations.



Image New Years Eve fireworks off the Bridge, Goolwa

# Attachments



# Annual Report Interplan KPIs by Department July 2019 - June 2020



- » COVID-19 has caused significant interruptions to the organisation during 2019-20. This has impacted a number of the 2019-20 Actual.
- » Target and actual are rounded to nearest whole number.



◆ KPI Calculation ◆ is used to calculate performance of KPIs. Following calculation methods are used:

- **Less is Better:** desirable to get the lowest possible value for the KPI Actual.
- **More is Better:** desirable to get the highest value possible for the KPI Actual.
- **Goal Post:** desirable to get the KPI Actual around the Target value within the variance.

## Environment

### Asset Management & Geographic Information Systems (GIS)

#### KPI traffic lights

- On Track    
 ● Off track    
 ● Trend KPI (no target)    
 ● Monitor (within variance)

#### Asset Management

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of GIS Map Requests External	#	Goal Post	1600	1600	1491	<span style="color: green;">●</span>



## Asset Planning & Design

### KPI traffic lights

 On Track
  Off track
  Trend KPI (no target)
  Monitor (within variance)

### Infrastructure Services

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Land Division applications assessed by Engineering	#	More is Better	N/A	50	45	
Number of road permits/licences processed	#	More is Better	N/A	370	252	

### Project Design

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
% of capital & renewal building projects complete	%	More is Better	100	60	100	
% of capital & renewal infrastructure projects completed	%	More is Better	100	N/A	100	
% of forward capital works designs completed	%	More is Better	100	90	100	
Engineering Designs Undertaken In House	#	More is Better	30	35	40	



## Community Facilities & Open Space

### KPI traffic lights

 On Track
  Off track
  Trend KPI (no target)
  Monitor (within variance)

### Building Management

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of customer requests relating to building maintenance	#	Less is Better	280	287	172	
Number of customer requests relating to public conveniences	#	Less is Better	280	160	103	

### Environmental Assets

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Area of Council land managed to enhance biodiversity	Ha	More is Better	500	450	471	

### Recreation, Open Space and Reserves

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of customer requests relating to recreation and open space	#	Less is Better	570	183	191	
Number of customer requests relating to rural trees	#	Less is Better	240	177	137	
Number of customer requests relating to urban trees	#	Less is Better	480	371	242	



## Field Services & Civil Assets

### KPI traffic lights

 On Track
  Off track
  Trend KPI (no target)
  Monitor (within variance)

## Bridges and Stormwater Management

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of customer requests relating to bridges and stormwater	#	Less is Better	60	100	84	

## Footpaths & Cycle Tracks

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of customer requests relating to footpaths and cycle tracks	#	Less is Better	175	N/A	139	

## Roads & Car Parks

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of customer requests for road defects	#	Less is Better	500	460	455	
Percentage of road defects responded to within adopted response times	%	More is Better	90	95	98	



KPI Calculations used to calculate performance of KPIs. Following calculation methods are used:

- **Less is Better:** desirable to get the lowest possible value for the KPI Actual.
- **More is Better:** desirable to get the highest value possible for the KPI Actual.
- **Goal Post:** desirable to get the KPI Actual around the Target value within the variance.

## Growth

### Planning & Development

#### KPI traffic lights

- On Track   
 Off track   
 Trend KPI (no target)   
 Monitor (within variance)

#### Development Assessment - Compliance

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of total complaints that relate to approved development applications	#	Less is Better	80	66	76	
Number of total complaints that relate to unapproved development	#	Less is Better	90	66	85	

#### Development Assessment - Planning

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Development Applications Lodged	#	More is Better	1100	1065	1108	

#### Development Assessment - Building

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Building Rules Consent applications approved	#	More is Better	800	675	602	



## Economic Development

### KPI traffic lights

On Track   
 Off track   
 Trend KPI (no target)   
 Monitor (within variance)

## Arts & Culture

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of activities per quarter	#	More is Better	40	46	27	
Number of exhibitions and activities at Council's art spaces	#	More is Better	24	40	47	
Number of local artists shown	#	More is Better	50	376	249	
Number of visitors to art and culture exhibitions and activities	#	More is Better	25,000	21,311	70,086	

## Economic Development

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Business Enterprise Centre opened by June 2020	%	More is Better	100	N/A	100	
Review of the Economic Development Strategy completed by December 2019	%	More is Better	100	N/A	25	

## Tourism

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Oscar W Charters	#	More is Better	N/A	N/A	10	
Number of Oscar W Cruises	#	More is Better	N/A	N/A	20	



KPI Calculation is used to calculate performance of KPIs. Following calculation methods are used:

- **Less is Better:** desirable to get the lowest possible value for the KPI Actual.
- **More is Better:** desirable to get the highest value possible for the KPI Actual.
- **Goal Post:** desirable to get the KPI Actual around the Target value within the variance.

## Office of the CEO

### Leadership

#### KPI traffic lights

- On Track   
 Off track   
 Trend KPI (no target)   
 Monitor (within variance)

### Communications

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of publications generated	#	More is Better	N/A	N/A	612	
Number of visits to mysay.alexandrina.sa.gov.au	#	More is Better	N/A	6,000	5,600	

### Environmental Strategy

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Council mains water use	kL	Less is Better	20,000	N/A	35,360	

### Governance

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Percentage of attendance at Council meeting	%	More is Better	N/A	95.37	93.90	

### Strategy

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of letters, briefs, speeches and talking points drafted for advocacy purposes	#	More is Better	N/A	N/A	43	

## People

### KPI traffic lights

 On Track  
  Off track  
  Trend KPI (no target)  
  Monitor (within variance)

### Human Resources

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of traineeships / cadetships / grad placements that support local youth	#	More is Better	N/A	32	8	
Number of volunteer hours	Hours	More is Better	40,000	20,000	30,428	
Number of volunteers	#	More is Better	340	353	272	
Recruitment strategies that emphasise recruitment from Alexandrina region	%	More is Better	100	100	100	
Value of rebate received from Local Government Association Mutual Liability Scheme	\$	More is Better	N/A	190,065	67,174	



KPI Calculations used to calculate performance of KPIs. Following calculation methods are used:

- **Less is Better:** desirable to get the lowest possible value for the KPI Actual.
- **More is Better:** desirable to get the highest value possible for the KPI Actual.
- **Goal Post:** desirable to get the KPI Actual around the Target value within the variance.

## Resources

### Business Services

#### KPI traffic lights

-  On Track
  Off track
  Trend KPI (no target)
  Monitor (within variance)

### Procurement & Contracting

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Percentage of plant and machinery replacement schedule completed	%	More is Better	85	22	44	



## Council Properties

### KPI traffic lights

 On Track     Off track     Trend KPI (no target)     Monitor (within variance)

## Property Management

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of property leases, licences & agreements undertaken	%	More is Better	N/A	30	19	



## Finance Services

### KPI traffic lights

 On Track
  Off track
  Trend KPI (no target)
  Monitor (within variance)

## Business Reporting

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Percentage of reports produced within allocated timeframes	%	More is Better	100	100	100	

## Financial Management & Accounting

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Asset Renewal Ratio	%	Goal Post	90	72	46	
Net Financial Liabilities Ratio	%	Less is Better	100	74	64	
Operating Surplus / (Deficit) Ratio	%	More is Better	0	3	1	

## Rates & Debtors Services

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Percentage of Debtors outstanding over 90 Days	%	Less is Better	18	30	48	
Percentage of Rate Debtors outstanding over 90 days	%	Less is Better	7	14	29	



## Information Services

### KPI traffic lights

 On Track  
  Off track  
  Trend KPI (no target)  
  Monitor (within variance)

## Information Management

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Freedom of Information requests quarterly	#	Less is Better	N/A	1	1	
Percentage of total incoming correspondence registered that is electronic	%	More is Better	60	67	39	
Total incoming correspondence	#	More is Better	N/A	45,358	26,557	

## Information Technology

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Average number of days to resolve IT incidents	#	Less is Better	7	4	3	
Percentage of IT service desk tickets resolved within 5 days	%	More is Better	75	79	69	



KPI Calculation used to calculate performance of KPIs. Following calculation methods are used:

- **Less is Better:** desirable to get the lowest possible value for the KPI Actual.
- **More is Better:** desirable to get the highest value possible for the KPI Actual.
- **Goal Post:** desirable to get the KPI Actual around the Target value within the variance.

## Wellbeing

### Community Wellbeing

#### KPI traffic lights

On Track
 Off track
 Trend KPI (no target)
 Monitor (within variance)

### Community Connect

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of clients utilising Home and Community services (HACC funded)	#	More is Better	500	1151	108	
Number of Home and Community services direct client contacts	#	More is Better	24,000	24,965	12,000	
Percentage achievement of HACC program annual targets	%	Goal Post	100	100	100	
Percentage compliance of HACC services with National Service Standards	%	Goal Post	100	100	100	

### Community Development, Partnerships & Advisory Services

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Community Grant Program applications processed	#	Goal Post	N/A	N/A	56	
Number of Positive Ageing and Community Transport Taskforce meetings attended	#	More is Better	N/A	N/A	8	

### Community Health, Sport & Recreation Services

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of initiatives undertaken to support sporting club development	#	More is Better	N/A	N/A	20	

### Community Transport

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Alexandrina residents utilising community transport services through Strathalbyn Home Assist and Community Care	#	More is Better	15	10	116	
Number of Alexandrina residents utilising Southern Community Transport Services	#	More is Better	350	650	739	



## Family & Youth Services

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of families assisted by Fleurieu Families	#	More is Better	40	52	22	



## Health, Environment & Community Safety

### KPI traffic lights

 On Track
  Off track
  Trend KPI (no target)
  Monitor (within variance)

### Community Safety

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Landowners issued with Section 105F Notice's for fire reduction	#	Less is Better	100	142	343	
Number of Dogs registered	#	More is Better	6,000	7,851	7,894	
Priority road sides slashed within the prescribed period	km	More is Better	530	530	530	

### Environmental Health

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of public health complaints	#	Less is Better	N/A	689	519	
Number of public health legal notices issued under the Food Act and SA Public Health Act	#	Less is Better	N/A	110	27	
Number of routine inspections undertaken (Food Act and SA Public Health Act)	#	Goal Post	270	230	208	
Number of wastewater applications assessed	#	Less is Better	360	430	355	
Percentage of routine inspections undertaken within the month due (Food Act and SA Public Health Act)	%	More is Better	90	95	80	
Percentage of Wastewater Works inspections undertaken	%	More is Better	20	64	49	

## Library & Customer Service

### KPI traffic lights

On Track  
 Off track  
 Trend KPI (no target)  
 Monitor (within variance)

### Alexandrina Visitor Services

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Visitors to Alexandrina Visitor Services	#	More is Better	45,000	70,505	35,214	

### Customer Services

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Grade of service - call centre	%	More is Better	70	81	61	
Number of calls received by call centre	#	Goal Post	N/A	48,874	33,535	
Percentage of call abandonment	%	Less is Better	5	3	2	

### Event Management

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of community events supported by Council	#	More is Better	50	13	8	

### Libraries

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Number of Library Loans per Capita	#	More is Better	N/A	1	3	
Active library members in Council region	%	More is Better	35	34	34	



## Sustainable Resource Management

### KPI traffic lights

 On Track
  Off track
  Trend KPI (no target)
  Monitor (within variance)

### Community Wastewater Management Systems (CWMS) & Water Recycling

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
CWMS Customer Service Resolution	%	More is Better	90	94	96	
CWMS Rising Main Breakages	#	Less is Better	30	19	12	
Emergency response & incident prevention performance	%	More is Better	95	100	100	
New CWMS Connections	#	More is Better	80	58	55	
Number of CWMS & Stormwater Pump Station Alarms	#	Less is Better	600	489	441	
Number of CWMS Call Outs (After Hours)	#	Less is Better	300	243	253	
Volume of wastewater re-used for Beneficial and Community Initiatives	kL	More is Better	380,000	650,398	606,652	
Volume of wastewater treated across all schemes	kL	More is Better	650,000	705,002	712,228	

### Waste Management

KPI	Indicator	KPI Calculation	Target	2018/19 Actual	2019/20 Actual	Actual vs. Target
Kerbside Greenwaste	#	More is Better	3,000	3,281	4,053	
Kerbside Landfill	#	Less is Better	5,000	4,879	4,845	
Kerbside Recycling	#	More is Better	N/A	2,865	2,632	
Total Regional waste diverted from Landfill	#	More is Better	18,000	22,520	23,717	
Total Regional Waste Processed	#	More is Better	36,000	30,864	31,898	
Total Regional waste to Landfill	#	Less is Better	27,000	8,343	8,181	



# Alexandrina Council

## Financial Statements 30 June 2020

Our plan to thrive



# Alexandrina Council

## General Purpose Financial Statements for the year ended 30 June 2020

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# Alexandrina Council

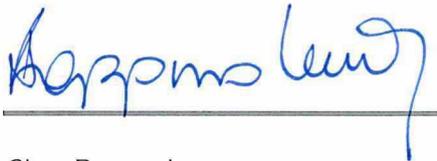
## General Purpose Financial Statements for the year ended 30 June 2020

### Certification of Financial Statements

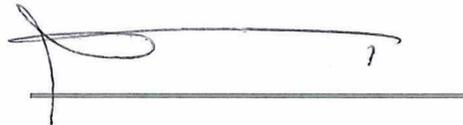
We have been authorised by the Council to certify the financial statements in their final form.

**In our opinion:**

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.



Glenn Rappensberg  
**CHIEF EXECUTIVE OFFICER**



Keith Parkes  
**MAYOR**

**Date: 24 November 2020**

## Alexandrina Council

### Statement of Comprehensive Income

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
<b>Income</b>			
Rates	2a	41,234	39,484
Statutory Charges	2b	999	1,068
User Charges	2c	1,724	1,978
Grants, Subsidies and Contributions	2g	3,407	4,458
Investment Income	2d	11	19
Reimbursements	2e	446	513
Other Income	2f	872	649
Net Gain - Equity Accounted Council Businesses	19	45	34
<b>Total Income</b>		<b>48,738</b>	<b>48,203</b>
<b>Expenses</b>			
Employee Costs	3a	16,704	15,825
Materials, Contracts & Other Expenses	3b	17,999	18,147
Depreciation, Amortisation & Impairment	3c	12,092	11,267
Finance Costs	3d	1,145	1,357
Net loss - Equity Accounted Council Businesses	19	353	383
<b>Total Expenses</b>		<b>48,293</b>	<b>46,979</b>
<b>Operating Surplus / (Deficit)</b>		<b>445</b>	<b>1,224</b>
Asset Disposal & Fair Value Adjustments	4	(1,258)	(1,161)
Amounts Received Specifically for New or Upgraded Assets	2g	1,407	1,272
Physical Resources Received Free of Charge	2i	2,339	2,422
<b>Net Surplus / (Deficit) <sup>1</sup></b>		<b>2,933</b>	<b>3,757</b>
<b>Other Comprehensive Income</b>			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	10,520	16,834
Share of Other Comprehensive Income - Equity Accounted Council Businesses	19	21	21
<b>Total Other Comprehensive Income</b>		<b>10,541</b>	<b>16,855</b>
<b>Total Comprehensive Income</b>		<b>13,474</b>	<b>20,612</b>

<sup>1</sup> Transferred to Statement of Changes in Equity

# Alexandrina Council

## Statement of Financial Position

as at 30 June 2020

\$ '000	Notes	2020	2019
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	5a	1,126	996
Trade & Other Receivables	5b	4,051	5,337
Inventories	5c	25	33
<b>Total Current Assets</b>		<b>5,202</b>	<b>6,366</b>
<b>Non-Current Assets</b>			
Financial Assets	6a	129	148
Equity Accounted Investments in Council Businesses	6b	10,235	10,523
Infrastructure, Property, Plant & Equipment	7a	460,618	451,598
<b>Total Non-Current Assets</b>		<b>470,982</b>	<b>462,269</b>
<b>TOTAL ASSETS</b>		<b>476,184</b>	<b>468,635</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & Other Payables	8a	7,871	6,700
Borrowings	8b	894	764
Provisions	8c	1,924	1,811
<b>Total Current Liabilities</b>		<b>10,689</b>	<b>9,275</b>
<b>Non-Current Liabilities</b>			
Borrowings	8b	22,475	29,941
Provisions	8c	3,259	3,132
<b>Total Non-Current Liabilities</b>		<b>25,734</b>	<b>33,073</b>
<b>TOTAL LIABILITIES</b>		<b>36,423</b>	<b>42,348</b>
<b>Net Assets</b>		<b>439,761</b>	<b>426,287</b>
<b>EQUITY</b>			
Accumulated Surplus		169,659	165,819
Asset Revaluation Reserves	9a	269,694	259,174
Other Reserves	9b	408	1,294
<b>Total Council Equity</b>		<b>439,761</b>	<b>426,287</b>

## Alexandrina Council

### Statement of Changes in Equity for the year ended 30 June 2020

\$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
<b>2020</b>					
<b>Balance at the end of previous reporting period</b>		165,819	259,174	1,294	<b>426,287</b>
<b>Net Surplus / (Deficit) for Year</b>		2,933	-	-	<b>2,933</b>
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	10,520	-	<b>10,520</b>
- Share of OCI - Equity Accounted Council Businesses	19	21	-	-	<b>21</b>
<b>Other Comprehensive Income</b>		21	10,520	-	<b>10,541</b>
<b>Total Comprehensive Income</b>		<b>2,954</b>	<b>10,520</b>	<b>-</b>	<b>13,474</b>
Transfers between Reserves		886	-	(886)	-
<b>Balance at the end of period</b>		<b>169,659</b>	<b>269,694</b>	<b>408</b>	<b>439,761</b>
<b>2019</b>					
<b>Balance at the end of previous reporting period</b>		151,759	242,340	11,576	<b>405,675</b>
<b>Net Surplus / (Deficit) for Year</b>		3,757	-	-	<b>3,757</b>
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	16,834	-	<b>16,834</b>
- Share of OCI - Equity Accounted Council Businesses	19	21	-	-	<b>21</b>
<b>Other Comprehensive Income</b>		21	16,834	-	<b>16,855</b>
<b>Total Comprehensive Income</b>		<b>3,778</b>	<b>16,834</b>	<b>-</b>	<b>20,612</b>
Transfers between Reserves		10,282	-	(10,282)	-
<b>Balance at the end of period</b>		<b>165,819</b>	<b>259,174</b>	<b>1,294</b>	<b>426,287</b>

# Alexandrina Council

## Statement of Cash Flows

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
<b>Cash Flows from Operating Activities</b>			
<u>Receipts</u>			
Operating Receipts		49,610	46,697
Investment Receipts		11	19
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(34,256)	(32,492)
Finance Payments		(1,244)	(1,386)
<b>Net Cash provided by (or used in) Operating Activities</b>	11b	<b>14,121</b>	<b>12,838</b>
<b>Cash Flows from Investing Activities</b>			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		2,707	1,272
Sale of Replaced Assets		107	213
Repayments of Loans by Community Groups		49	87
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(3,206)	(4,990)
Expenditure on New/Upgraded Assets		(6,200)	(7,436)
Capital Contributed to Equity Accounted Council Businesses		(21)	-
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(6,564)</b>	<b>(10,854)</b>
<b>Cash Flows from Financing Activities</b>			
<u>Receipts</u>			
Nil			
<u>Payments</u>			
Repayments of Borrowings		(7,336)	(1,465)
Repayment of Lease Liabilities		(91)	-
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(7,427)</b>	<b>(1,465)</b>
<b>Net Increase (Decrease) in Cash Held</b>		<b>130</b>	<b>519</b>
plus: <b>Cash &amp; Cash Equivalents at beginning of period</b>	11	<b>996</b>	<b>477</b>
<b>Cash &amp; Cash Equivalents at end of period</b>	11	<b>1,126</b>	<b>996</b>

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

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## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 1. Summary of Significant Accounting Policies

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

These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis using the historical cost convention (except as stated below) in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

##### 1.2 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

Particular areas involving a high degree of judgement or complexity include the estimation of future payments and timing in relation to tip restoration liability. Further information in relation to the estimation of these liabilities are given in the relevant sections of these Notes.

##### 1.3 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

#### 2 The Local Government Reporting Entity

Alexandrina Council is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 11 Cadell Street, GOOLWA. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the

Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are:

1. Adelaide Hills Region Waste Management Authority
2. Fleurieu Regional Waste Authority
3. Fleurieu Regional Aquatic Centre Authority

Council has elected to not include activities related to the Southern and Hills Local Government Association in these consolidated financial statements as they are deemed to be immaterial.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports.

#### 3 Income Recognition

The Council recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

In recent years, the payment of untied grants (financial assistance grants / local roads / supplementary grants) has varied from the annual allocation as shown in the table below:

\$ '000	Cash Payment Received	Annual Allocation	Difference
2017/18	\$1,410	\$1,312	+\$98
2018/19	\$2,419	\$1,723	+\$696
2019/20	\$1,512	\$1,700	-\$188

Because these grants are untied, the Australian Accounting Standards require that payments be recognised upon receipt. Accordingly, the operating results of these periods have been distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

**4 Cash, Cash Equivalents and other Financial Instruments**

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the *Local Government Act 1999*. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

**5 Inventories**

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

**6 Infrastructure, Property, Plant & Equipment**

**6.1 Initial Recognition**

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

**6.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Infrastructure	\$10,000
Land Improvements	\$20,000
Buildings	\$15,000
Furniture & Fittings	\$5,000
Operational Equipment	\$5,000
IT Equipment	\$3,000
Other	\$5,000
Plant	\$15,000
Software	\$50,000

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

**6.3 Subsequent Recognition**

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

**6.4 Depreciation of Non-Current Assets**

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis, which in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are listed below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

*Plant, Furniture & Equipment*

Office Equipment	5 to 10 years
Office Furniture and Fittings	10 to 35 years
Office Electrical Equipment	4 to 10 years
Computer Equipment	3 to 10 years
Minor Equipment	5 to 25 years
Plant	units of usage
Software	10 years

*Building & Other Structures*

Sub structure	150 years
Super structure	50 to 100 years
Roofing	40 to 50 years
Fit out	15 to 25 years
Services	30 years

*Infrastructure*

*Bridges*

Sub structure	40 to 100 years
Super structure	40 to 100 years
Culverts	80 to 100 years
Rail	40 to 100 years

Surfaces	13 to 40 years
Sealed Road Pavement	40 to 100 years
Sealed Road Sub-Base	160 to 400 years
Unsealed Road Surfaces	12 to 35 years
Footpaths	20 to 70 years
Footpaths Sub-Base	60 to 280 years
Kerbing	50 to 70 years
Stormwater Drainage	10 to 100 years
Water	15 to 80 years
Common Effluent Treatment Plant	15 to 80 years

**6.5 Impairment**

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

**7 Payables**

**7.1 Goods & Services**

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

**7.2 Payments Received in Advance & Deposits**

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

### Note 1. Summary of Significant Accounting Policies (continued)

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#### 8 Borrowings

Borrowings are carried at their principal amounts that represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

#### 9 Employee Benefits

##### 9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Council has recognised a provision for sick leave liabilities for the employees falling under the AWU enterprise bargaining agreement, in case where the liability has vested.

##### 9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

#### 10 Provisions for Reinstatement, Restoration and Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from

the related disturbance occurs and are carried at the net present value of estimated future costs.

An independent review was undertaken by Fleurieu Regional Waste Authority (FRWA) in 2019-20 of the provision for post closure costs for the two landfill cells at the Goolwa Waste and Recycling Depot. The review of the Landfill Closure Plan is conducted in conjunction with the South Australian EPA – Environmental management of landfill facility – solid waste disposal 2019. This review has resulted a significant reduction to Council's provisions (Note 8(c)). The movement has been recognised as Remeasurement of Capping provision under Other Income (Note 2) in the Statement of Comprehensive Income.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change.

#### 11 Leases

##### Accounting policy applicable from 01 July 2019

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### 11.1 Council as a lessee

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### i.) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

# Alexandrina Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 1. Summary of Significant Accounting Policies (continued)

Plant and equipment	2 to 3 years
Building	2 to 3 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

#### ii.) Lease Liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

#### iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### 12 Equity Accounted Council Businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

The Adelaide Hills Region Waste Management Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Adelaide Hills Council, Alexandrina Council, The District Council of Mt Barker and Rural City of Murray Bridge, this organisation operates as a regional waste management authority within the combined area.

The Southern and Hills Local Government Association has been created as regional subsidiary to represent the interest of all Councils in the Southern Hills, Fleurieu Peninsula and Kangaroo Island, within Local Government in SA. The group meet on a monthly basis and discuss Local

Government policy and procedures, and provide advice back to the LGA from a regional perspective.

The Fleurieu Regional Waste Authority is Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council, Kangaroo Island Council, Yankalilla Council and the City of Victor Harbor. This organisation operates as a regional waste management authority within the combined area.

The Fleurieu Regional Aquatic Centre Authority is Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council, and the City of Victor Harbor. This organisation operates an aquatic centre.

During 2018-19, Council has made the decision to no longer recognise the value of these entities separately in Equity. Council already recognises its interest in the entities in Assets and so also recognising in Equity provided no extra information to Statement users.

### 13 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

### 14 New and amended accounting standards and interpretations

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

Alexandrina Council has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

**Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities**

The Council applied AASB 15 and AASB 1058, for the first time from 1 July 2019. AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue, AASB 111 Construction Contracts and the related Interpretations. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service).

The Council has elected to adopt the modified retrospective method on transition to the new standards with an initial application date of 1 July 2019. The cumulative effect of initially applying AASB 15 and AASB 1058 is recognised at the date of initial application as an adjustment to the opening balance of Accumulated Surplus. Therefore, the comparative information was not restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related Interpretations.

The Council has determined the impact of the new standards will mainly impact the timing of revenue recognition in relation to special purpose grants. These grants are provided to the Council to construct or acquire an asset to be controlled by the Council. They are accounted for under AASB 1058 and as such, amounts received in relation to these grants are recorded as a liability "Amounts in Advance" and recorded in revenue as the asset is constructed. The impact of adopting the new standards as at 1 July 2019 was an increase to liabilities of \$1,305,000 and a decrease to Accumulated Surplus of \$1,305,000.

Set out below are the amounts by which each financial statement line item is affected as at and for the year ended 30 June 2020 as a result of the adoption of AASB 15 and AASB 1058.

The first column shows amounts prepared under AASB 15 and AASB 1058 and the second column shows what the amounts would have been had AASB 15 and AASB 1058 not been adopted:

	Amounts prepared under	
	AASB 15/1058	Previous AASB
	\$'000	\$'000
Grants, subsidies and contributions	\$4,815,000	\$6,120,000
	\$4,815,000	\$6,120,000

**AASB 16 Leases**

The Council applied AASB 16 Leases, for the first time from 1 July 2019. This standard requires that the right of use conveyed by leasing contracts (except leases with a maximum term of 12 months and leases for low-value assets) be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2020, Council has leases to which this treatment is applied.

**Adoption of AASB 16 Leases (AASB 16)**

AASB 16 supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease and other related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet under a single on-balance sheet model. The Council has lease contracts for various items of plant, equipment, and computers. Before the adoption of AASB 16, the Council classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

The Council adopted AASB 16 using the modified retrospective method of adoption. Under this method, the standard has been applied retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to the opening balance of Accumulated Surplus as at 1 July 2019 and comparatives have not been restated.

The Council recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases with lease terms that end within 12 months of the date of initial application and leases of low-value assets. The right-of-use assets for all leases were recognised based on the amount equal to the lease liabilities. No adjustments were needed for any previously recognised prepaid or accrued lease expenses as there were none. Lease liabilities were

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The effect of adoption AASB 16 as at 1 July 2019 (increase/ (decrease) is, as follows:

	\$'000
<b>Assets</b>	
Infrastructure, Property, Plant and Equip.	
- Right-of-Use-Assets	\$212
<b>Total Assets</b>	<b>\$212</b>
<b>Liabilities</b>	
Interest-bearing loans and borrowings	\$5
- Other	\$207
<b>Total Liabilities</b>	<b>\$212</b>
<b>Accumulated Surplus</b>	nil

The lease liabilities as at 1 July 2019 can be reconciled to the operating lease commitments as of 30 June 2019, as follows:

	\$'000
Operating lease commitments as at 30 June 2019	\$237
Effect of discounting using the weighted average incremental borrowing rate as at 1 July 2019 of 2.3%	(4)
<b>Less:</b>	
Commitments relating to short-term leases	(21)
Commitments relating to leases of low-value assets	(0)
Other	(0)
<b>Add:</b>	
Commitments relating to leases previously classified as finance leases	0
Other	0
Other	0
<b>Lease liabilities as at 1 July 2019</b>	<b>212</b>

**Standards issued by the AASB not yet effective**

The AASB has issued Australian Accounting Standards and Interpretations, which are not effective at 30 June 2020; these standards have not been adopted by Council and will be included in the

financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these illustrative statements that could be applicable to Councils.

**Effective for NFP annual reporting periods beginning on or after 1 January 2020**

- AASB 1059 Service Concession Arrangements: Grantors
- AASB 2018-6 Amendments to Australia Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform

**Effective for NFP annual reporting periods beginning on or after 1 January 2021**

- AASB 17 Insurance Contracts

**Effective for NFP annual reporting periods beginning on or after 1 January 2022**

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

**15 Comparative Figures**

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

**16 Disclaimer**

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

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 2. Income

\$ '000	Notes	2020	2019
<b>(a). Rates Revenues</b>			
<b>General Rates</b>			
General Rates		35,401	33,858
Less: Discretionary Rebates, Remissions & Write Offs		(553)	(525)
<b>Total General Rates</b>		<b>34,848</b>	<b>33,333</b>
<b>Other Rates (Including Service Charges)</b>			
Natural Resource Management Levy		1,535	1,525
Water Supply		5	5
Community Wastewater Management Systems		4,632	4,465
<b>Total Other Rates</b>		<b>6,172</b>	<b>5,995</b>
<b>Other Charges</b>			
Penalties for Late Payment		214	156
<b>Total Other Charges</b>		<b>214</b>	<b>156</b>
<b>Total Rates Revenues</b>		<b>41,234</b>	<b>39,484</b>
<b>(b). Statutory Charges</b>			
Development Act Fees		173	193
Town Planning Fees		194	227
Health & Septic Tank Inspection Fees		140	164
Animal Registration Fees & Fines		339	334
Sundry		153	150
<b>Total Statutory Charges</b>		<b>999</b>	<b>1,068</b>
<b>(c). User Charges</b>			
Cemetery Fees		111	141
Hall & Equipment Hire		80	102
Sundry		533	520
Community Wastewater Management Fees (CWMS)		289	456
Lease / Rental - Non-Investment Properties		622	694
Waste Management Fees		68	37
Water Supply		21	28
<b>Total User Charges</b>		<b>1,724</b>	<b>1,978</b>

# Alexandrina Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 2. Income (continued)

\$ '000	Notes	2020	2019
<b>(d). Investment Income</b>			
Interest on Investments			
- Local Government Finance Authority		8	16
- Banks & Other		3	3
<b>Total Investment Income</b>		<b>11</b>	<b>19</b>
<b>(e). Reimbursements</b>			
Roadworks		39	94
Private Works		5	8
Other		402	411
<b>Total Reimbursements</b>		<b>446</b>	<b>513</b>
<b>(f). Other Income</b>			
Insurance & Other Recoupments - Infrastructure, IPP&E		138	24
Sundry		433	556
Remeasurement of Capping Provision		301	69
<b>Total Other Income</b>		<b>872</b>	<b>649</b>
<b>(g). Grants, Subsidies, Contributions</b>			
Amounts Received Specifically for New or Upgraded Assets		1,407	1,272
Other Grants, Subsidies and Contributions		3,407	4,458
<b>Total Grants, Subsidies, Contributions</b>		<b>4,814</b>	<b>5,730</b>
The functions to which these grants relate are shown in Note 12.			
<b>(i) Sources of grants</b>			
Commonwealth Government		2,126	975
State Government		1,832	3,596
Other		856	1,159
<b>Total</b>		<b>4,814</b>	<b>5,730</b>
<b>(ii) Individually Significant Items</b>			
Financial Assistance Grant (FAG) received in advance as at 30 June		1,021	1,425

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 2. Income (continued)

\$ '000	Notes	2020	2019
<b>(h). Conditions over Grants &amp; Contributions</b>			
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:			
<b>Unexpended at the close of the previous reporting period</b>		889	309
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
Roads Infrastructure		(190)	-
Heritage & Cultural Services		(199)	(9)
Other Services		(500)	(114)
<b>Subtotal</b>		<b>(889)</b>	<b>(123)</b>
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Roads Infrastructure		2	190
Heritage & Cultural Services		-	13
Other Services		-	500
<b>Subtotal</b>		<b>2</b>	<b>703</b>
<b>Unexpended at the close of this reporting period</b>		<b>2</b>	<b>889</b>
<b>Net increase (decrease) in assets subject to conditions in the current reporting period</b>		<b>(887)</b>	<b>580</b>
<b>(i). Physical Resources Received Free of Charge</b>			
Buildings		-	1,750
Infrastructure - Roads		328	260
Infrastructure - Stormwater		1,123	32
Infrastructure - CWMS		334	290
Infrastructure - Kerbs		45	37
Infrastructure - Bridges and Major culverts		421	-
Infrastructure - Recreation Open Space		7	-
Infrastructure - Footpaths		80	53
<b>Total Physical Resources Received Free of Charge</b>		<b>2,339</b>	<b>2,422</b>

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 3. Expenses

\$ '000	Notes	2020	2019
<b>(a). Employee Costs</b>			
Salaries and Wages		12,993	12,150
Employee Leave Expense		1,936	1,852
Superannuation - Defined Contribution Plan Contributions	18	1,243	1,112
Superannuation - Defined Benefit Plan Contributions	18	209	238
Workers' Compensation Insurance		659	633
Accident & Sickness Insurance		249	251
Less: Capitalised and Distributed Costs		(585)	(411)
<b>Total Operating Employee Costs</b>		<b>16,704</b>	<b>15,825</b>
Total Number of Employees (full time equivalent at end of reporting period)		174	167
<b>(b). Materials, Contracts and Other Expenses</b>			
<b>(i) Prescribed Expenses</b>			
Auditor's Remuneration			
- Auditing the Financial Reports		19	19
Bad and Doubtful Debts		10	18
Elected Members' Expenses		480	521
Election Expenses		-	137
<b>Subtotal - Prescribed Expenses</b>		<b>509</b>	<b>695</b>
<b>(ii) Other Materials, Contracts and Expenses</b>			
Contractors		3,748	4,067
- Waste Management		2,665	2,219
- Professional Services		1,179	1,033
- Legal Expenses		379	322
- Roadside Vegetation		585	463
- Community Wastewater Management Schemes		657	450
Communications (Phone, Fax, Mobiles, Internet & Postage)		495	489
Energy		1,213	1,345
Levies Paid to Government - NRM levy		1,534	1,528
Levies - Other		32	25
Sundry		2,734	3,081
Donations & Contributions		1,518	1,624
Insurance		417	447
Water		334	359
<b>Subtotal - Other Material, Contracts &amp; Expenses</b>		<b>17,490</b>	<b>17,452</b>
<b>Total Materials, Contracts and Other Expenses</b>		<b>17,999</b>	<b>18,147</b>

# Alexandrina Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 3. Expenses (continued)

\$ '000	Notes	2020	2019
<b>(c). Depreciation, Amortisation and Impairment</b>			
<b>(i) Depreciation and Amortisation</b>			
Buildings & Other Structures		1,696	1,322
Infrastructure			
- Sealed Roads		3,642	3,597
- Unsealed Roads		1,416	1,398
- Stormwater Drainage		826	802
- CWMS		1,181	1,148
- Footpaths		498	464
- Kerbs		468	455
- Bridges & Major Culverts		417	370
- Water		17	17
- Rec & Open Space		849	607
Right-of-Use Assets		91	-
Furniture & Fittings		80	85
Plant		512	515
Equipment		388	476
Other Assets		11	11
<b>Total Depreciation, Amortisation and Impairment</b>		<b>12,092</b>	<b>11,267</b>
<b>(d). Finance Costs</b>			
Interest on Loans		1,145	1,357
<b>Total Finance Costs</b>		<b>1,145</b>	<b>1,357</b>

### Note 4. Asset Disposal & Fair Value Adjustments

#### Infrastructure, Property, Plant & Equipment

##### (i) Assets Renewed or Directly Replaced

Proceeds from Disposal		107	213
Less: Carrying Amount of Assets Sold		(1,365)	(1,374)
<b>Gain (Loss) on Disposal</b>		<b>(1,258)</b>	<b>(1,161)</b>
<b>Net Gain (Loss) on Disposal or Revaluation of Assets</b>		<b>(1,258)</b>	<b>(1,161)</b>

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 5. Current Assets

\$ '000	Notes	2020	2019
<b>(a). Cash &amp; Cash Equivalent Assets</b>			
Cash on Hand at Bank		283	518
Deposits at Call		843	478
<b>Total Cash &amp; Cash Equivalent Assets</b>		<b>1,126</b>	<b>996</b>
<b>(b). Trade &amp; Other Receivables</b>			
Rates - General & Other		2,014	2,662
Accrued Revenues		1	1
Debtors - General		2,056	2,314
Prepayments		389	729
Loans to Community Organisations		9	39
<b>Subtotal</b>		<b>4,469</b>	<b>5,745</b>
Less: Allowance for Doubtful Debts		(418)	(408)
<b>Total Trade &amp; Other Receivables</b>		<b>4,051</b>	<b>5,337</b>
<b>(c). Inventories</b>			
Stores & Materials		25	33
<b>Total Inventories</b>		<b>25</b>	<b>33</b>

#### Note 6. Non-Current Assets

##### (a). Financial Assets

###### Receivables

Loans to Community Organisations		114	133
Other - Deferred Debtors		15	15
<b>Total Receivables</b>		<b>129</b>	<b>148</b>
<b>Total Financial Assets</b>		<b>129</b>	<b>148</b>

##### (b). Equity Accounted Investments in Council Businesses

Adelaide Hills Regional Waste Management Authority	19	111	99
Fleurieu Regional Waste Authority	19	306	274
Fleurieu Regional Aquatic Centre Authority	19	9,818	10,150
<b>Total Equity Accounted Investments in Council Businesses</b>		<b>10,235</b>	<b>10,523</b>

Alexandrina Council

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2020

Note 7a. Infrastructure, Property, Plant & Equipment

\$ '000	Fair Value Level	as at 30/6/2019				Asset Movements during the Reporting Period									as at 30/6/2020			
		At Fair Value	At Cost	Accumulated Dep'n	Carrying Value	Transition adjustment - AASB 16	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	WIP Transfers	Adjustments & Transfers	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Dep'n	Carrying Value
							New / Upgrade	Renewals										
Capital Work in Progress		-	6,353	-	6,353	-	-	-	-	(2,774)	-	-	-	-	3,580	-	3,580	
Land - Community	2	102,610	-	-	102,610	-	8	-	-	-	-	-	-	102,610	8	-	102,618	
Land Improvements		-	6,255	-	6,255	-	673	-	-	532	-	-	-	7,460	-	-	7,460	
Buildings & Other Structures	2	25,699	-	17,519	8,180	-	419	146	(432)	(445)	-	(287)	413	26,232	-	18,238	7,994	
Buildings & Other Structures Infrastructure	3	69,816	-	28,859	40,957	-	287	1	(1,264)	(230)	2	(482)	1,118	70,993	-	30,604	40,389	
- Sealed Roads	3	151,700	-	48,470	103,230	-	328	337	(260)	(3,642)	1,472	(88)	1,357	155,007	-	52,273	102,734	
- Unsealed Roads	3	27,329	-	11,796	15,533	-	-	1,170	(462)	(1,416)	-	88	63	27,670	-	12,695	14,974	
- Stormwater Drainage	3	63,393	-	16,689	46,704	-	2,014	20	(25)	(826)	-	48	802	66,519	-	17,781	48,738	
- CWMS	3	62,791	-	23,943	38,848	-	1,021	226	(65)	(1,181)	774	(43)	355	65,319	-	25,386	39,932	
- Footpaths	3	23,389	-	4,833	18,556	-	1,292	201	(90)	(498)	(70)	31	530	24,830	-	4,876	19,954	
- Kerbs	3	29,140	-	13,823	15,317	-	205	4	-	(468)	(4)	-	253	29,826	-	14,519	15,306	
- Bridges & Major Culverts	3	34,946	-	12,296	22,650	-	421	-	(269)	(417)	467	(38)	5,852	43,432	-	14,766	28,666	
- Water	3	1,351	-	802	549	-	-	-	-	(17)	-	-	9	1,372	-	833	540	
- Rec & Open Space	3	27,055	-	8,927	18,128	-	1,492	325	(85)	(849)	414	-	537	29,665	-	9,704	19,961	
Right-of-Use Assets		-	-	-	-	212	-	-	-	(91)	-	-	-	212	-	91	121	
Furniture & Fittings		-	981	466	515	-	-	-	-	(80)	-	-	-	-	981	546	435	
Plant		-	8,282	2,397	5,885	-	145	446	(110)	(512)	-	-	-	-	8,704	2,850	5,854	
Equipment		-	4,827	3,711	1,116	-	244	330	-	(388)	(142)	-	-	-	5,259	4,099	1,160	
Capping & Reinstatement		-	856	856	-	-	-	-	-	-	-	-	-	-	856	856	-	
Other Assets		-	672	460	212	-	-	-	-	(11)	-	-	-	-	672	471	201	
<b>Total Infrastructure, Property, Plant &amp; Equipment</b>		<b>619,220</b>	<b>28,226</b>	<b>195,847</b>	<b>451,598</b>	<b>212</b>	<b>8,548</b>	<b>3,206</b>	<b>(1,365)</b>	<b>(12,092)</b>	<b>(6)</b>	<b>-</b>	<b>(769)</b>	<b>11,289</b>	<b>643,686</b>	<b>27,520</b>	<b>210,588</b>	<b>460,618</b>
<b>Comparatives</b>		571,868	26,887	166,141	432,614	-	9,858	4,989	(1,374)	(11,267)	(56)	-	(19,626)	36,460	619,220	28,226	195,847	451,598

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

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\$ '000

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##### Valuation of Assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

##### Other Information

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with AASB 13 Fair Value Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

##### Highest and best use

All of Council's non financial assets are considered as being utilised for their highest and best use.

##### Land

- Basis of valuation: Fair Value (Market Value as required)
- Date of valuation: 30 June 2019.
- Valuer: Office of the Valuer General. Last external valuation was undertaken by Public Private Property as at 30 June 2019.

##### Land Improvements

- Basis of valuation: Recognised at Cost

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 7b. Valuation of Infrastructure, Property, Plant & Equipment & Investment Property (continued)

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\$ '000

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#### Valuation of Assets (continued)

##### Buildings

- Basis of valuation: Fair Value based on Market Value / Written down current replacement cost
- Date of valuation: 30 June 2019.
- Valuer: Council valuation using fair value and indexed according to LGPI March 2020 (1.6%). Last external valuation was undertaken by Public Private Property on 30 June 2019 and the condition assessment was undertaken by Sprout on 30 June 2019.

Alexandrina Council has identified assets which are required to be valued under a market approach, in accordance with AASB 13 - Fair Value Measurement. The balance of the assets are valued at Depreciated Replacement Cost. This asset class is next due to be revalued in 2022/23.

##### Infrastructure

- Basis of valuation: Fair Value (Replacement Cost). Additions at cost.
- Date of valuation: 30 June 2020.
- Valuer: Council valuation using unit rates and indexed according to LGPI March 2020 (1.6%).

Council's unit rates were indexed using the Local Government Price Index for 31 March 2020 of 1.6%.

Council plans to undertake condition based assessments of its Infrastructure assets on a four-yearly rolling program according to the following schedule in consultation with its external asset management consultants.

Bridges & Major Culverts	2023/24
Parks & Open Spaces	2022/23
Sealed Roads	2021/22
Unsealed Roads	2021/22
Kerbs & Footpaths	2020/21
CWMS & Water Supply	2021/22
Stormwater	2020/21

##### *Bridges and Major Culverts.*

- Basis of valuation: Fair Value / Written down current replacement cost
- Date of valuation: 30 June 2020.
- Market valuation was done by Public Private Property and condition assessment was done by Sprout.

##### Plant

- Recognised at cost

##### Equipment

- Recognised at cost

##### Furniture & Fittings

- Recognised at cost

##### Capping & Reinstatement

- Recognised at cost

##### All other Assets

- Recognised at cost

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 8. Liabilities

\$ '000	Notes	2020 Current	2020 Non Current	2019 Current	2019 Non Current
<b>(a). Trade and Other Payables</b>					
Goods & Services		4,561	-	4,488	-
Payments Received in Advance		444	-	920	-
- Grants, Subsidies, Contributions - Operating		9	-	-	-
- Grants & Contributions - Capital		1,779	-	-	-
Accrued Expenses - Employee Entitlements		453	-	490	-
Accrued Expenses - Finance Costs		370	-	469	-
Accrued Expenses - Other		23	-	26	-
Deposits, Retentions & Bonds		232	-	307	-
<b>Total Trade and Other Payables</b>		<b>7,871</b>	<b>-</b>	<b>6,700</b>	<b>-</b>
<b>(b). Borrowings</b>					
Loans		773	22,475	764	29,941
Lease Liabilities	17	121	-	-	-
<b>Total Borrowings</b>		<b>894</b>	<b>22,475</b>	<b>764</b>	<b>29,941</b>
All interest bearing liabilities are secured over the future revenues of the Council					
<b>(c). Provisions</b>					
Employee Entitlements (including oncosts)					
Long Service Leave (including oncosts)		320	2,194	320	1,931
Annual & Sick Leave (including oncosts)		1,571	493	1,447	329
Future Reinstatement / Restoration	1.10	33	572	39	872
Other		-	-	5	-
<b>Total Provisions</b>		<b>1,924</b>	<b>3,259</b>	<b>1,811</b>	<b>3,132</b>

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 9. Reserves

\$ '000	1/7/2019	Increments (Decrements)	Transfers	Impairments	30/6/2020
<b>(a). Asset Revaluation Reserve</b>					
Land - Community	80,157	-	-	-	80,157
Buildings & Other Structures	18,782	762	-	-	19,544
Infrastructure					
- Sealed Roads	58,796	1,357	-	-	60,153
- Unsealed Roads	8,910	63	-	-	8,973
- Stormwater Drainage	37,236	802	-	-	38,038
- CWMS	7,920	355	-	-	8,275
- Footpaths	8,946	530	-	-	9,476
- Kerbs	8,545	253	-	-	8,798
- Bridges & Major Culverts	19,803	5,852	-	-	25,655
- Water	604	9	-	-	613
- Rec & Open Space	9,475	537	-	-	10,012
<b>Total Asset Revaluation Reserve</b>	<b>259,174</b>	<b>10,520</b>	<b>-</b>	<b>-</b>	<b>269,694</b>
<b>Comparatives</b>	<b>242,340</b>	<b>16,834</b>	<b>-</b>	<b>-</b>	<b>259,174</b>

\$ '000	1/7/2019	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2020
<b>(b). Other Reserves</b>					
Open Space	319	2	-	-	321
CWMS	-	5,064	(5,064)	-	-
Car Parking	86	1	-	-	87
Other Reserves	889	-	(889)	-	-
<b>Total Other Reserves</b>	<b>1,294</b>	<b>5,067</b>	<b>(5,953)</b>	<b>-</b>	<b>408</b>
<b>Comparatives</b>	<b>11,576</b>	<b>6,695</b>	<b>(16,977)</b>	<b>-</b>	<b>1,294</b>

#### PURPOSES OF RESERVES

##### Asset Revaluation Reserves

The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

##### Open Space

In compliance with Div 4 s50(10)(a) of the Development Act 1993, Council has created a reserve for Open Space Contributions.

Alexandrina Council's interest in the Adelaide Hills Regional Waste Management Authority.

Council has elected to no longer recognise this separately in Equity, as it is already accounted for as an Asset.

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 9. Reserves (continued)

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\$ '000

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##### (b). Other Reserves (continued)

###### **CWMS - Community Wastewater Management Scheme**

In compliance with s155(6)(a)&(b) of the Local Government Act 1993, Council has created a reserve for Community Wastewater Management Schemes.

###### **Car Parking**

In compliance with Div 4 s50A(1) of the Development Act 1993, Council has created a reserve for Car Parking Contributions.

###### **Other**

Strathalbyn Woodshed and ACPA Support Committee funds held in reserve and unspent grants and contributions.

#### Note 10. Assets Subject to Restrictions

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Council does not hold any assets subject to restrictions.

#### Note 11. Reconciliation to Statement of Cash Flows

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\$ '000

Notes

2020

2019

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##### (a). Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:

Total Cash & Equivalent Assets	5	1,126	996
<b>Balances per Statement of Cash Flows</b>		<b>1,126</b>	<b>996</b>

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 11. Reconciliation to Statement of Cash Flows (continued)

\$ '000	Notes	2020	2019
<b>(b). Reconciliation of Change in Net Assets to Cash from Operating Activities</b>			
<b>Net Surplus/(Deficit)</b>		<b>2,933</b>	<b>3,757</b>
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		12,092	11,267
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(308)	349
Non-Cash Asset Acquisitions		(2,339)	(2,422)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(1,407)	(1,272)
Net (Gain) Loss on Disposals		1,258	1,161
Other		-	57
		<b>12,229</b>	<b>12,897</b>
<b>Add (Less): Changes in Net Current Assets</b>			
Net (Increase)/Decrease in Receivables		1,276	(2,245)
Change in Allowances for Under-Recovery of Receivables		(10)	(17)
Net (Increase)/Decrease in Inventories		8	(4)
Net (Increase)/Decrease in Other Current Assets		19	34
Net Increase/(Decrease) in Trade & Other Payables		1,173	2,017
Net Increase/(Decrease) in Other Provisions		(263)	156
Net Increase/(Decrease) in Other Liabilities		(311)	-
<b>Net Cash provided by (or used in) operations</b>		<b>14,121</b>	<b>12,838</b>
<b>(c). Non-Cash Financing and Investing Activities</b>			
<b>Acquisition of assets by means of:</b>			
- Physical Resources Received Free of Charge	2i	2,339	2,422
<b>Amounts recognised in Income Statement</b>		<b>2,339</b>	<b>2,422</b>
<b>Total Non-Cash Financing &amp; Investing Activities</b>		<b>2,339</b>	<b>2,422</b>
<b>(d). Financing Arrangements</b>			
<b>Unrestricted access was available at balance date to the following lines of credit:</b>			
Bank Overdrafts		1,200	1,200
Corporate Credit Cards		40	40
LGFA Cash Advance Debenture Facility		21,499	21,750

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019
<b>\$ '000</b>										
Business Undertakings	-	-	-	-	-	-	-	-	-	-
Office of the Chief Executive	602	486	2,311	1,898	(1,709)	(1,412)	121	33	39	35
Resources	38,833	37,019	7,334	6,722	31,499	30,297	1,038	1,085	22,661	24,062
Environment	1,871	3,368	20,756	20,617	(18,885)	(17,249)	1,615	2,712	452,871	443,912
Wellbeing	6,921	6,652	14,069	12,777	(7,148)	(6,125)	620	614	4	9
Growth	511	678	3,823	4,965	(3,312)	(4,287)	14	14	609	617
<b>Total Functions/Activities</b>	<b>48,738</b>	<b>48,203</b>	<b>48,293</b>	<b>46,979</b>	<b>445</b>	<b>1,224</b>	<b>3,408</b>	<b>4,458</b>	<b>476,184</b>	<b>468,635</b>

Revenues and expenses exclude net gain (loss) on disposal or revaluation of assets, amounts received specifically for new or upgraded assets and physical resources received free of charge.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 12b. Components of Functions

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\$ '000

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**The activities relating to Council functions are as follows:**

#### **OFFICE OF THE CHIEF EXECUTIVE**

Elected Members, Chief Executive's Office, Work Health & Safety, Risk Management, General Administration, Human Resource Management, Audit, Strategic Management, Communications and Natural Resources.

#### **RESOURCES**

Payroll, Rate Revenue, Finance General, Rate Processing, Debtors, Creditors, Loans & Investments Management, Records Management, Information Technology, Management of Council Owned Properties (including Halls, Administration Centres, Public Conveniences, Caravan Parks etc), Libraries (Goolwa and Strathalbyn) & Customer Service, Centre for Positive Ageing, Aged/Disabled/Disadvantaged Homes, Community Bus, Community Aid Services, Fleurieu Families/Family Links, Home Assist, Community Services, Youth Services, Goolwa Visitor Information Centre and Strathalbyn Visitor Centre.

#### **ENVIRONMENT**

Infrastructure/Assets/Contracts Management, Swimming Centres, Public Conveniences, Street Lighting, Parking Off Street, Sport and Recreation Facilities, Private Works, Foreshore Protection, Alexandrina Riverfront, Recreational Boating, Parks and Gardens, Playgrounds, Road Reserves, Cemeteries, Street Cleaning, Stormwater Drainage, Traffic Control, Road Maintenance, Resheeting, Footpath/Cycle Tracks, Vandalism, Plant Operations, Works Depot, and Technical Services.

#### **WELLBEING**

Health Prevention Services, Noxious Insects, Health Services, General Inspectors (Dog & Cat Management, Impounding Livestock, Parking), Fire Protection, Water Supply Scheme, Community Wastewater Management Schemes, Libraries (Goolwa and Strathalbyn) & Customer Service, Centre for Positive Ageing, Aged/Disabled/Disadvantaged Homes, Community Bus, Community Aid Services, Fleurieu Families/Family Links, Home Assist, Community Services, Youth Services, Goolwa Visitor Information Centre and Strathalbyn Visitor Centre.

#### **GROWTH**

Signal Point Interpretive Centre, Cultural Services, Regional Art Centre, Tourism and Events, Oscar W, Wooden Boat Festival, Economic Development, Development Assessment (Planning & Building).

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2020

Note 13. Financial Instruments

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\$ '000

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**Recognised Financial Instruments**

**Bank, Deposits at Call, Short Term Deposits**

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

**Terms & Conditions:**

Deposits are returning fixed interest rates 0.45% (2019: 1.3%).

**Carrying Amount:**

Approximates fair value due to the short term to maturity.

**Receivables**

**Rates & Associated Charges**

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Secured over the subject land, arrears attract interest of 0.28% (2019: 0.3% per month). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

**Receivables**

**Fees & Other Charges**

**Accounting Policy:**

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

**Terms & Conditions:**

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

# Alexandrina Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 13. Financial Instruments (continued)

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\$ '000

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#### Recognised Financial Instruments

##### Receivables

##### Other Levels of Government

##### Accounting Policy:

Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

##### Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Creditors and Accruals

##### Accounting Policy:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

##### Terms & Conditions:

Liabilities are normally settled on 30 day terms.

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Interest Bearing Borrowings

##### Accounting Policy:

Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

##### Terms & Conditions:

Secured over future revenues, borrowings are repayable (describe basis); interest is charged at fixed (or variable - describe) rates between 2.2% and 6.7% (2019: 3.4% and 6.7%).

##### Carrying Amount:

Approximates fair value.

##### Liabilities

##### Leases

##### Accounting Policy:

Accounted for in accordance with AASB 16 as stated in Note 17.

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2020</b>					
<b>Financial Assets</b>					
Cash & Equivalents	1,126	-	-	1,126	1,126
Receivables	4,080	129	-	4,209	3,791
<b>Total Financial Assets</b>	<b>5,206</b>	<b>129</b>	<b>-</b>	<b>5,335</b>	<b>4,917</b>
<b>Financial Liabilities</b>					
Payables	5,639	-	-	5,639	5,639
Current Borrowings	1,730	-	-	1,730	782
Non-Current Borrowings	-	13,415	13,860	27,275	22,466
Lease Liabilities	122	-	-	122	121
<b>Total Financial Liabilities</b>	<b>7,491</b>	<b>13,415</b>	<b>13,860</b>	<b>34,766</b>	<b>29,008</b>

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b>2019</b>					
<b>Financial Assets</b>					
Cash & Equivalents	996	-	-	996	996
Receivables	5,016	148	-	5,164	4,756
<b>Total Financial Assets</b>	<b>6,012</b>	<b>148</b>	<b>-</b>	<b>6,160</b>	<b>5,752</b>
<b>Financial Liabilities</b>					
Payables	5,715	-	-	5,715	5,780
Current Borrowings	2,062	-	-	2,062	764
Non-Current Borrowings	-	15,441	22,074	37,515	29,941
<b>Total Financial Liabilities</b>	<b>7,777</b>	<b>15,441</b>	<b>22,074</b>	<b>45,292</b>	<b>36,485</b>

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

	30 June 2020		30 June 2019	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	2.20%	5,141	3.35%	6,872
Fixed Interest Rates	4.68%	18,107	4.53%	23,833
		<b>23,248</b>		<b>30,705</b>

#### Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 13. Financial Instruments (continued)

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\$ '000

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#### Risk Exposures

**Credit Risk** represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

**Market Risk** is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

**Liquidity Risk** is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

**Interest Rate Risk** is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

At 30 June 2020 Council had access to Cash Advance Debentures (CADs), with the following limits and End Dates:

<b>Loan Number</b>	<b>Limit</b>	<b>End Date</b>
CAD 54	\$440,000	09/02/2023
CAD 67	\$5,000,000	16/07/2022
CAD 68	\$3,000,000	16/07/2022
CAD 70	\$12,000,000	28/05/2025
CAD 71	\$5,000,000	15/08/2021
CAD 74	\$1,200,000	16/04/2022
CAD 77	\$7,000,000	15/03/2028

CADs are at call loans approved by Council that operate in a similar fashion to an Overdraw facility. CADs that at 30 June 2020 had been converted to a fixed term loan are not listed above.

## Alexandrina Council

Notes to and forming part of the Financial Statements  
for the year ended 30 June 2020

### Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	Notes	2020	2019
<b>(a). Capital Commitments</b>			
<b>Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:</b>			
Infrastructure		903	1,471
Plant & Equipment		557	42
		<u>1,460</u>	<u>1,513</u>
<b>These expenditures are payable:</b>			
Not later than one year		1,460	1,513
Later than one year and not later than 5 years		-	-
Later than 5 years		-	-
		<u>1,460</u>	<u>1,513</u>
<b>(b). Other Expenditure Commitments</b>			
<b>Other non-capital expenditure commitments in relation to investment properties at the reporting date but not recognised in the financial statements as liabilities:</b>			
Audit Services		55	17
Waste Management		7,611	7,611
Other Expenditure		3,197	2,889
		<u>10,863</u>	<u>10,517</u>
<b>These expenditures are payable:</b>			
Not later than one year		5,130	4,024
Later than one year and not later than 5 years		5,733	6,493
Later than 5 years		-	-
		<u>10,863</u>	<u>10,517</u>

# Alexandrina Council

## Notes to and forming part of the Financial Statements for the year ended 30 June 2020

### Note 15. Financial Indicators

\$ '000	Amounts 2020	Indicator 2020	Prior Periods 2019      2018	
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These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

#### 1. Operating Surplus Ratio

Operating Surplus	445	0.9%	2.5%	1.4%
Total Operating Income	48,738			

*This ratio expresses the operating surplus as a percentage of total operating revenue.*

#### 2. Net Financial Liabilities Ratio

Net Financial Liabilities	31,117	64%	74%	83%
Total Operating Income	48,738			

*Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.*

#### Adjustments to Ratios

*In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.*

<b>Adjusted Operating Surplus Ratio</b>	1.3%	1.1%	1.1%
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<b>Adjusted Net Financial Liabilities Ratio</b>	66%	78%	84%
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#### 3. Asset Renewal Funding Ratio

Net Asset Renewals	3,099	46%	72%	73%
Infrastructure & Asset Management Plan required expenditure	6,701			

*Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.*

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 16. Uniform Presentation of Finances

\$ '000	2020	2019
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	48,738	48,203
<i>less</i> Expenses	(48,293)	(46,979)
<b>Operating Surplus / (Deficit)</b>	<b>445</b>	<b>1,224</b>
<b>Net Outlays on Existing Assets</b>		
Capital Expenditure on Renewal and Replacement of Existing Assets	(3,206)	(4,990)
<i>add back</i> Depreciation, Amortisation and Impairment	12,092	11,267
<i>add back</i> Proceeds from Sale of Replaced Assets	107	213
<b>Subtotal</b>	<b>8,993</b>	<b>6,490</b>
<b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(6,200)	(7,436)
<i>add back</i> Amounts Received Specifically for New and Upgraded Assets	2,707	1,272
<b>Subtotal</b>	<b>(3,493)</b>	<b>(6,164)</b>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>5,945</b>	<b>1,550</b>

#### Note 17. Leases

##### Council as a Lessee

##### Terms and conditions of leases

##### Photocopiers

A four year term lease for twenty photocopiers with equal monthly payments, not subject to CPI increase renewal options, lease increases such as CPI, residual value etc.

##### Community Hub

A five year term property lease with equal monthly payments, subject to annual CPI increase renewal options, lease increases such as CPI, residual value etc.

## Alexandrina Council

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

#### Note 17. Leases (continued)

\$ '000

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

##### Right of use assets

	Photocopiers \$'000	Community Hub \$'000	Total \$'000
<b>2020</b>			
Adoption of AASB 16 at 1 July 2019	98	114	212
Depreciation charge	(36)	(55)	(91)
<b>Balance at 30 June 2020</b>	<b>62</b>	<b>59</b>	<b>121</b>

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$ '000	2020
<b>Balance at 1 July</b>	-
Additions	212
Payments	(91)
<b>Balance at 30 June</b>	<b>121</b>
<b>Classified as:</b>	
Current	121
Non Current	-

The maturity analysis of lease liabilities is included in Note 13.

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	91
<b>Total amount recognised in profit or loss</b>	<b>91</b>

#### Council as a Lessor

##### Leases Providing Revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

#### Note 18. Superannuation

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\$ '000

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The Council makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

##### **Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2019/20; 9.50% in 2018/19). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

##### **Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2019/20) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

##### **Contributions to Other Superannuation Schemes**

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 19. Interests in Other Entities

\$ '000

**All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.**

	Council's Share of Net Income		Council's Share of Net Assets	
	2020	2019	2020	2019
Joint Ventures	(308)	(349)	10,235	10,523
<b>Total</b>	<b>(308)</b>	<b>(349)</b>	<b>10,235</b>	<b>10,523</b>

#### (i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

##### (a) Carrying Amounts

Name of Entity	Principal Activity	2020	2019
Adelaide Hills Regional Waste Management Authority	Waste Mangement	111	99
Fleurieu Regional Aquatic Centre Authority	Aquatic Centre	9,818	10,150
Fleurieu Regional Waste Authority	Waste Management	306	274
<b>Total Carrying Amounts - Joint Ventures &amp; Associates</b>		<b>10,235</b>	<b>10,523</b>

##### **Adelaide Hills Regional Waste Management Authority**

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Adelaide Hills Council, Alexandrina Council, The District of Mount Barker and Rural City of Murray Bridge. This organisaiton operates as a regional waste management authority within the combined area.

The Authority has recorded the following disclosure included in Note 12 in their 2019-20 Financial Statements pertaining to the details of the Contingent Liability not recognised:

The Authority has been successful in defending a claim as a defendant in Supreme Court proceedings which has been disclosed as a contingent liability in previous financial years. As at reporting date, the Authority has received an Order for costs from the Court which is still in negotiations.

##### **Southern and Hills Local Government Association**

The Southern and Hills Local Government Association is a regional subsidiary to represent the interests of all Councils in the Southern Hills, Fleurieu Peninsula and Kangaroo Island, within Local Government in SA. The group meet on a monthly basis and discuss Local Government policy and procedures, and provide advice back to the LGA from a regional perspective.

Alexandrina Councils interest in the Southern & Hills Local Government Association for 2019-20 is deemed to be immaterial in amount and has not been recognised. This will be reviewed annually.

## Alexandrina Council

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

#### Note 19. Interests in Other Entities (continued)

\$ '000

##### **Fleurieu Regional Aquatic Centre Authority**

The Fleurieu Regional Aquatic Centre Authority is Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council, and the City of Victor Harbor. This organisation operates an aquatic centre.

##### **Fleurieu Regional Waste Authority**

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Victor Harbor, Alexandrina Council, Kangaroo Island Council and Yankalilla District Council. This organisation operates as a regional waste management authority within the combined area.

##### **(b) Relevant Interests**

Name of Entity	Ownership Share of Equity		Proportion of Voting Power	
	2020	2019	2020	2019
Adelaide Hills Regional Waste Management Authority	9%	9%	25%	25%
Southern and Hills Local Government Association	14%	14%	14%	14%
Fleurieu Regional Aquatic Centre Authority	50%	50%	50%	50%
Fleurieu Regional Waste Authority	35%	35%	22%	22%

##### **(c) Movement in Investment in Joint Venture or Associate**

	Adelaide Hills Regional Waste Management Authority		Southern and Hills Local Government Association	
	2020	2019	2020	2019
Opening Balance	99	65	-	-
Share in Operating Result	12	34	-	-
<b>Council's Equity Share in the Joint Venture or Associate</b>	<b>111</b>	<b>99</b>	<b>-</b>	<b>-</b>

	Fleurieu Regional Aquatic Centre Authority		Fleurieu Regional Waste Authority	
	2020	2019	2020	2019
Opening Balance	10,150	10,503	274	283
Share in Operating Result	(353)	(374)	32	(9)
Share in Other Comprehensive Income	21	21	-	-
<b>Council's Equity Share in the Joint Venture or Associate</b>	<b>9,818</b>	<b>10,150</b>	<b>306</b>	<b>274</b>

##### **(d). Transactions with Council**

Aggregate amount of transactions with Council	<b>2020</b>	<b>2019</b>
- payments to Council	302	264
- receipts from Council	3,282	2,956
Aggregate amounts owed to/owed by Council		
- payments to Council	29	33
- receipts from Council	27	-

## Alexandrina Council

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

#### Note 19. Interests in Other Entities (continued)

\$ '000

##### (e) Basham Beach Trust

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. Council performs a custodial role in respect of Basham Beach Trust monies, and because the monies cannot be used for Council purposes without Trustee approval, they are not brought to account in the financial report, but are disclosed for information purposes.

	Basham Beach Trust	
	2020	2019
Opening Balance	442	513
Add Port Elliot Caravan Park Lease (55%)	91	120
Interest	3	8
	<u>536</u>	<u>641</u>
Less Reimbursed Expenditure	158	199
	<u>378</u>	<u>442</u>
Add Outstanding Withdrawal	67	79
Closing LGFA Balance	<u>445</u>	<u>521</u>

#### Note 20. Non-Current Assets Held for Sale & Discontinued Operations

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

#### Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

##### 1. LAND UNDER ROADS

As reported in the Financial Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in the reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

##### 2. POTENTIAL INSURANCE LOSSES

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

### Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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#### **3. BANK GUARANTEES**

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$120,000 (2019: \$120,000) at reporting date.

Council does not expect to incur any loss arising from these guarantees.

#### **4. LEGAL MATTERS**

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs.

All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

### Note 22. Events After the Statement of Financial Position Date

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Events that occur after the reporting date of 30 June 2020, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

**Council is unaware of any material or significant "non adjusting events" that should be disclosed.**

## Alexandrina Council

### Notes to and forming part of the Financial Statements for the year ended 30 June 2020

#### Note 23. Related Party Transactions

\$ '000	2020	2019
<b>Key Management Personnel</b>		
<b>Transactions with Key Management Personnel</b>		
The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the <i>Local Government Act 1999</i> . In all, 21 persons were paid the following total compensation:		
<b>The compensation paid to Key Management Personnel comprises:</b>		
Short-Term Employee Benefits	1,461	1,367
Post-Employment Benefits	131	112
Long-Term Benefits	-	12
Termination Benefits	26	-
<b>Total</b>	<b>1,618</b>	<b>1,491</b>

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

Family member of 2 Key Management Personnel lodged a planning and building application during the year. In accordance with the Local Government Act 1999, both declared conflict of interest and took no part in the assessment or approval processes for this application. Total fees for these lodgement) amounted to \$1,067.

A Key Management Personnel is on the board of a community group from which landscaping works were procured as required on 30 day account. Total purchases amounting to \$17,653 were made during 2019-20 (\$15,343 were made during 2018-19). A balance of \$ 11,970 is outstanding at the end of year.

A Key Management Personnel owns a business from which various services were purchased as required on 7 day account. Total purchases amounting to \$14,560 were made during 2019-20 (\$15,325 were made during 2018-19). A balance of \$811 is outstanding at the end of year.

## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

**To the members of the Alexandrina Council**

### Opinion

We have audited the accompanying financial report of the Alexandrina Council (the Council), which comprises the, the Statement of Financial Position as at 30 June 2020, Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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 requirements of the 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.

### Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. This responsibility includes determining that the basis of preparation described in Note 1 is appropriate to meet the need of the members. The Council's responsibility also includes designing, implementing and maintaining internal controls relevant to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are 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 the 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 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 Council.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- 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 those charged with governance 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.

**DEAN NEWBERY & PARTNERS**  
**CHARTERED ACCOUNTANTS**



**JIM KEOGH**  
**PARTNER**

Signed on the 25<sup>th</sup> day of November 2020,  
at 214 Melbourne Street, North Adelaide

## **INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE ALEXANDRINA COUNCIL**

### **Opinion**

In our opinion, the Council has complied, in all material respects, with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls established by the Council relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2019 to 30 June 2020.

### **Basis for opinion**

We have audited the Internal Controls of the Alexandrina Council (Council) under the requirements of *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2019 to 30 June 2020 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

### **The Council's Responsibility for the Internal Controls**

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

### **Our Independence and Quality Control**

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applying Auditing Standard *ASQC 1 Quality Control for Firms that Perform Audits and Review of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking the assurance engagement.

### **Assurance Practitioner's Responsibilities**

Our responsibility is to express an opinion on the Council's compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and performed our procedure to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period.

An assurance engagement to report on the designed and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

#### **Limitation on Use**

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

#### **Limitations of Controls**

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS**

A handwritten signature in black ink, appearing to be 'JK' with a flourish.

**JIM KEOGH  
PARTNER**

Signed on the 25<sup>th</sup> day of November 2020  
at 214 Melbourne Street, North Adelaide, South Australia, 5006

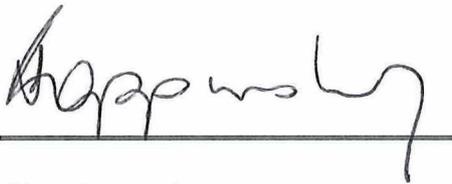
## Alexandrina Council

### General Purpose Financial Statements for the year ended 30 June 2020

### Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Alexandrina Council for the year ended 30 June 2020, the Council's Auditor, Dean Newbery & Partners has maintained its independence accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.



Glenn Rappensberg  
**CHIEF EXECUTIVE OFFICER**



Alice McCleary  
**PRESIDING MEMBER, AUDIT COMMITTEE**

**Date:** 28 September 2020

## **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of the Alexandrina Council for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



**JIM KEOGH**

**Partner**

**DEAN NEWBERY & PARTNERS**  
**CHARTERED ACCOUNTANTS**

**Dated this 25<sup>th</sup> day of November 2020**

**Fleurieu Regional Aquatic Centre Authority**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2020**

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# Fleurieu Regional Aquatic Centre Authority

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Fleurieu Regional Aquatic Centre Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



.....  
Steve Mathewson  
**CHAIR PERSON**

Date: 28 September 2020

**Fleurieu Regional Aquatic Centre Authority**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
<b>INCOME</b>			
User charges	2	2,453,245	2,398,118
Investment income	2	10,406	22,632
Other income	2	3,948	-
<b>Total Income</b>		<u>2,467,599</u>	<u>2,420,750</u>
<b>EXPENSES</b>			
Employee costs	3	43,402	-
Materials, contractors & other expenses	3	2,444,490	2,492,366
Depreciation, amortisation & impairment	3	685,733	677,597
<b>Total Expenses</b>		<u>3,173,625</u>	<u>3,169,963</u>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<u>(706,026)</u>	<u>(749,213)</u>
Amounts received specifically for new or upgraded assets	2	41,966	41,840
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>(664,060)</u>	<u>(707,373)</u>

This Statement is to be read in conjunction with the attached Notes.

**Fleurieu Regional Aquatic Centre Authority**  
**Statement of Financial Position**  
**as at 30 June 2020**

	Notes	2020 \$	2019 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	836,562	917,016
Trade & other receivables	4	16,045	132,224
<b>Total Current Assets</b>		<u>852,607</u>	<u>1,049,240</u>
<b>Non-current Assets</b>			
Infrastructure, property, plant & equipment	5	18,916,905	19,562,603
<b>Total Non-current Assets</b>		<u>18,916,905</u>	<u>19,562,603</u>
<b>Total Assets</b>		<u>19,769,512</u>	<u>20,611,843</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	6	132,022	312,408
Provisions	6	2,115	-
<b>Total Current Liabilities</b>		<u>134,137</u>	<u>312,408</u>
<b>Total Liabilities</b>		<u>134,137</u>	<u>312,408</u>
<b>NET ASSETS</b>		<u>19,635,375</u>	<u>20,299,435</u>
<b>EQUITY</b>			
Accumulated Surplus		(1,433,186)	(769,126)
Capital Contributions		21,068,561	21,068,561
<b>TOTAL EQUITY</b>		<u>19,635,375</u>	<u>20,299,435</u>

This Statement is to be read in conjunction with the attached Notes.

**Fleurieu Regional Aquatic Centre Authority**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2020**

<b>2020</b>	<b>Notes</b>	<b>Accumulated Surplus \$</b>	<b>Capital Contributions</b>	<b>TOTAL EQUITY \$</b>
Balance at end of previous reporting period		(769,126)	21,068,561	20,299,435
Capital Contributions from Councils		-	-	-
<b>Net Surplus / (Deficit) for Year</b>		<b>(664,060)</b>	-	<b>(664,060)</b>
<b>Balance at end of period</b>		<b>(1,433,186)</b>	<b>21,068,561</b>	<b>19,635,375</b>
<b>2019</b>				
Balance at end of previous reporting period		(61,753)	21,068,561	21,006,808
Capital Contributions from Councils		-	-	-
<b>Net Surplus / (Deficit) for Year</b>		<b>(707,373)</b>	-	<b>(707,373)</b>
<b>Balance at end of period</b>		<b>(769,126)</b>	<b>21,068,561</b>	<b>20,299,435</b>

This Statement is to be read in conjunction with the attached Notes

**Fleurieu Regional Aquatic Centre Authority**  
**Statement of Cash Flows**  
**for the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<i><b>Receipts:</b></i>			
User charges		2,819,736	2,480,046
Investment receipts		17,410	22,599
Other revenues		3,072	-
<i><b>Payments:</b></i>			
Employee costs		(41,287)	-
Materials, contractors & other expenses		<u>(2,881,316)</u>	<u>(2,479,031)</u>
<b>Net Cash provided by (or used in) Operating Activities</b>		<u>(82,385)</u>	<u>23,614</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<i><b>Receipts:</b></i>			
Amounts specifically for new or upgraded assets		41,966	41,840
<i><b>Payments:</b></i>			
Expenditure on new/upgraded assets		<u>(40,035)</u>	<u>(38,824)</u>
<b>Net Cash provided by (or used in) Investing Activities</b>		<u>1,931</u>	<u>3,016</u>
<b>Net Increase (Decrease) in cash held</b>		<u>(80,454)</u>	<u>26,630</u>
Cash & cash equivalents at beginning of period	7	<u>917,016</u>	<u>890,386</u>
<b>Cash &amp; cash equivalents at end of period</b>	7	<u><b>836,562</b></u>	<u><b>917,016</b></u>

This Statement is to be read in conjunction with the attached Notes

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**  
**Note 1 - SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**1 Basis of Preparation**

**1.1 Compliance with Australian Accounting Standards**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The Fleurieu Regional Aquatic Centre Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council and City of Victor Harbor.

**1.2 Historical Cost Convention**

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

**1.3 Critical Accounting Estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this note.

**1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar.

**2 The Local Government Reporting Entity**

The Authority was established on 6 August 2015 in accordance with Section 43 of the Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999. These financial statements have been prepared for use by constituent councils for the Authority.

**3 Income recognition**

The Authority recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

**4 Cash, Cash Equivalents and other Financial Instruments**

Cash assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest. All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

**5 Infrastructure, Property, Plant & Equipment**

**5.1 Initial Recognition**

An asset is recognised in the Statement of Financial Position when it is probable that future economic benefits will flow to the entity and the asset has a cost that can be measured reliably.

An asset that qualifies for recognition as an asset will be recognised at cost as at the date of acquisition, including costs directly attributed to bringing the asset to the location and in the required condition for operation by the Authority. Where it is practical from an administrative perspective that expenditure is capitalised.

**5.2 Materiality**

Assets should have a useful life of greater than one year to enable capitalisation of the expenditure and should also meet a materiality test. Materiality levels are set so as not to misstate financial statements and to provide a guide whether it is practical from an administrative perspective that expenditure is capitalised. No capitalisation threshold is applied to the acquisition of land or interests in land.

Materiality levels for capitalisation are set at:

Furniture, Fittings and Minor Equipment	\$1,000
Plant and Major Equipment	\$5,000
Buildings	\$5,000
Infrastructure	\$5,000

**5.3 Subsequent Recognition**

An item that qualifies for recognition as an asset shall be measured at its cost on the date of recognition. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition and all other costs incurred in getting the asset ready for use. Where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition. The following years after asset recognition the asset will be valued at fair value according to the revaluation program as determined.

**5.4 Depreciation of Non-Current Assets**

All non-current assets have a limited useful life except for land and land improvements. The depreciable amount of all non-current assets, excluding freehold land and land improvements, are systematically depreciated over their useful lives which reflects the consumption of the service potential embodied in those assets.

Depreciation of an asset begins when it is available for use i.e. when it is in the condition necessary for it to be capable of operating in the manner intended; and ends when it is classified as held for sale or when derecognised.

Depreciation of assets is calculated on a straight-line basis using the following standard estimates for useful lives. The useful lives for building, infrastructure; furniture and fittings; and plant and equipment assets have been estimated based on industry standards and consultancy advice. The actual useful life and therefore depreciation rates may be varied for specific assets where asset quality and environmental and/or operational conditions so warrant. Useful lives and residual values for each class of asset are reviewed annually and are included in the asset register which is updated following adoption of the annual financial statements each year.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

Buildings & Other Structures	7 - 40 years
Furniture & Fittings	2 - 40 years
Plant & Equipment	6 - 40 years
Infrastructure	12 - 40 years

### **5.5 Impairment**

Assets that have an indefinite useful life are not subject to depreciation and are reviewed periodically for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount in accordance with AASB 136.

External indicators for impairment may include significant adverse changes in the technological, market, economic or legal environment. Internal indicators may include obsolescence or physical damage of an asset.

Impairment shall be determined subject to the provisions AASB 108 Materiality, whereby the total change in the written down value for the asset or the total impact on the depreciation shall be material. An impairment loss is recognised in the Income Statement, unless the asset is carried at a revalued amount, whereby it is to be treated in the same way as a revaluation decrement against the same asset. An impairment loss can be reversed in subsequent years.

### **6 Payables**

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

### **7 Employee Benefits**

Liabilities for employees' entitlements are expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

No accrual is made for sick leave as the Authority experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

The Authority makes employer superannuation contributions in respect of its employee's choice of superannuation fund.

### **8 Leases**

#### Accounting Policy applicable for the year ending 30 June 2019 (comparatives):

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117. The Authority did not have any lease arrangements to account for at 30 June 2019.

#### Accounting policy applicable from 01 July 2019:

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Authority did not have any lease arrangements to account for at 30 June 2020.

#### The Authority as a lessee

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

i) Right-of-use assets

The Authority recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease liabilities

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

## **9 Constituent Council Contributions**

The City of Victor Harbor and Alexandrina Council funded the construction of the Fleurieu Aquatic Centre facilities and purchased all plant and equipment for the Aquatic Centre. Each Council contributed 50% towards the cost of construction of the facility and purchase of the equipment. Both Councils transferred these assets to the Authority on 17 March 2017, as an equity contribution.

The Authority for 2018/19 received contributions from Constituent Councils towards net operating deficits excluding depreciation expense for the facility. The Constituent Councils during 2018/19 resolved not to cash fund depreciation expense for the Authority. As a result the Authority expects operating deficits equivalent to depreciation expense for future years.

## **10 GST Implications**

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

## **11 New and amended standards and interpretations**

### *Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities:*

The Authority applied AASB 15 and AASB 1058, for the first time from 1 July 2019. AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue, AASB 111 Construction Contracts and the related interpretations.

The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service). The Authority has elected to adopt the modified retrospective method on transition to the new standards with an initial application date of 1 July 2019. The cumulative effect of initially applying AASB 15 and AASB 1058 is recognised at the date of initial application as an adjustment to the opening balance of Accumulated Surplus. Therefore, the comparative information was not restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

Financial statement line items have not been affected as at the year ended 30 June 2020 as a result of the adoption of AASB 15 and AASB 1058.

*Adoption of AASB 16 Leases (AASB 16):*

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for low-value assets - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2020, Council has no leases to which this treatment will need to be applied.

**12 YMCA Management**

The Authority has engaged the YMCA to manage the day to day running of the Fleurieu Aquatic Centre. This management encompasses the receipting of income and outgoing of expenditure of the facility. The following income and expenditure lines relate to those managed by the YMCA:

	<u>2020</u>	<u>2019</u>
FAC Income	\$1,778,453	\$1,778,350
Fleurieu Aquatic Centre Expenses	<u>\$1,884,184</u>	<u>\$1,837,449</u>
Net Result	(\$105,731)	(\$59,099)

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 2 - INCOME**

	Notes	2020 \$	2019 \$
<b>USER CHARGES</b>			
Council Contribution - Alexandrina Council		337,396	309,884
Council Contribution - City of Victor Harbor		337,396	309,884
FAC Income		1,778,453	1,778,350
		<u>2,453,245</u>	<u>2,398,118</u>
<b>INVESTMENT INCOME</b>			
Interest on investments:			
Local Government Finance Authority		<u>10,406</u>	<u>22,632</u>
<b>OTHER INCOME</b>			
Other Income		<u>3,948</u>	<u>-</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded assets		<u>41,966</u>	<u>41,840</u>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 3 - EXPENSE**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		\$	\$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		35,963	-
Employee leave expense		2,766	-
Superannuation		3,478	-
Workers' Compensation Insurance		600	-
Other		595	-
<b>Total Operating Employee Costs</b>		<b>43,402</b>	<b>-</b>
 <b>Total Number of Employees</b>		 <b>0.5</b>	 <b>-</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTORS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		4,600	5,150
Subtotal - Prescribed Expenses		<b>4,600</b>	<b>5,150</b>
<u>Other Materials, Contractors &amp; Expenses</u>			
Contractors		24,668	71,088
Board Expenses		12,519	13,842
Administration		88,155	98,466
Fleurieu Aquatic Centre Site Expenses		430,364	466,371
Fleurieu Aquatic Centre Expenses		1,884,184	1,837,449
Subtotal - Other Materials, Contractors & Expenses		<b>2,439,890</b>	<b>2,487,216</b>
		<b>2,444,490</b>	<b>2,492,366</b>
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Buildings & Other Structures		365,016	365,016
Furniture & Fittings		155,093	154,378
Plant & Equipment		68,646	61,225
Infrastructure		96,978	96,978
		<b>685,733</b>	<b>677,597</b>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 4 - CURRENT ASSETS**

	Notes	2020 \$	2019 \$
<b>CASH &amp; EQUIVALENT ASSETS</b>			
Cash on Hand and at Bank		105,382	94,044
Deposits at Call		731,180	822,972
		<u>836,562</u>	<u>917,016</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>			
Accrued Revenues		270	7,274
Debtors - General		-	121,166
Prepayments		15,775	3,784
		<u>16,045</u>	<u>132,224</u>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)**

	2019				2020			
	\$'000				\$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Buildings & Other Structures	-	12,407,742	(835,037)	11,572,705	-	<b>12,407,742</b>	<b>(1,200,053)</b>	<b>11,207,689</b>
Furniture & Fittings	-	3,857,557	(347,828)	3,509,729	-	<b>3,860,167</b>	<b>(502,921)</b>	<b>3,357,246</b>
Plant & Equipment	-	1,147,485	(140,063)	1,007,422	-	<b>1,184,910</b>	<b>(208,708)</b>	<b>976,202</b>
Infrastructure	-	3,694,601	(221,854)	3,472,747	-	<b>3,694,601</b>	<b>(318,833)</b>	<b>3,375,768</b>
<b>Total IPP&amp;E</b>	-	21,107,385	(1,544,782)	19,562,603	-	<b>21,147,420</b>	<b>(2,230,515)</b>	<b>18,916,905</b>
<i>Comparatives</i>	-	<b>21,068,561</b>	<b>(867,185)</b>	<b>20,201,376</b>	-	<b>21,107,385</b>	<b>(1,544,782)</b>	<b>19,562,603</b>

*This Note continues on the following pages.*

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

	2019	CARRYING AMOUNT MOVEMENTS DURING YEAR								2020	
	\$	\$								\$	
	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
		New / Upgrade	Renewals	In				Out			
Buildings & Other Structures	11,572,705		-	-	-	(365,016)	-	-	-	-	11,207,689
Furniture & Fittings	3,509,729		2,610	-	-	(155,093)	-	-	-	-	3,357,246
Plant & Equipment	1,007,422		37,425	-	-	(68,646)	-	-	-	-	976,202
Infrastructure	3,472,747		-	-	-	(96,978)	-	-	-	-	3,375,768
<b>Total IPP&amp;E</b>	<b>19,562,603</b>	<b>-</b>	<b>40,035</b>	<b>-</b>	<b>-</b>	<b>(685,733)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,916,905</b>
<i>Comparatives</i>	<b>20,201,376</b>		<b>38,824</b>	<b>-</b>	<b>-</b>	<b>(677,597)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,562,603</b>

*This note continues on the following pages.*

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 6 - LIABILITIES**

	Notes	2020		2019	
		Current	Non-current	Current	Non-current
<b>TRADE &amp; OTHER PAYABLES</b>					
Goods & Services		77,380		87,187	
Accrued expenses		53,430	-	-	-
Other payables		1,212	-	225,221	-
		<u>132,022</u>	-	<u>312,408</u>	-
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		2,115	-	-	-
		<u>2,115</u>	-	<u>-</u>	<u>-</u>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 7 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2020 \$	2019 \$
Total cash & equivalent assets	5	<b>836,562</b>	917,016
Balances per Statement of Cash Flows		<b><u>836,562</u></b>	<u>917,016</u>

**(b) Reconciliation of Change in Net Assets to Cash from Operating Activities**

Net Surplus (Deficit)		<b>(664,060)</b>	(707,373)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		<b>685,733</b>	677,597
Net increase (decrease) in unpaid employee benefits		<b>2,115</b>	-
Amounts for capital acquisitions treated as Investing Activity		<b>(41,966)</b>	-
		<b><u>(18,178)</u></b>	<u>(29,776)</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		<b>116,179</b>	(166,012)
Net increase (decrease) in trade & other payables		<b>(180,386)</b>	219,402
<b>Net Cash provided by (or used in) operations</b>		<b><u>(82,385)</u></b>	<u>23,614</u>

**(d) Financing Arrangements**

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards	<b>5,000</b>	5,000
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**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 8 - FINANCIAL INSTRUMENTS**

All financial instruments are categorised as *loans and receivables*.

**Accounting Policies - Recognised Financial Instruments**

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> carried at lower of cost and net realisable value; interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> deposits at call have an average maturity of 90 days and an average interest rate of 0.45%. (2019: 90 days, 2.05%)</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables</b> - Fees & other charges	<p><b>Accounting Policy:</b> carried at nominal values less any allowances for doubtful debts.</p> <p><b>Terms &amp; conditions:</b> unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Liabilities</b> - Creditors & Accruals	<p><b>Accounting Policy:</b> liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p><b>Terms &amp; conditions:</b> liabilities are normally settled on 30 day terms.</p> <p><b>Carrying amount:</b> approximates fair value.</p>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 8 - FINANCIAL INSTRUMENTS (con't)**

**Liquidity Analysis**

<b>2020</b>	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b><u>Financial Assets</u></b>					
Cash & Equivalents	<b>836,562</b>			<b>836,562</b>	<b>836,562</b>
Receivables	<b>270</b>	-	-	<b>270</b>	<b>270</b>
<b>Total</b>	<b>836,832</b>	-	-	<b>836,832</b>	<b>836,832</b>
<b><u>Financial Liabilities</u></b>					
Payables	<b>78,592</b>	-	-	<b>78,592</b>	<b>78,592</b>
<b>Total</b>	<b>78,592</b>	-	-	<b>78,592</b>	<b>78,592</b>
<b>2019</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b><u>Financial Assets</u></b>					
Cash & Equivalents	917,016			917,016	917,016
Receivables	132,224	-	-	132,224	132,224
<b>Total</b>	<b>1,049,240</b>	-	-	<b>1,049,240</b>	<b>1,049,240</b>
<b><u>Financial Liabilities</u></b>					
Payables	312,408	-	-	312,408	312,408
<b>Total</b>	<b>312,408</b>	-	-	<b>312,408</b>	<b>312,408</b>

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

	<b>30 June 2020</b>		30 June 2019	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Non Interest Bearing	-	<b>78,592</b>	-	312,408
		<b>78,592</b>		<b>312,408</b>

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 8 - FINANCIAL INSTRUMENTS (con't)**

**Net Fair Value**

All carrying values are approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

**Risk Exposures**

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 4 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 9 - EXPENDITURE COMMITMENTS**

<b>Service</b>	<b>Contractor</b>	<b>Period of contract</b>	<b>Brief description</b>
Operational Management – Fleurieu Aquatic Centre	YMCA SA	This contract expired 30 June 2020. YMCA agree to operate in good faith until the new contract is executed.	Provision of aquatic centre facility management and operating services for the Fleurieu Aquatic Centre (management of all aspects of daily operations and maintenance of the facility)
External Audit Services - Fleurieu Regional Aquatic Centre Authority	Dean Newbery & Partners	3 years (1 April 2020 - 31 December 2022)	Provision of an independent audit opinion of the accounts and annual financial reports of the Authority for financial years 2019/20, 2020/21 and 2021/22.

**Note 10 - OPERATING LEASES**

The Authority as at 30 June 2020 had not entered into any operating leases.

**Note 11 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED**

The Authority as at 30 June 2020 had not recognise any contingency.

**Note 12 - EVENTS OCCURRING AFTER REPORTING DATE**

There were no events subsequent to 30 June 2020 that need to be disclosed in the financial statements.

**Note 13 - ECONOMIC DEPENDENCY**

Per section 5.2 of the Authority's Charter there maybe a requirement for additional financial contributions to be made by Constituent Councils if there is insufficient working capital available to meet the Authority's financial obligations. The Authority may be reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis.

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 14 - UNIFORM PRESENTATION OF FINANCES**

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Income	<b>2,467,599</b>	2,420,750
Expenses	<b>(3,173,625)</b>	(3,169,963)
<b>Operating Surplus / (Deficit)</b>	<b>(706,026)</b>	(749,213)
 <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	-	-
Add back Depreciation, Amortisation and Impairment	<b>685,733</b>	677,597
Proceeds from Sale of Replaced Assets	-	-
	<b>685,733</b>	677,597
 <b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets	<b>(40,035)</b>	(38,824)
Amounts received specifically for New and Upgraded Assets	<b>41,966</b>	41,840
	<b>1,931</b>	3,016
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>(18,362)</b>	(68,600)

**Fleurieu Regional Aquatic Centre Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 15 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The Key Management Personnel include the Chair, the Board and Executive Officer prescribed as officers under section 112 of the Local Government Act 1999. In all, Key Management Personnel were paid the following total compensation:

	<b>2020</b>	2019
	\$	\$
Salaries, allowances & other short term benefits	55,615	76,725
Post-employment benefits	-	-
Long term benefits	-	-
Termination benefits	-	-
<b>TOTAL</b>	<b>55,615</b>	76,725

**Transactions with Related Parties:**

The following transactions occurred with Related Parties during the financial year ended 30 June 2020:

<b>Related Party Entity</b>	<b>Sale of Goods &amp; Services (\$,000)</b>	<b>Amounts Outstanding from Related Parties (\$,000)</b>	<b>Description of Services Provided to Related Parties</b>
Alexandrina Council	337	-	Provision of regional aquatic facilities
City of Victor Harbor	337	-	Provision of regional aquatic facilities

Amounts recorded as outstanding from Related Parties are recorded in trade and other receivables in Note 4.

The Related Parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No one Constituent Council individually has control of those policies.

# FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Section 22 (3) Local Government (Financial Management) Regulations 2011.

  
.....  
Glenn Rappensberg  
**CHIEF EXECUTIVE OFFICER**  
Alexandrina Council

Date: 25 / 8 / 2020

# FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 1999 made under that Act.

This statement is prepared in accordance with the requirements of Section 22 (3) *Local Government (Financial Management) Regulations 2011*.



.....  
Victoria MacKirdy  
**CHIEF EXECUTIVE OFFICER**  
City of Victor Harbor

Date: 19 August 2020

### **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of the Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



**Samantha Creten**

**Partner**

**DEAN NEWBERY & PARTNERS**

**CHARTERED ACCOUNTANTS**

**Dated the 8<sup>th</sup> day of July 2020**

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## FINANCIAL STATEMENTS

### Statement of Comprehensive Income for the Year Ended 30<sup>th</sup> June 2020

	Notes	2020 \$	2019 \$
<b>Income</b>			
Subscriptions	1.8	81,214	76,373
Operating Grants	2.2	423,581	261,239
Investment Income	1.7	2,282	4,456
Other		54,478	28,655
Total Income	1.4	561,555	370,723
<b>Expenditure</b>			
Contractual Services	3	243,951	167,523
Finance Charges		3,958	3,763
Other		173,850	104,707
Total Expenditure		421,759	275,993
<b>Surplus (Deficit) from Operations</b>		<b>139,796</b>	<b>94,731</b>

The above Income Statement should be read in conjunction with the accompanying notes

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## Balance Sheet as at 30<sup>th</sup> June 2020

	2020	2019
Notes	\$	\$
<b>Current Assets</b>		
Investments	376,271	181,281
Debtors	10,450	147,675
	<hr/>	<hr/>
Total Current Assets	386,721	328,956
	<hr/>	<hr/>
<b>Current Liabilities</b>		
Accounts Payable	14,300	21,326
Grants in Advance	0	80,000
Employee provisions	8,429	0
GST/PAYG	(3,419)	0
Rounding	(15)	0
	<hr/>	<hr/>
Total Current Liabilities	19,295	101,326
	<hr/>	<hr/>
<b>Net Current Assets</b>	367,426	227,630
	<hr/>	<hr/>
	<hr/>	<hr/>
<b>Net Assets</b>	<b>367,426</b>	<b>227,630</b>
	<hr/>	<hr/>
<b>Equity</b>		
Accumulated Surplus	367,426	227,630
	<hr/>	<hr/>
<b>Total Equity</b>	<b>367,426</b>	<b>227,630</b>
	<hr/>	<hr/>

The above Balance Sheet should be read in conjunction with the accompanying notes

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## Statement of Changes in Equity for the Year Ended 30<sup>th</sup> June 2020

	2020	2019
Notes	\$	\$
<b>Accumulated Surplus</b>		
Balance at beginning of period	227,630	132,899
Net Surplus / (Deficit)	<u>139,796</u>	<u>94,731</u>
Balance at end of period	<u>367,426</u>	<u>227,630</u>
<b>Total Equity</b>	<u><b>367,426</b></u>	<u><b>227,630</b></u>

The above Statement of Change in Equity should be read in conjunction with the accompanying notes

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2020

	Notes	2020	2019
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Receipts		678,147	328,452
Payments		(448,083)	(269,962)
GST Paid (received)		(33,398)	(4,987)
Finance Costs		(3,958)	(3,637)
Interest Receipts		2,282	4,456
		194,990	54,322
Net Cash Provided by (Used in) Operating Activities		194,990	54,322
<b>Net increase/(decrease) in Cash Held</b>		<b>194,990</b>	<b>54,322</b>
<b>Cash at the beginning of the reporting period</b>		<b>181,281</b>	<b>126,959</b>
<b>Cash at the end of the reporting period</b>		<b>376,271</b>	<b>181,281</b>

### Reconciliation of Change in Net Assets to Cash from operating activities

		2020	2019
			\$
Net Surplus		139,796	94,731
Decrease / (Increase) in Debtors		137,225	(147,675)
(Decrease) / Increase in Accounts Payable		(2,031)	27,266
(Decrease) / Increase in Grants in Advance		(80,000)	80,000
<b>Net Cash provided by Operating Activities</b>		<b>194,990</b>	<b>54,322</b>

The above Statement of cash Flows should be read in conjunction with the accompanying notes

## **SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**

### **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

**For the year ended 30 June 2020**

#### **Note 1 - Significant Accounting Policies**

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **1 Basis of Preparation**

##### **1.1 Compliance with Australian Accounting Standards**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, interpretations and relevant South Australian legislation

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

##### **1.2 Historical Cost Convention**

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

##### **1.3 Critical Accounting Estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this note.

##### **1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar

##### **1.5 Non Current Assets and Non Current Liabilities**

The Association has no non current assets or non current liabilities.

##### **1.6 Employees**

The Association has one employee having converted the EO from contractor to employee in February 2019.

##### **1.7 Investments**

Investments are valued at cost. Interest revenues are recognised as they accrue.

##### **1.8 Subscriptions**

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal.

Constituent Council Subscription 2020	\$12,000
Constituent Council Subscription 2019	\$11,200

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 1.9 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognized when the authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever occurs first.

### 1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

### 1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

## 2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

**Administration:** The operation of the Office of the Association and its decision making forums.

**Special projects:** The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

### Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

#### Administration

Year	Revenue			%	Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue		Expenses Total	%	
2020	104,959	120,640	225,599	40.2%	176,808	41.9%	48,791
2019	106,989	80,829	187,818	50.7%	184,528	66.9%	3,290

#### Projects

2020	318,622	17,334	335,956	59.8%	244,951	58.1%	91,005
2019	154,250	12,255	166,505	44.9%	68,020	24.7%	98,485

#### Total

2020	423,581	137,974	561,555	100%	421,759	100%	139,796
2019	261,239	109,484	370,723	100%	275,993	100%	94,731

# SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### 3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

	2020	2019
Consultants:		
Jeanette Pope	\$0	\$0
Grange Advisors Pty Ltd	\$0	\$85,239
HDS Australia Pty Ltd	\$5,653	\$23,444
RH&C (CVH)	\$0	\$45,000
Seed Consulting	\$117,182	\$0
Jack Jensen	\$60,222	\$0
Penny Worland Consulting	\$60,894	\$13,840
Totals	\$243,951	\$167,523

### 4. Comparison of Budget and Actual Results

	2020		2019	
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration	152,914	225,599	174,273	187,818
Projects	20,033	335,956	20,050	182,905
Total Revenue	172,947	561,555	194,323	370,723
Expenditure				
Administration	175,750	176,808	170,000	184,529
Projects	77,400	244,951	68,050	91,464
Total Expenditure	253,150	421,759	238,050	275,993
Surplus (Deficit)	(80,203)	139,796	(43,727)	94,731

## CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

- o the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- o the financial statements present a true and fair view of the Association's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.
- o internal controls implemented by the Authority provide a reasonable assurance that the Association's financial records are complete, accurate and reliable and were effective throughout the financial year.
- o the financial statements accurately reflect the Association's accounting and other records.

Dated 31<sup>st</sup> August 2020



**Graeme Martin**  
**EXECUTIVE OFFICER**



**Mayor Keith Parkes**  
**PRESIDENT**

## CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2020, the Association's Auditor, HLB Mann Judd, 169 Fullarton Rd, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

Dated 31<sup>st</sup> August 2020



**Graeme Martin**  
**EXECUTIVE OFFICER**



**Mayor Keith Parkes**  
**PRESIDENT**

The Board  
C/- Graeme Martin  
Executive Officer  
Southern & Hills Local Government Association  
13 Ringmer Drive  
Burnside SA 5066

**TO THE BOARD MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION**

**STATEMENT OF AUDITORS INDEPENDENCE  
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2020**

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(5) Local Government (Financial Management) Regulations 2011.

*HLB Mann Judd*

**HLB Mann Judd Audit (SA) Pty Ltd  
Chartered Accountants**



**Jon Colquhoun  
Director**

**Adelaide, South Australia  
31 August 2020**

[hlb.com.au](http://hlb.com.au)

**HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097**

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd Audit (SA) Pty. Ltd. is a member of HLB International, the global advisory and accounting network.

## **Independent Auditor's Report to the Members of Southern & Hills Local Government Association**

### **Opinion**

We have audited the financial report of Southern & Hills Local Government Association ("the Entity") which comprises the Balance Sheet as at 30 June 2020, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Entity as at 30 June 2020, and its financial performance and its cash flow for the year then ended in accordance with 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 Entity in accordance with the auditor independence 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.

### **Responsibilities of Management and Board Members for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity'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 management either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Board Members are responsible for overseeing the Entity'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 Australian Auditing Standards will always detect a material misstatement when it exists.

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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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- 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 Board Members 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.

*HLB Mann Judd*

**HLB Mann Judd Audit (SA) Pty Ltd**  
**Chartered Accountants**

Adelaide, South Australia  
31 August 2020



**Jon Colquhoun**  
**Director**

[hlb.com.au](http://hlb.com.au)

**HLB Mann Judd Audit (SA) Pty. Ltd. ABN: 32 166 337 097**

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**Adelaide Hills Region Waste Management Authority**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2020**

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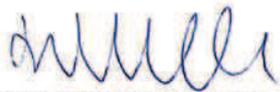
# Adelaide Hills Region Waste Management Authority

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Adelaide Hills Region Waste Management Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



Leah Maxwell  
**EXECUTIVE OFFICER**



Councillor John Kemp  
**CHAIR PERSON**

Date: 10/9/20

**Adelaide Hills Region Waste Management Authority**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
<b>INCOME</b>			
User charges	2	4,451,469	3,827,815
Grants, subsidies and contributions	2	-	11,887
Investment income	2	140	262
Other income	2	2,035,916	2,135,142
<b>Total Income</b>		<b>6,487,525</b>	<b>5,975,106</b>
<b>EXPENSES</b>			
Employee costs	3	1,120,733	1,121,692
Materials, contracts & other expenses	3	4,586,109	3,953,400
Depreciation, amortisation & impairment	3	599,696	481,832
Finance costs	3	50,925	57,531
<b>Total Expenses</b>		<b>6,357,463</b>	<b>5,614,455</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>130,062</b>	<b>360,651</b>
Asset disposal & fair value adjustments	4	1,419	272
Amounts received specifically for new or upgraded assets	2	-	20,000
<b>NET SURPLUS / (DEFICIT)</b> (transferred to Equity Statement)		<b>131,481</b>	<b>380,923</b>
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>131,481</b>	<b>380,923</b>

This Statement is to be read in conjunction with the attached Notes.

**Adelaide Hills Region Waste Management Authority**  
**Statement of Financial Position**  
**as at 30 June 2020**

<b>ASSETS</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>Current Assets</b>			
Cash and cash equivalents	5	<b>267,497</b>	309,592
Trade & other receivables	5	<b>614,549</b>	403,816
Inventories	5	<b>2,256</b>	3,791
<b>Total Current Assets</b>		<b>884,302</b>	717,199
<b>Non-current Assets</b>			
Infrastructure, property, plant & equipment	6	<b>4,936,546</b>	4,214,420
<b>Total Non-current Assets</b>		<b>4,936,546</b>	4,214,420
<b>Total Assets</b>		<b>5,820,848</b>	4,931,619
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	7	<b>878,205</b>	661,953
Borrowings	7	<b>1,471,228</b>	1,579,500
Provisions	7	<b>276,221</b>	244,212
<b>Total Current Liabilities</b>		<b>2,625,654</b>	2,485,665
<b>Non-current Liabilities</b>			
Borrowings	7	<b>236,989</b>	-
Provisions	7	<b>1,931,780</b>	1,551,010
<b>Total Non-current Liabilities</b>		<b>2,168,769</b>	1,551,010
<b>Total Liabilities</b>		<b>4,794,423</b>	4,036,675
<b>NET ASSETS</b>		<b>1,026,425</b>	894,944
<b>EQUITY</b>			
Accumulated Surplus		<b>1,026,425</b>	894,944
<b>TOTAL EQUITY</b>		<b>1,026,425</b>	894,944

This Statement is to be read in conjunction with the attached Notes.

**Adelaide Hills Region Waste Management Authority**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2020**

		Accumulated Surplus	TOTAL EQUITY
2020	Notes	\$	\$
Balance at end of previous reporting period		894,944	894,944
<b>Net Surplus / (Deficit) for Year</b>		<u>131,481</u>	<u>131,481</u>
<b>Balance at end of period</b>	8	<u>1,026,425</u>	<u>1,026,425</u>
<b>2019</b>			
Balance at end of previous reporting period		514,021	514,021
<b>Net Surplus / (Deficit) for Year</b>		<u>380,923</u>	<u>380,923</u>
<b>Balance at end of period</b>	8	<u>894,944</u>	<u>894,944</u>

This Statement is to be read in conjunction with the attached Notes

**Adelaide Hills Region Waste Management Authority**  
**Statement of Cash Flows**  
**for the year ended 30 June 2020**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>Receipts:</b>			
User charges		4,724,188	4,189,399
Investment receipts		140	262
Other revenues		1,895,953	2,079,900
<b>Payments:</b>			
Employee costs		(1,103,698)	(1,169,212)
Materials, contracts & other expenses		(4,707,074)	(4,969,660)
Finance payments		(55,661)	(55,707)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>753,848</b>	<b>74,982</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Receipts:</b>			
Amounts specifically for new or upgraded assets		-	20,000
Sale of replaced assets		53,000	78,364
<b>Payments:</b>			
Expenditure on renewal/replacement of assets		(202,037)	(59,146)
Expenditure on new/upgraded assets		(452,000)	(343,781)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(601,037)</b>	<b>(304,563)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Receipts:</b>			
Proceeds from borrowings		100,000	407,317
<b>Payments:</b>			
Repayments of borrowings		(252,645)	(140,500)
Repayment of lease liabilities		(42,261)	-
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(194,906)</b>	<b>266,817</b>
<b>Net Increase (Decrease) in cash held</b>		<b>(42,095)</b>	<b>37,236</b>
Cash & cash equivalents at beginning of period	9	309,592	272,356
<b>Cash &amp; cash equivalents at end of period</b>	<b>9</b>	<b>267,497</b>	<b>309,592</b>

This Statement is to be read in conjunction with the attached Notes

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **1 Basis of Preparation**

#### **1.1 Compliance with Australian Accounting Standards**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 regional subsidiary under the control of Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge.

#### **1.2 Historical Cost Convention**

*Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.*

#### **1.3 Critical Accounting Estimates**

*The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.*

#### **1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar.

### **2 The Local Government Reporting Entity**

Adelaide Hills Region Waste Management Authority operates as a regional subsidiary pursuant to Section 43 of the Local Government Act 1999 & Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at c/-of Mount Barker District Council, 6 Dutton Road, Mt Barker. These financial statements have been prepared for use by constituent councils of the Authority.

### **3 Income recognition**

Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Income is measured at the fair value of the consideration received or receivable. Where grants, contributions and donations recognised as income during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as income in a previous reporting period which were obtained in respect of the Authority's operations for the current reporting period. The Authority's does not receive Grants Commission funding.

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

The Authority recognises revenue under AASB 1058 *Not-for-Profit-Entities* (AASB 1058). AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the Authority satisfies its obligations under the transfer.

The Authority never recognises revenue under AASB 15 *Revenue from Contracts with Customers* (AASB 15) as the Authority never enters into contracts with customers or Constituent Councils.

### **4 Cash, Cash Equivalents and other Financial Instruments**

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policy applied to financial instruments forms part of Note 10.

### **5 Inventories**

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

### **6 Infrastructure, Property, Plant & Equipment**

#### **6.1 Initial Recognition**

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

#### **6.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$1,000
Other Plant & Equipment	\$1,000
Landfill Assets	\$1,000
Road Construction & Reconstruction	\$10,000

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

### 6.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment	
Office Equipment	3 - 5 years
Other Plant & Equipment	3 - 10 years
Infrastructure	
Unsealed Roads	15 years
Fencing	15 years
Water Tanks	30 years
Litter Fence	5 years
Pumps	5 years
Monitor Bore	10 years
Buildings	20 years
Roads	25 years

Cell construction expenditure has been brought to account and capitalised as of 1 July 2019. Cell amortisation is calculated by amortising total consumed airspace. Used airspace is surveyed monthly by an independent surveyor. In prior years the Authority has calculated landfill amortisation on estimated remaining useful life. Accordingly the change to amortisation based on airspace consumption is considered to be a more accurate representation of written down value.

### 6.4 Impairment

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

### 6.5 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with the allowed alternative treatment in AASB 123 Borrowing Costs. The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

### **7 Payables**

#### **7.1 Goods & Services**

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

#### **7.2 Payments Received in Advance & Deposits**

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to Authority assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

### **8 Borrowings**

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

### **9 Employee Benefits**

#### **9.1 Salaries, Wages & Compensated Absences**

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

#### **9.2 Superannuation**

The Authority makes employer superannuation contributions in respect to employees to the Local Government Superannuation scheme. The scheme has two types of membership, each of which is funded differently. The Authority's employees are only members of the accumulated fund.

Accumulated fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9.5% in 2019/20). The Authority does not have any employees who are members of defined benefit funds therefore, no further liability accrues to the employer as the superannuation fund benefits accruing to the employees are represented by their share of the net assets of the Fund.

The Authority also make contribution to other superannuation schemes selected by employees under the 'choice of fund' legislation. All such schemes are of the accumulated type, where the superannuation benefits accruing to the employee are represented by their share of the new assets of the scheme, and no further liability attaches to the Authority.

### **10 Rehabilitation**

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

Golders Associates Pty Ltd undertook an assessment of the estimated capping costs of existing landfill cells at the Brinkley site in July 2019. As a result of the work conducted, the Authority updated its capping liability estimates in Note 7 which resulted in a net increase to the cell capping provision. Part of this movement saw non cash income amount, totalling \$141,451, recognised in the Statement of Comprehensive Income in 2018/19. A corresponding increase to the cell capping asset had also been recorded in accordance with the requirements under AASB 116. No movement was recognised in the Statement of Comprehensive Income in 2019/20.

The Authority recognises a capping liability for all past and present active landfill cell operational areas. For which capping rehabilitation works have not yet been completed.

The Authority recognises a capping liability for a historical cell given it is believed that it will be responsible for capping this area in future years and has accordingly recognised a liability. The Authority however is not presently obligated to undertake this work given the liability to cap the cell resides with the existing owners of the site.

The Authority has calculated the liability based on an alternate capping design being accepted by the Environmental Protection Authority South Australia (EPA) which is in the process of being approved. Should there be an unfavourable outcome from the alternate capping plan application process, this may result in further increases to the liability needing to be recorded in future periods.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and make adjustment to the liability as required ensuring an accurate projected cost of the liability is showing in the Statement of Financial Position. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

### **11 Leases**

The Authority recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets, being the land leased at Brinkley Landfill.

#### i) Right-of-use assets

The Authority recognises right-of-use assets as at 1 July 2019. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful life.

#### ii) Lease liabilities

At the commencement date, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

The Authority adopted AASB 16 using the modified retrospective method of adoption. Under this method, the standard has been applied retrospectively with the cumulative effect of initially applying the standard recognised as an adjustment to the opening balance of accumulated surplus as at 1 July 2019 and comparatives have not been restated.

The Authority recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases with lease terms that end within 12 months of the date of the date of initial application and leases of low-value assets. The right-of-uses assets for all leases were recognised based on the amount equal to the lease liabilities.

# ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Notes to and forming part of the Financial Statements for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

**The effect of adoption of AASB 16 as at 1 July 2019 (increase/decrease) is as follows:**

<b>Asset</b>	
Property, Plant & Equipment	<u>\$323,623</u>
<b>Total Assets</b>	<b>\$323,623</b>
<b>Liabilities</b>	
Borrowings	<u>\$323,623</u>
<b>Total Liabilities</b>	<b>\$323,623</b>
<b>Accumulated Surplus</b>	<b>NIL</b>

**The following is the impact on the statement of comprehensive income in the current year as a result of the introduction of AASB 16:**

Interest Expense – Lease Borrowings	\$6,000
Amortisation – right-of-use assets	\$48,543
Lease Expense	<u>(\$50,675)</u>
Net increase in expenses recognised in the Statement of Comprehensive Income	<b>\$3,868</b>

# Adelaide Hills Region Waste Management Authority

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

### Note 2 - INCOME

	Notes	2020 \$	2019 \$
<b>RATES REVENUES</b>			
<b>USER CHARGES</b>			
Waste disposal fee - Adelaide Hills Council		334,123	318,093
Waste disposal fee - Alexandrina Council		94,227	90,008
Waste disposal fee - Mount Barker District Council		335,936	308,351
Waste disposal fee - Rural City of Murray Bridge		211,019	249,544
Waste disposal fee - Other Customers		751,530	685,771
EPA waste levy collected		2,724,634	2,176,048
		<u>4,451,469</u>	<u>3,827,815</u>
<b>INVESTMENT INCOME</b>			
Interest on investments:			
Banks & other		140	262
		<u>140</u>	<u>262</u>
<b>OTHER INCOME</b>			
Consultancy service		3,447	1,140
Waste officer contribution		116,802	121,387
Waste transfer station income		1,443,863	1,407,851
Waste transfer station recuperation		53,353	88,385
Transport income		234,143	206,204
Fuel tax rebate		43,865	48,825
Machinery charge out		113,159	92,066
Recycled income		2,997	1,078
Movement in landfill liabilities		-	141,451
Sundry		24,287	26,755
		<u>2,035,916</u>	<u>2,135,142</u>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded assets		-	20,000
Other grants, subsidies and contributions			
Sundry		-	11,887
		<u>-</u>	<u>11,887</u>
		<u>-</u>	<u>31,887</u>
<b>Sources of grants</b>			
Other		-	31,887
		<u>-</u>	<u>31,887</u>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 3 - EXPENSE**

	Notes	2020 \$	2019 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		<b>838,688</b>	848,816
Employee leave expense		<b>115,200</b>	120,183
Superannuation		<b>88,821</b>	86,821
Workers' Compensation Insurance		<b>44,773</b>	31,472
Other		<b>33,251</b>	34,400
<b>Total Operating Employee Costs</b>		<b><u>1,120,733</u></b>	<u>1,121,692</u>
<b>Total Number of Employees</b>		<b>11</b>	11
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		<b>4,702</b>	7,663
<u>Other Materials, Contracts &amp; Expenses</u>			
Materials, contractors & other		<b>236,106</b>	261,878
Waste transfer station expenses		<b>988,957</b>	986,892
Consultants		<b>51,359</b>	42,609
Administration & accountancy service		<b>82,138</b>	63,047
EPA licence fee		<b>9,430</b>	5,329
Land lease		-	49,681
Repairs & maintenance		<b>189,031</b>	185,269
Insurance & legal		<b>126,621</b>	25,887
EPA waste levy paid		<b>2,724,634</b>	2,176,048
Parts, accessories & consumables		<b>161,519</b>	141,962
Sundry		<b>11,612</b>	7,135
<b>Subtotal - Other Materials, Contracts &amp; Expenses</b>		<b><u>4,581,407</u></b>	<u>3,945,737</u>
		<b><u>4,586,109</u></b>	<u>3,953,400</u>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 3 - EXPENSE con't**

	2020	2019
Notes	\$	\$
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
<b>Depreciation</b>		
Road Infrastructure	5,534	5,534
Buildings	13,458	12,012
Vehicles	16,654	19,269
Plant & equipment	258,579	231,843
Landfill cells	110,533	132,873
Lechate pond	8,697	8,697
Landfill rehabilitation	50,232	20,045
Landfill cell capping	87,466	51,559
Right of Use Assets	15 48,543	-
	<u>599,696</u>	<u>481,832</u>
<b>FINANCE COSTS</b>		
Interest on overdraft and short-term drawdown	42,511	57,531
Interest on Leases	8,414	-
	<u>50,925</u>	<u>57,531</u>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS**

		2020	2019
	Notes	\$	\$
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		<b>53,000</b>	78,364
Less: Carrying amount of assets sold	6	<b>51,581</b>	78,092
<b>Gain (Loss) on disposal</b>		<b>1,419</b>	272
<b>NET GAIN (LOSS) ON DISPOSAL OF ASSETS</b>		<b>1,419</b>	272

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 5 - CURRENT ASSETS**

		2020	2019
<b>CASH &amp; EQUIVALENT ASSETS</b>	Notes	\$	\$
Cash on Hand and at Bank		<u>267,497</u>	<u>309,592</u>
		<u>267,497</u>	<u>309,592</u>
 <b>TRADE &amp; OTHER RECEIVABLES</b>			
Accrued Revenues		53,291	14,986
Debtors - general		<u>561,258</u>	<u>388,830</u>
		<u>614,549</u>	<u>403,816</u>
 <b>INVENTORIES</b>			
Stores & Materials		<u>2,256</u>	<u>3,791</u>
		<u>2,256</u>	<u>3,791</u>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**

**for the year ended 30 June 2020**

**Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)**

	2019 \$'000				2020 \$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Road Infrastructure	-	138,352	(33,273)	105,079	-	138,352	(38,807)	99,545
Buildings	-	270,949	(77,712)	193,237	-	273,605	(91,170)	182,435
Vehicles	-	129,622	(76,089)	53,533	-	131,482	(61,974)	69,508
Plant & equipment	-	3,133,972	(1,360,627)	1,773,345	-	3,218,528	(1,548,695)	1,669,833
Landfill cells	-	2,147,038	(1,242,555)	904,483	-	2,559,142	(1,353,088)	1,206,054
Lechate pond	-	173,938	(45,409)	128,529	-	173,938	(54,106)	119,832
Landfill rehabilitation	-	691,182	(155,137)	536,045	-	602,784	(205,369)	397,415
Landfill cell capping	-	986,195	(466,026)	520,169	-	1,470,335	(553,491)	916,844
Right of Use Assets	-	-	-	-	-	323,623	(48,543)	275,080
<b>Total IPP&amp;E</b>	-	<b>7,671,248</b>	<b>(3,456,828)</b>	<b>4,214,420</b>	-	<b>8,891,789</b>	<b>(3,955,243)</b>	<b>4,936,546</b>
<b>Comparatives</b>		<b>6,887,320</b>	<b>(3,055,458)</b>	<b>3,831,862</b>	-	<b>7,671,248</b>	<b>(3,456,828)</b>	<b>4,214,420</b>

*This Note continues on the following pages.*

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**

**for the year ended 30 June 2020**

**Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

	CARRYING AMOUNT MOVEMENTS DURING YEAR										2020 \$
	\$										
	2019 \$	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Adjustment	Net Reval'n	Carrying Amount	
Carrying Amount	AASB 16	New / Upgrade	Renewals	-	-	-	-	-	-	-	
Road Infrastructure	105,079	-	-	-	-	(5,534)	-	-	-	-	99,545
Buildings	193,237	2,656	-	-	-	(13,458)	-	-	-	-	182,435
Vehicles	53,533	-	-	48,950	(16,321)	(16,654)	-	-	-	-	69,508
Plant & equipment	1,773,345	37,240	153,087	(35,260)	(258,579)	-	-	-	-	-	1,669,833
Landfill cells	904,483	412,104	-	-	(110,533)	-	-	-	-	-	1,206,054
Lechate pond	128,529	-	-	-	(8,697)	-	-	-	-	-	119,832
Landfill rehabilitation	536,045	-	-	-	(50,232)	-	-	(88,398)	-	-	397,415
Landfill cell capping	520,169	-	-	-	(87,466)	-	-	484,141	-	-	916,844
Right of Use Assets	-	323,623	-	-	(48,543)	-	-	-	-	-	275,080
Reinstatement costs	-	-	-	-	-	-	-	-	-	-	-
<b>Total IPP&amp;E</b>	<b>4,214,420</b>	<b>323,623</b>	<b>452,000</b>	<b>202,037</b>	<b>(51,581)</b>	<b>(599,696)</b>	<b>-</b>	<b>395,743</b>	<b>-</b>	<b>-</b>	<b>4,936,546</b>
<b>Comparatives</b>	<b>3,831,862</b>	<b>-</b>	<b>883,335</b>	<b>59,147</b>	<b>(78,092)</b>	<b>(481,832)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,214,420</b>

*This note continues on the following pages.*

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 7 - LIABILITIES**

	Notes	2020		2019	
		Current	Non-current	Current	Non-current
		\$	\$	\$	\$
<b>TRADE &amp; OTHER PAYABLES</b>					
Goods & services		678,849	-	504,309	-
Payments received in advance		20,000	-	-	-
Accrued expenses - other		9,124	-	13,860	-
GST Payable		116,568	-	73,632	-
Other payables		53,664	-	70,152	-
		<b>878,205</b>	<b>-</b>	<b>661,953</b>	<b>-</b>
<b>BORROWINGS</b>					
Leases Liabilities	15	44,373	236,989	-	-
LGFA cash advance debenture facility		1,426,855	-	1,579,500	-
		<b>1,471,228</b>	<b>236,989</b>	<b>1,579,500</b>	<b>-</b>
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		276,221	15,443	244,212	30,417
Future reinstatement / restoration, etc		-	602,784	-	696,183
Cell capping		-	1,313,553	-	824,410
		<b>276,221</b>	<b>1,931,780</b>	<b>244,212</b>	<b>1,551,010</b>
<b>Movements in Provisions - 2020 year only</b> <i>(current &amp; non-current)</i>		<i>Future Reinstatement</i>	<i>Cell capping</i>	<i>Total</i>	
Opening Balance		696,183	824,410	1,520,593	
Add (Less) Additional amounts recognised		(5,002)	5,002	-	
Add (Less) Remeasurement Adjustments		(88,398)	484,141	395,743	
Closing Balance		<b>602,784</b>	<b>1,313,553</b>	<b>1,916,336</b>	

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 8 - RESERVES & EQUITY**

**DISTRIBUTION SHARE OF SURPLUS/(DEFICIT)**

The net surplus for the year has been allocated in proportion to the volumes of waste deposited by each respective Constituent Council.

	<b>2020</b>	<b>2019</b>
<b>Volumes of waste dumped (in tonnes)</b>	%	%
Adelaide Hills Council	34.4%	33.1%
Alexandrina Council	9.1%	8.9%
Mount Barker District Council	35.0%	32.3%
Rural City of Murray Bridge	21.5%	25.7%
	<u>100%</u>	<u>100%</u>

Distribution in accordance with the above percentages

	\$	\$
Adelaide Hills Council	45,282	125,941
Alexandrina Council	11,931	33,720
Mount Barker District Council	46,048	123,185
Rural City of Murray Bridge	28,220	98,077
	<u>131,481</u>	<u>380,923</u>

**DISTRIBUTION SHARE OF EQUITY**

Adelaide Hills Council		
Balance at end of previous reporting period	370,578	244,637
Distribution	45,282	125,941
<b>Balance at end of period</b>	<u>415,860</u>	<u>370,578</u>

Alexandrina Council		
Balance at end of previous reporting period	98,844	65,124
Distribution	11,931	33,720
<b>Balance at end of period</b>	<u>110,775</u>	<u>98,844</u>

Mount Barker District Council		
Balance at end of previous reporting period	368,901	245,716
Distribution	46,048	123,185
<b>Balance at end of period</b>	<u>414,949</u>	<u>368,901</u>

Rural City of Murray Bridge		
Balance at end of previous reporting period	56,621	(41,456)
Distribution	28,220	98,077
<b>Balance at end of period</b>	<u>84,841</u>	<u>56,621</u>

<b>TOTAL EQUITY AT END OF REPORTING PERIOD</b>	<b>1,026,425</b>	<b>894,944</b>
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**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 9 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2020 \$	2019 \$
Total cash & equivalent assets	5	<u>267,497</u>	<u>309,592</u>
Balances per Cash Flow Statement		<u>267,497</u>	<u>309,592</u>

**(b) Reconciliation of Change in Net Assets to Cash from Operating Activities**

Net Surplus (Deficit)		131,481	380,923
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		599,696	481,832
Net increase (decrease) in unpaid employee benefits		17,035	41,855
Movement in landfill liabilities		-	(141,451)
Grants for capital acquisitions treated as Investing Activity		-	(20,000)
Net (Gain) Loss on Disposals		<u>(1,419)</u>	<u>(272)</u>
		746,793	742,887
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(210,733)	(36,184)
Net (increase) decrease in inventories		1,535	585
Net increase (decrease) in trade & other payables		<u>216,252</u>	<u>(632,306)</u>
<b>Net Cash provided by (or used in) operations</b>		<u><b>753,847</b></u>	<u><b>74,982</b></u>

**(c) Non-Cash Financing and Investing Activities**

Acquisition of assets by means of:

Estimated future reinstatement etc. costs		<u>395,744</u>	<u>398,104</u>
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**(d) Financing Arrangements**

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards		10,000	8,000
LGFA Cash Advance Debenture facility		1,650,000	1,650,000

The cash advance debenture facility may be drawn at any time and may be terminated by the bank without notice, this facility is provided by the Local Government Finance Authority of SA. As at 30 June 2020 the Authority has drawn down \$1,426,855.

# Adelaide Hills Region Waste Management Authority

## Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

### Note 10 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

#### Accounting Policies - Recognised Financial Instruments

<b>Bank, Deposits at Call</b>	<p><b>Accounting Policy:</b> carried at lower of cost and net realisable value, interest is recognised when earned.</p> <p><b>Terms &amp; conditions:</b> deposits at call have an average maturity of 90 days and an average interest rate of 0.45% (2019: 90 days 1.25%)</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> carried at nominal values less any allowances for doubtful debts.</p> <p><b>Terms &amp; conditions:</b> unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Liabilities - Creditors and Accruals</b>	<p><b>Accounting Policy:</b> liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p><b>Terms &amp; conditions:</b> liabilities are normally settled on 30 days after the month of invoice.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Interest Bearing Borrowings</b>	<p><b>Accounting Policy:</b> carried at the principle amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, interest is payable quarterly and principle due at CAD end date.</p> <p><b>Carrying amount:</b> approximates fair value.</p>
<b>Liabilities - Overdraft</b>	<p><b>Accounting Policy:</b> carried at the principle amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, interest is charged at an average variable rate of 2.6%.</p> <p><b>Carrying amount:</b> approximates fair value.</p>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 10 - FINANCIAL INSTRUMENTS (con't)**

**Liquidity Analysis**

<b>2020</b>	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b><u>Financial Assets</u></b>					
Cash & Equivalents	267,497			267,497	267,497
Receivables	614,549	-	-	614,549	614,549
<b>Total</b>	<b>882,046</b>	<b>-</b>	<b>-</b>	<b>882,046</b>	<b>882,046</b>
<b><u>Financial Liabilities</u></b>					
Payables	869,081	-	-	869,081	869,081
Current Borrowings	1,426,855	-	-	1,426,855	1,426,855
Lease Liabilities	44,373	236,989	-	281,362	281,362
<b>Total</b>	<b>2,340,309</b>	<b>236,989</b>	<b>-</b>	<b>2,577,298</b>	<b>2,577,298</b>

<b>2019</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<b><u>Financial Assets</u></b>					
Cash & Equivalents	309,592			309,592	309,592
Receivables	403,816	-	-	403,816	403,816
<b>Total</b>	<b>713,408</b>	<b>-</b>	<b>-</b>	<b>713,408</b>	<b>713,408</b>
<b><u>Financial Liabilities</u></b>					
Payables	648,093	-	-	648,093	648,093
Current Borrowings	1,579,500	-	-	1,579,500	1,579,500
<b>Total</b>	<b>2,227,593</b>	<b>-</b>	<b>-</b>	<b>2,227,593</b>	<b>2,227,593</b>

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

	<b>30 June 2020</b>		30 June 2019	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Overdraft	2.6	1,426,855	3.57	1,579,500
Non interest bearing		869,081		648,093
		<b>2,295,936</b>		<b>2,227,593</b>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 10 - FINANCIAL INSTRUMENTS (con't)**

**Net Fair Value**

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

**Risk Exposures:**

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 5 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Authority has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term

**Note 11 - COMMITMENTS FOR EXPENDITURE**

The Authority as at 30 June 2020 had no obligation for expenditure.

**Note 12 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED**

The Authority has been successful in defending a claim as a defendant in Supreme Court proceedings which has been disclosed as a contingent liability in previous financial years. As at reporting date, the Authority has received an Order for costs from the Court which is still in negotiations.

**Note 13 - EVENTS OCCURRING AFTER REPORTING DATE**

There were no events subsequent to 30 June 2020 that need to be disclosed in the financial statements.

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 14 - UNIFORM PRESENTATION OF FINANCES**

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis.

All Authority entities in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Authority entities provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances

	2020	2019
	\$	\$
Income	6,487,525	5,975,106
Expenses	<u>(6,357,463)</u>	<u>(5,614,455)</u>
<b>Operating Surplus / (Deficit)</b>	<b>130,062</b>	<b>360,651</b>
 <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	(202,037)	(59,146)
Add back Depreciation, Amortisation and Impairment	599,696	481,832
Proceeds from Sale of Replaced Assets	<u>53,000</u>	<u>78,364</u>
	<b>450,659</b>	<b>501,050</b>
 <b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	(452,000)	(343,781)
Amounts received specifically for New and Upgraded Assets	-	20,000
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	-
	<u>(452,000)</u>	<u>(323,781)</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>128,721</b>	<b>537,920</b>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 15 - OPERATING LEASES**

***The Authority as a Lessee***

***Right of Use Asset***

Set out below are the carrying amounts (written down value) of right of use assets recognised within Infrastructure Property, Plant & Equipment

<b>Carrying Value</b>	<b>Land</b>
At 1 July 2019	<b>323,623</b>
Additions	-
Disposals	-
Depreciation Charge	<b>(48,543)</b>
<b>At 30 June 2020</b>	<b>275,080</b>

Set out below are the carrying amounts of lease liabilities (including under interest bearing loans and borrowings) and the movements during the period:

	<b>2020</b>
At 1 July 2019	<b>323,623</b>
Additions	-
Accretion of Interest	<b>8,414</b>
Payments	<b>(50,675)</b>
<b>At 30 July 2020</b>	<b>281,362</b>

**The following are amounts recognised on profit or loss:**

Depreciation expense right of use asset	48,543
Interest expense on lease liabilities	8,414
Expenses relating to short term leases	-
Expenses relating to leases of low value assets	-
Variable lease payments	-
<b>Total amount recognised in profit and loss</b>	<b>56,957</b>

**Adelaide Hills Region Waste Management Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 16 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of the Authority include the Chair, the Board and the Executive Officer prescribed officers under section 112 of the Local Government Act 1999. In all, key management personnel were paid the following total compensation:

	<b>2020</b>	2019
	\$	\$
Salaries, allowances & other short term benefits	142,170	145,397
Post-employment benefits	-	-
Long term benefits	13,506	13,813
Termination benefits	-	-
<b>TOTAL</b>	<b>155,676</b>	159,210

The following transactions occurred with related parties:

	<b>Sale of Goods &amp; Services</b>	<b>Amounts Outstanding</b>
	\$,000	\$,000
Adelaide Hills Council - provision of waste processing and disposal service	334	26
Alexandrina Council - provision of waste processing and disposal service	94	7
Mount Barker District Council - provision of waste processing and disposal service	335	29
Rural City of Murray Bridge - provision of waste processing and disposal service	212	17
<b>TOTAL</b>	<b>975</b>	79

Amounts recorded as outstanding from related parties are recorded in trade and other receivables in Note 5.

The related parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No one Constituent Council individually has control of the policies.

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2011.



.....  
Andrew Aitken  
**CHIEF EXECUTIVE OFFICER**  
Adelaide Hills Council

Date: 22 July 2020

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY**

### **Opinion**

We have audited the financial report of the Adelaide Hills Region Waste Management Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards (including Australian Accounting Interpretations).

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the 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.

### **Other Information other than the Financial Report and Auditor's Report Thereon**

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility for the Financial Report**

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority'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 the 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 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- 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 those charged with governance 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.

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS**



**JIM KEOGH  
PARTNER**

Signed on the 16<sup>th</sup> day of September 2020,  
at 214 Melbourne Street, North Adelaide

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2011.



.....  
Glenn Rappensberg  
**CHIEF EXECUTIVE OFFICER**  
Alexandrina Council

Date: 17 July 2020

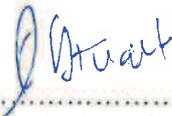
**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2011.



.....  
Andrew Stuart

**CHIEF EXECUTIVE OFFICER**  
Mount Barker District Council

Date: 23/7/20

**ADELAIDE HILLS REGION WASTE MANAGEMENT  
AUTHORITY**

**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 June 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, the Authority's Auditor, Dean Newbery & Partners Chartered Accountants, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2011.

  
.....  
Michael Sedgman  
**CHIEF EXECUTIVE OFFICER**  
Rural City of Murray Bridge

Date: 11.08.2020

### **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of the Adelaide Hills Region Waste Management Authority for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



**Jim Keogh**

**Partner**

**DEAN NEWBERY & PARTNERS**

**CHARTERED ACCOUNTANTS**

**Dated the 8<sup>th</sup> day of July 2020**

FLEURIEU REGIONAL WASTE AUTHORITY

# Financial Statements

**Fleurieu Regional Waste Authority**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2020**

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**Fleurieu Regional Waste Authority**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2020**

	Notes	2020 \$	2019 \$
<b>INCOME</b>			
User charges	2	9,083,674	7,848,469
Grants, subsidies and contributions	2	234,771	302,166
Investment income	2	2,581	2,876
Reimbursements	2	15,349	9,871
Other income	2	9,064	16,843
<b>Total Income</b>		<b>9,345,439</b>	<b>8,180,225</b>
<b>EXPENSES</b>			
Employee costs	3	3,115,286	3,018,245
Materials, contracts & other expenses	3	5,356,982	4,540,002
Depreciation, amortisation & impairment	3	706,091	543,092
Finance costs	3	114,629	85,413
<b>Total Expenses</b>		<b>9,292,988</b>	<b>8,186,752</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>52,451</b>	<b>(6,527)</b>
Asset disposal & fair value adjustments	4	40,653	(20,536)
<b>NET SURPLUS / (DEFICIT)</b> (transferred to Equity Statement)		<b>93,104</b>	<b>(27,063)</b>
<b>Other Comprehensive Income</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>93,104</b>	<b>(27,063)</b>

This Statement is to be read in conjunction with the attached Notes.

# FLEURIEU REGIONAL WASTE AUTHORITY



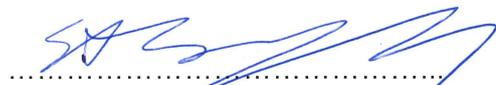
## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.

  
.....  
Michael Kelledy  
CHAIR OF THE BOARD

  
.....  
Simon Grenfell  
EXECUTIVE OFFICER

Date: 23 September 2020

**Fleurieu Regional Waste Authority**  
**Statement of Financial Position**  
**as at 30 June 2020**

<b>ASSETS</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>Current Assets</b>			
Cash and cash equivalents	5	1,983,227	474,409
Trade & other receivables	5	492,572	380,329
Inventories	5	94,273	164,040
		<u>2,570,072</u>	<u>1,018,778</u>
<b>Non-current Assets</b>			
Infrastructure, property, plant & equipment	6	4,154,770	3,641,795
<b>Total Non-current Assets</b>		<u>4,154,770</u>	<u>3,641,795</u>
<b>Total Assets</b>		<u>6,724,842</u>	<u>4,660,573</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	7	1,918,201	1,132,293
Contract liabilities	7	360,745	23,645
Borrowings	7	461,466	335,516
Provisions	7	228,203	181,530
Other current liabilities	8	333,367	124,944
<b>Total Current Liabilities</b>		<u>3,301,982</u>	<u>1,797,929</u>
<b>Non-current Liabilities</b>			
Borrowings	7	2,458,850	2,015,684
Provisions	7	89,273	65,326
<b>Total Non-current Liabilities</b>		<u>2,548,123</u>	<u>2,081,010</u>
<b>Total Liabilities</b>		<u>5,850,105</u>	<u>3,878,939</u>
<b>NET ASSETS</b>		<u>874,736</u>	<u>781,634</u>
<b>EQUITY</b>			
Accumulated Surplus		<u>874,736</u>	<u>781,632</u>
<b>TOTAL EQUITY</b>		<u>874,736</u>	<u>781,632</u>

This Statement is to be read in conjunction with the attached Notes.

**Fleurieu Regional Waste Authority**  
**Statement of Changes in Equity**  
**for the year ended 30 June 2020**

<b>2020</b>	<b>Notes</b>	<b>Accumulated Surplus \$</b>	<b>TOTAL EQUITY \$</b>
Balance at end of previous reporting period		781,632	781,632
<b>Net Surplus / (Deficit) for Year</b>		<b>93,104</b>	<b>93,104</b>
<b>Other Comprehensive Income</b>		-	-
<b>Balance at end of period</b>	9	<u><b>874,736</b></u>	<u><b>874,736</b></u>
<b>2019</b>			
Balance at end of previous reporting period		808,695	808,695
<b>Net Surplus / (Deficit) for Year</b>		<b>(27,063)</b>	<b>(27,063)</b>
<b>Other Comprehensive Income</b>		-	-
<b>Balance at end of period</b>	9	<u><b>781,632</b></u>	<u><b>781,632</b></u>

This Statement is to be read in conjunction with the attached Notes

**Fleurieu Regional Waste Authority**  
**Statement of Cash Flows**  
**for the year ended 30 June 2020**

		2020	2019
	Notes	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts:</b>			
User charges		9,172,959	7,726,473
Investment receipts		2,581	2,876
Grants utilised for operating purposes		154,771	152,166
Reimbursements		-	9,871
Other revenues		-	17,248
<b>Payments:</b>			
Employee costs		(3,115,286)	(3,018,245)
Materials, contracts & other expenses		(4,066,457)	(4,371,812)
Finance payments		(110,455)	(87,674)
<b>Net Cash provided by (or used in) Operating Activities</b>	9	<u>2,038,113</u>	<u>430,903</u>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Receipts:</b>			
Amounts specifically for new or upgraded assets		80,000	150,000
Sale of replaced assets		108,545	20,000
<b>Payments:</b>			
Expenditure on renewal/replacement of assets		(1,173,926)	(755,181)
Expenditure on new/upgraded assets		(113,030)	(688,542)
<b>Net Cash provided by (or used in) Investing Activities</b>		<u>(1,098,411)</u>	<u>(1,273,723)</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Receipts:</b>			
Proceeds from borrowings		1,166,664	1,189,730
<b>Payments:</b>			
Repayments of borrowings		(597,547)	(495,271)
<b>Net Cash provided by (or used in) Financing Activities</b>		<u>569,117</u>	<u>694,459</u>
<b>Net Increase (Decrease) in cash held</b>		<u>1,508,819</u>	<u>(148,361)</u>
Cash & cash equivalents at beginning of period	9	<u>474,409</u>	<u>622,770</u>
<b>Cash &amp; cash equivalents at end of period</b>	9	<u>1,983,227</u>	<u>474,409</u>

This Statement is to be read in conjunction with the attached Notes

# FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **1 Basis of Preparation**

#### **1.1 Compliance with Australian Accounting Standards**

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the Local Government (Financial Management) Regulations 2011 dated 23 September 2020.

#### **1.2 Historical Cost Convention**

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

#### **1.3 Critical Accounting Estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

#### **1.4 Rounding**

All amounts in the financial statements have been rounded to the nearest dollar.

### **2 The Local Government Reporting Entity**

The Fleurieu Regional Waste Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1226 Port Elliot Road, Goolwa South Australia 5214. These financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

### **3 Income recognition**

The Authority recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

#### *Council contributions*

Revenue from Council contributions is recognized as the services are performed over the financial year.

#### *Waste Disposal Operations*

Revenue from waste disposal operations is recognized at the point in time the service is provided to the customer.

# FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

### **4 Cash, Cash Equivalents and other Financial Instruments**

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 10.

### **5 Inventories**

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

### **6 Infrastructure, Property, Plant & Equipment**

#### **6.1 Initial Recognition**

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

#### **6.2 Materiality**

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

#### **6.3 Subsequent Recognition**

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

#### **6.4 Depreciation of Non-Current Assets**

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of the Authority, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of assets are reviewed annually.

# FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

### 6.5 *Impairment*

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, are not assessed for impairment.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

### 7 *Payables*

#### 7.1 *Goods & Services*

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

### 8 *Contract Liabilities*

Contract liabilities represent the Authority's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Authority recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Authority has transferred the goods or services to the customer.

The Board approved the retention of a surplus as at 30 June 2020 for each Constituent Council, up to the value of estimated additional recycling cost in the 2020/21 year, to be offset against additional costs as they are incurred.

### 9 *Borrowings*

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

### 10 *Employee Benefits*

#### 10.1 *Salaries, Wages & Compensated Absences*

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on costs) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as the Authority experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

#### *Superannuation*

The Authority makes employer superannuation contributions in respect of its employees to the employees' nominated superannuation fund. No changes in accounting policy have occurred during either the current or previous reporting periods.

# FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

## Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

### 11 *GST Implications*

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

### 12 *New and amended standards and interpretations*

Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities:

The Authority applied AASB 15 and AASB 1058, for the first time from 1 July 2019. AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue and the related Interpretations. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service). The Authority has elected to adopt the modified retrospective method on transition to the new standards with an initial application date of 1 July 2019, and as such there was no impact on the financial statements from the adoption of the new standards as at 1 July 2019.

#### *Adoption of AASB 16 Leases (AASB 16)*

AASB 16 Leases, which commenced from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for low-value assets - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2020 the Authority has no leases to which this treatment needs to be applied, other than the for the office and workshop premises at Goolwa. However, as the Authority is currently negotiating a lease agreement for this premise with Alexandrina Council and no lease payments have been made to date, the value of the right-of-use asset and lease liability is deemed to be nil.

### 13 *Comparative figures*

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current year. Comparative figures for 'Revenue received in advance' were previously presented within 'Trade and Other Payables'. They are now presented within 'Contract Liabilities' as a result of adopting the new accounting standard AASB 15 Revenue from Contracts with Customers.

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 2 - INCOME**

	Notes	2020 \$	2019 \$
<b><u>Revenue from Contracts with Customers:</u></b>			
<b>USER CHARGES</b>			
Council Contributions		5,621,498	5,658,579
Waste Disposal Operations		3,462,176	2,189,890
		<b>9,083,674</b>	<b>7,848,469</b>
<b><u>Other Revenue and Other Income:</u></b>			
<b>INVESTMENT INCOME</b>			
Interest on investments:			
Banks & other		2,581	2,876
		<b>2,581</b>	<b>2,876</b>
<b>REIMBURSEMENTS</b>			
- other		15,349	9,871
		<b>15,349</b>	<b>9,871</b>
<b>OTHER INCOME</b>			
Sundry		9,064	16,843
		<b>9,064</b>	<b>16,843</b>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Other grants, subsidies and contributions		234,771	302,166
		<b>234,771</b>	<b>302,166</b>
<b>Sources of grants</b>			
State government		234,771	302,166
		<b>234,771</b>	<b>302,166</b>
<b>Conditions over grants &amp; contributions</b>			
<i>Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:</i>			
<i>Unexpended at the close of the previous reporting period</i>		-	90,000
<i>Less: expended during the current period from revenues recognised in previous reporting periods:</i>			
<i>Plant &amp; Equipment</i>		-	(90,000)
<i>Subtotal</i>		-	(90,000)
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
<i>Plant &amp; Equipment</i>		-	-
<i>Subtotal</i>		-	-
<i>Unexpended at the close of this reporting period</i>		-	-

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 3 - EXPENSE**

	Notes	2020 \$	2019 \$
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		2,489,385	2,488,717
Employee leave expense		241,711	141,935
Superannuation	16	211,018	221,876
Superannuation - defined benefit plan contributions	16	11,065	5,336
Workers' Compensation Insurance		109,080	106,251
Other		53,027	54,130
<b>Total Operating Employee Costs</b>		<b>3,115,286</b>	<b>3,018,245</b>
<b>Total Number of Employees</b>		<b>34</b>	<b>34</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		11,670	9,980
- Auditing of Internal Controls		2,000	1,970
Bad and Doubtful Debts		-	70,000
Board members' expenses		24,839	25,379
Rental charge - accrued		84,000	80,000
Subtotal - Prescribed Expenses		<b>122,509</b>	<b>187,329</b>
<u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		1,664,662	1,044,974
Energy		607,232	618,875
Waste Disposal		1,680,254	1,595,931
Maintenance		380,836	374,365
Legal Expenses		41,739	87,600
Parts, accessories & consumables		191,611	105,097
Professional services		61,911	126,500
Sundry		606,228	399,331
Subtotal - Other Materials, Contracts & Expenses		<b>5,234,473</b>	<b>4,352,673</b>
		<b>5,356,982</b>	<b>4,540,002</b>
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>			
<b>Depreciation</b>			
Plant, machinery & equipment		706,091	543,092
		<b>706,091</b>	<b>543,092</b>
<b>FINANCE COSTS</b>			
Interest on Loans		114,629	85,413
		<b>114,629</b>	<b>85,413</b>

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		\$	\$
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>			
<i>Assets renewed or directly replaced</i>			
Proceeds from disposal		<b>108,544</b>	20,000
Less: Carrying amount of assets sold		<b>(67,891)</b>	(40,536)
<b>Gain (Loss) on disposal</b>		<b>40,653</b>	(20,536)
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>		<b>40,653</b>	(20,536)

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 5 - CURRENT ASSETS**

	Notes	2020 \$	2019 \$
<b>CASH &amp; EQUIVALENT ASSETS</b>			
Cash on Hand and at Bank		1,456,657	100,188
Deposits at Call		<u>526,570</u>	<u>374,221</u>
		<u><b>1,983,227</b></u>	<u><b>474,409</b></u>
<b>TRADE &amp; OTHER RECEIVABLES</b>			
Debtors - general		477,991	414,186
Prepayments		<u>14,581</u>	<u>36,143</u>
Total		<u><b>492,572</b></u>	<u><b>450,329</b></u>
Less: Provision for Impairment		<u>-</u>	<u>(70,000)</u>
		<u><b>492,572</b></u>	<u><b>380,329</b></u>
<i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>		-	-
<b>INVENTORIES</b>			
Stores & Materials		<u>94,273</u>	<u>164,040</u>
		<u><b>94,273</b></u>	<u><b>164,040</b></u>

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)**

	2019 \$'000				2020 \$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Plant, machinery & equipment	3,641,795	7,235,643	(3,593,848)	3,641,795	<b>4,154,770</b>	<b>7,364,399</b>	<b>(3,209,629)</b>	<b>4,154,770</b>
Office equipment, Furniture & fittings	-	20,634	(20,634)	-	-	<b>3,280</b>	<b>(3,280)</b>	-
Buildings & other structures	-	3,181	(3,181)	-	-	<b>3,181</b>	<b>(3,181)</b>	-
<b>Total IPP&amp;E</b>	3,641,795	7,259,458	(3,617,663)	3,641,795	4,154,770	7,370,860	(3,216,090)	<b>4,154,770</b>
<b>Comparatives</b>	<b>2,781,701</b>	<b>6,524,054</b>	<b>(3,742,353)</b>	<b>2,781,701</b>	<b>3,641,795</b>	<b>7,259,458</b>	<b>(3,617,663)</b>	<b>3,641,795</b>

	2019	CARRYING AMOUNT MOVEMENTS DURING YEAR							2020		
	\$	\$							\$		
	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
			New / Upgrade	Renewals				In	Out		
Plant, machinery & equipment	3,641,795		113,030	1,173,926	(67,891)	(706,091)	-	-	-	-	4,154,770
<b>Total IPP&amp;E</b>	<b>3,641,795</b>	-	<b>113,030</b>	<b>1,173,926</b>	<b>(67,891)</b>	<b>(706,091)</b>	-	-	-	-	<b>4,154,770</b>
<b>Comparatives</b>	<b>2,781,701</b>	-									<b>3,641,795</b>

*This note continues on the following pages.*

**FLEURIEU REGIONAL WASTE AUTHORITY**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT**

**Buildings & Other Structures**

Buildings and other structures are recognised on a cost basis.

**Plant, Furniture & Equipment**

These assets are recognised on a cost basis.

**Capitalisation thresholds** used by the Authority for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$5,000
Other Plant & Equipment	\$5,000
Buildings - new construction/extensions	\$10,000

**Estimated Useful Lives:** Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture & Equipment	3 to 20 years
Building & Other Structures	30 to 80 years

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 7 - LIABILITIES**

	Notes	2020		2019	
		Current	Non-current	Current	Non-current
<b>TRADE &amp; OTHER PAYABLES</b>					
Goods & Services		690,903		502,222	
Accrued expenses - employee entitlements		258,491		392,911	
Accrued expenses - other		968,807		237,162	
		<b>1,918,201</b>	<b>-</b>	<b>1,132,295</b>	<b>-</b>
<b>BORROWINGS</b>					
Loans		461,466	2,458,850	335,516	2,015,684
		<b>461,466</b>	<b>2,458,850</b>	<b>335,516</b>	<b>2,015,684</b>
<b>PROVISIONS</b>					
Employee entitlements (including oncosts)		186,802	89,273	146,530	65,326
Other Provisions		41,401		35,000	
		<b>228,203</b>	<b>89,273</b>	<b>181,530</b>	<b>65,326</b>
<b>CONTRACT LIABILITIES</b>					
Revenue received in advance					
- additional collection services		53,745	-	23,645	-
- council contributions		307,000	-	-	-
		<b>360,745</b>	<b>-</b>	<b>23,645</b>	<b>-</b>

*All interest bearing liabilities are secured over the future revenues of the Authority.*

*The Board approved the retention of a surplus of Council contributions as at 30 June 2020 for each Constituent Council for the value of estimated additional recycling cost in the 2020/21 year.*

# FLEURIEU REGIONAL WASTE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

### Note 8 - OTHER CURRENT LIABILITIES

	2020 \$	2019 \$
<b>OTHER</b>	Notes	
Provision for rock crushing	333,367	124,944
	<u>333,367</u>	<u>124,944</u>

*An additional crushing expenditure provision for Kangaroo Island was implemented during the year to manage large volumes of construction and demolition waste created by bushfires on the island.*

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 9 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2020 \$	2019 \$
Total cash & equivalent assets	5	<u>1,983,227</u>	<u>474,409</u>
Balances per Cash Flow Statement		<u>1,983,227</u>	<u>474,409</u>

**(b) Reconciliation of Change in Net Assets to Cash from Operating Activities**

Net Surplus (Deficit)		93,104	(27,063)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		706,091	543,092
Net increase (decrease) in unpaid employee benefits		64,219	29,588
Grants for capital acquisitions treated as Investing Activity		(80,000)	(150,000)
Net (Gain) Loss on Disposals		<u>(40,653)</u>	<u>20,536</u>
		742,761	416,153
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(112,243)	(57,324)
Net (increase) decrease in inventories		69,767	(38,845)
Net increase (decrease) in trade & other payables		1,123,004	146,284
Net increase (decrease) in other provisions		6,401	159,947
Net increase (decrease) in other liabilities		<u>208,423</u>	<u>(195,312)</u>
<b>Net Cash provided by (or used in) operations</b>		<u>2,038,113</u>	<u>430,903</u>

**(c) Financing Arrangements**

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards	10,000	10,000
LGFA Cash Advance Debenture facility	613,715	868,520

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**  
**Note 10 - FINANCIAL INSTRUMENTS**

All financial instruments are categorised as *loans and receivables*.

**Accounting Policies - Recognised Financial Instruments**

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Bank deposits are measured at amortised cost, interest is recognised when earned</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 0.01% and 0.05% (2019: 0.10% and 0.15%).</p>
<b>Receivables</b> - Fees & other charges	<p><b>Accounting Policy:</b> Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p>
<b>Liabilities</b> - Creditors and Accruals	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p><b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.</p>
<b>Liabilities</b> - Interest Bearing Borrowings	<p><b>Accounting Policy:</b> Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p><b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable in six monthly instalments; interest is charged at fixed or variable rates between 1.80% and 4.80% (2019: 3.10% and 4.80%)</p>

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 10 - FINANCIAL INSTRUMENTS (con't)**

**Liquidity Analysis**

<b>2020</b>	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b><u>Financial Assets</u></b>	\$	\$	\$	\$	\$
Cash & Equivalents	1,983,227			1,983,227	1,983,227
Receivables	477,991			477,991	492,572
<b>Total</b>	<b>2,461,218</b>	-	-	<b>2,461,218</b>	<b>2,475,799</b>
<b><u>Financial Liabilities</u></b>					
Payables	1,051,648			1,051,648	1,051,648
Current Borrowings	544,351			544,351	461,466
Non-Current Borrowings		1,487,610	1,151,021	2,638,631	2,458,850
<b>Total</b>	<b>1,595,999</b>	<b>1,487,610</b>	<b>1,151,021</b>	<b>4,234,630</b>	<b>3,971,964</b>
<b>2019</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<b><u>Financial Assets</u></b>	\$	\$	\$	\$	\$
Cash & Equivalents	474,409			474,409	474,409
Receivables	344,186			344,186	380,329
<b>Total</b>	<b>818,595</b>	-	-	<b>818,595</b>	<b>854,738</b>
<b><u>Financial Liabilities</u></b>					
Payables	525,867			525,867	525,867
Current Borrowings	431,866			431,866	335,516
Non-Current Borrowings		1,808,076	492,084	2,300,160	2,015,685
<b>Total</b>	<b>957,733</b>	<b>1,808,076</b>	<b>492,084</b>	<b>3,257,893</b>	<b>2,877,068</b>

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

	30 June 2020		30 June 2019	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Variable Rates	<b>2.20</b>	<b>990,285</b>	3.10	735,480
Fixed Interest Rates	<b>2.72</b>	<b>1,930,031</b>	2.08	1,615,720
		<b>2,920,316</b>		<b>2,351,200</b>

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 10 - FINANCIAL INSTRUMENTS (con't)**

**Net Fair Value**

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

**Risk Exposures:**

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 5 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. The Authority also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Authority has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 11 - COMMITMENTS FOR EXPENDITURE**

	<b>2020</b>	<b>2019</b>
<b>Notes</b>	<b>\$</b>	<b>\$</b>
<b>Capital Commitments</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Board & Employee Remuneration Contracts	<b>916,539</b>	248,500
Maintenance Contracts	-	63,333
	<b><u>916,539</u></b>	<b><u>311,833</u></b>
These expenditures are payable:		
Not later than one year	<b>208,557</b>	281,138
Later than one year and not later than 5 years	<b>707,982</b>	30,695
Later than 5 years	-	-
	<b><u>916,539</u></b>	<b><u>311,833</u></b>

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 12 - FINANCIAL INDICATORS**

	2020	2019	2018
<b>Operating Surplus Ratio</b>			
<u>Operating Surplus</u>	0.56%	-0.33%	1.10%
Total Operating Income			

This ratio expresses the operating surplus as a percentage of total operating revenue.

**Net Financial Liabilities Ratio**

<u>Net Financial Liabilities</u>	37%	37%	27%
Total Operating Income			

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

**Asset Renewal Funding Ratio**

<u>Net Outlays on Existing Assets</u>	87%	63%	99%
Net Asset Renewals - IAMP			

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 13 - UNIFORM PRESENTATION OF FINANCES**

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis.

All Authorities in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Authorities provide a common 'core' of financial information, which enables meaningful comparisons of each Authority's finances

	2020	2019
	\$	\$
Income	9,345,439	8,180,225
Expenses	<u>(9,292,988)</u>	<u>(8,186,752)</u>
<b>Operating Surplus / (Deficit)</b>	<b>52,451</b>	<b>(6,527)</b>
 <b>Net Outlays on Existing Assets</b>		
Capital Expenditure on renewal and replacement of Existing Assets	(1,173,926)	(755,181)
Add back Depreciation, Amortisation and Impairment	706,091	543,092
Proceeds from Sale of Replaced Assets	<u>108,545</u>	<u>20,000</u>
	<b>(359,290)</b>	<b>(192,089)</b>
 <b>Net Outlays on New and Upgraded Assets</b>		
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	(113,030)	(688,542)
Amounts received specifically for New and Upgraded Assets	80,000	150,000
	<u>(33,030)</u>	<u>(538,542)</u>
<b>Net Lending / (Borrowing) for Financial Year</b>	<b><u>(339,869)</u></b>	<b><u>(737,158)</u></b>

**Fleurieu Regional Waste Authority**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 14 - RELATED PARTY DISCLOSURES**

**KEY MANAGEMENT PERSONNEL**

The Key Management Personnel of the Authority include the Independent Board Chair, External Member of the Internal Audit Committee and Executive Officer under section 112 of the Local Government Act 1999.

In all, three persons were paid the following total compensation:

	<b>2020</b>	2019
	\$	\$
Salaries, allowances & other short term benefits	109,852	169,697
Post-employment benefits	8,867	18,418
Long term benefits	48,633	4,073
Termination benefits	184,876	-
<b>TOTAL</b>	<b>352,228</b>	192,188

**FLEURIEU REGIONAL WASTE AUTHORITY**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 15 – SUPERANNUATION**

The Authority makes employer superannuation contributions in respect of its employees to Statewide Super (formerly Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

**Accumulation only Members**

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2019-20; 9.50% in 2020-21). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

**Salarylink (Defined Benefit Fund) Members**

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2018-19) of "superannuation" salary.

In addition, the Authority makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.32(b), the Authority does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2020. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

**Contributions to Other Superannuation Schemes**

The Authority also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Authority.

# **FLEURIEU REGIONAL WASTE AUTHORITY**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020**

### **Note 16 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION**

At times there are contingencies, assets and liabilities that do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to the user of the financial report in making and evaluating decisions about the allocation of scarce resources. From our knowledge there are no known contingencies, assets or liabilities that should be disclosed that have not been included in the balance sheet.

# **FLEURIEU REGIONAL WASTE AUTHORITY**

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020**

### **Note 17 - EVENTS OCCURRING AFTER REPORTING DATE IN THE BALANCE SHEET**

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There are no other events subsequent to 30 June 2020 that need to be disclosed in the financial statements.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY*****Opinion***

We have audited the financial report of Fleurieu Regional Waste Authority, which comprises the Statement of Financial Position as at 30 June 2020, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Fleurieu Regional Waste Authority as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

***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 entity in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (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.

***Other Information***

The Board is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

***Board's Responsibility for the Financial Report***

The Board of Fleurieu Regional Waste Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011. The Board's responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial report, the Board of Fleurieu Regional Waste Authority is responsible for assessing the entity'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 Board either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY (CONT)*****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 internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- 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 those charged with governance 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.



Nexia Edwards Marshall  
Chartered Accountants



Jamie Drechow  
Partner

Adelaide, South Australia

24 September 2020

## **INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY**

We have audited the Internal Controls of Fleurieu Regional Waste Authority (“the Authority”) under the requirements of *Section 129(1)(b)* of the *Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities for the year ended 30 June 2020 have been conducted properly and in accordance with law.

### **The Authority’s Responsibility for the Internal Controls**

The Authority is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Authority’s compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the year ended 30 June 2020. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management’s assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design of controls on a sample basis based on the assessed risks.

### **Limitation of Use**

This report has been prepared for the members of the Authority in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than that for which it was prepared.

**INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE  
AUTHORITY (CONT)****Inherent Limitations**

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls specified above are undertaken on a test basis.

The opinion expressed in this report has been formed on the above basis.

**Independence**

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

**Opinion**

In our opinion, the Authority has complied, in all material respects, with *Section 129(1)(b) of the Local Government Act 1999* in relation to Internal Controls established by the Authority relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the year ended 30 June 2020.



Nexia Edwards Marshall  
Chartered Accountants



Jamie Dreckow  
Partner

Adelaide  
South Australia

24 September 2020

# FLEURIEU REGIONAL WASTE AUTHORITY



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2020, the Authority's Auditor, Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

A handwritten signature in blue ink, appearing to read 'M. Kelledy', is written over a dotted line.

Michael Kelledy

**CHAIR OF THE BOARD**  
Fleurieu Regional Waste Authority

Date: 26 August 2020

# FLEURIEU REGIONAL WASTE AUTHORITY



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2020, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

A handwritten signature in blue ink, appearing to read 'Simon Grenfell', written over a dotted line.

Simon Grenfell  
**EXECUTIVE OFFICER**  
Fleurieu Regional Waste Authority

Date: 26 August 2020

# FLEURIEU REGIONAL WASTE AUTHORITY



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2020, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

A handwritten signature in blue ink, appearing to read 'Glenn Rappensberg', with a large flourish extending to the right.

.....  
Glenn Rappensberg  
**CHIEF EXECUTIVE OFFICER**  
Alexandrina Council

Date: 25 / 8 / 2020

# FLEURIEU REGIONAL WASTE AUTHORITY



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2020, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

A handwritten signature in black ink, appearing to read 'Victoria MacKirdy', written over a horizontal dotted line.

Victoria MacKirdy  
**CHIEF EXECUTIVE OFFICER**  
City of Victor Harbor

Date: 28 August 2020

# FLEURIEU REGIONAL WASTE AUTHORITY



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2020, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

A handwritten signature in black ink, appearing to read 'Nigel Morris', is written over a horizontal dotted line.

Nigel Morris  
**CHIEF EXECUTIVE OFFICER**  
District Council of Yankalilla

Date: 27th August 2020

# FLEURIEU REGIONAL WASTE AUTHORITY



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

### CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2020, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011*.

A handwritten signature in blue ink, appearing to read 'Greg Georgopoulos', is written over a dotted line.

Greg Georgopoulos  
**CHIEF EXECUTIVE OFFICER**  
Kangaroo Island Council

Date: 31 August 2020

**FLEURIEU REGIONAL WASTE AUTHORITY  
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**STATEMENT BY AUDITOR**

I confirm that, for the audit of the financial statements of Fleurieu Regional Waste Authority for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board and in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2011*.



Jamie Dreckow  
Partner



Nexia Edwards Marshall  
Chartered Accountants

24 September 2020



Image Soldiers Memorial Gardens, Strathalbyn



Image Murray Mouth

## How to contact us

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