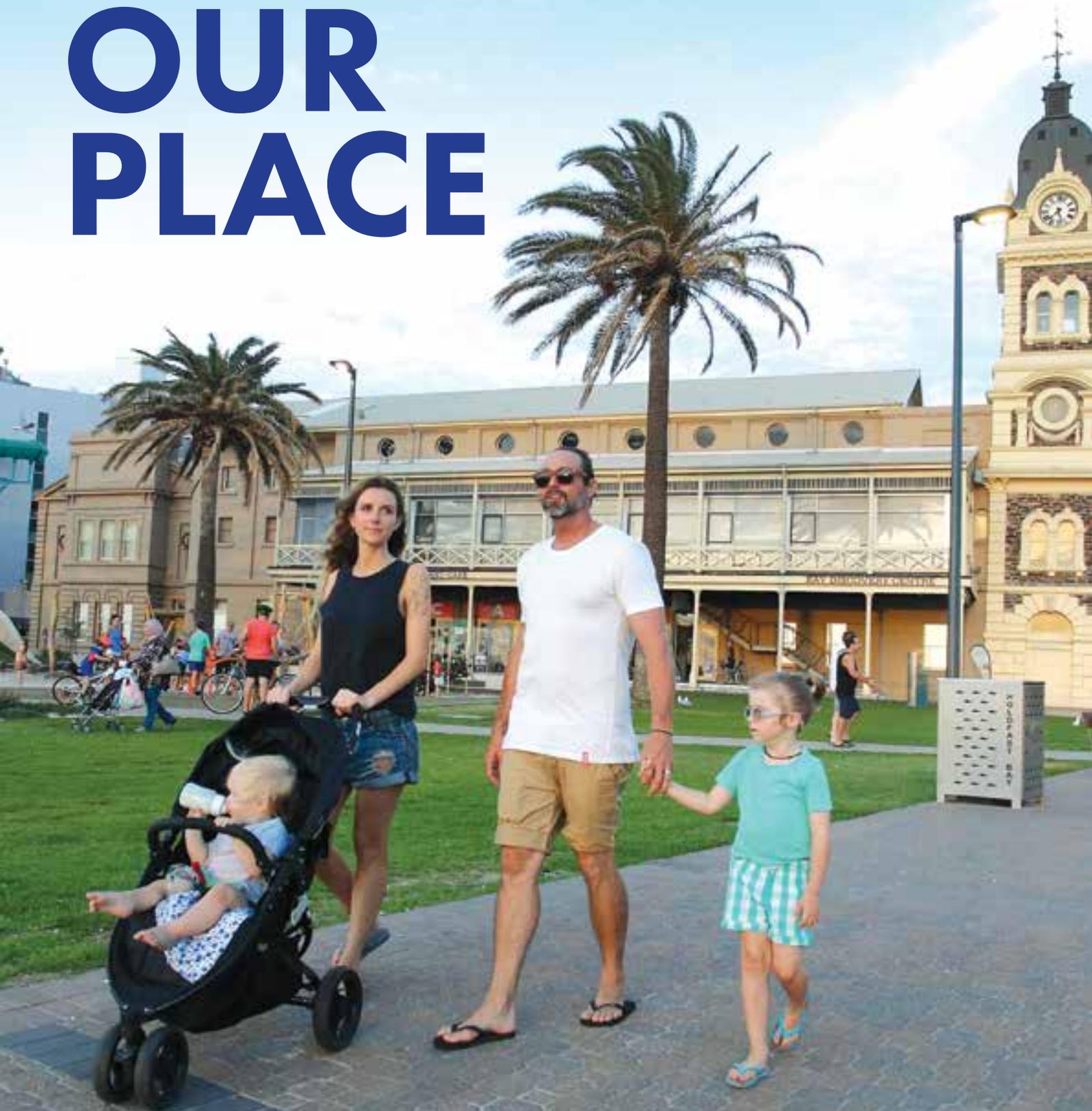


OUR PLACE



OUR VISION

Welcome to our place

The 2017–18 Annual Business Plan outlined the program of works for the past financial year. This plan was built on our city’s strategic plan, Our Place 2030, and community input. Council had put together some ambitious plans – to undertake improvements for our community and continue delivering our extensive suite of high-quality services – all while containing the rate revenue increase to a modest 2.9 per cent.

MAJOR ACHIEVEMENTS IN 2017–18

In 2017–18, Council successfully:

- › Completed a number of stormwater improvements, including the Tarlton Street Stormwater Project and water sensitive urban design garden beds
- › Completed the Kingston Park section of Coast Park, from the Seacliff Surf Life Saving Cub to the city’s southern boundary
- › Completed the Jetty Road Glenelg and Environs Masterplan
- › Launched the Business Start-Up Support Scheme, to support small businesses to locate or expand in our city completed the final stage of the Kauri Community and Sporting Complex.

OUR TRADITIONAL CUSTODIANS

We acknowledge the Kauri people as the traditional owners of this land. We respect their spiritual relationship with the country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kauri people today.



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OUR PLACE

Adelaide's Favourite Coastal Destination

Located 11 kilometres south-west of the Adelaide Central Business District, Holdfast Bay is regarded as a progressive and lively seaside community. With our rich heritage, sandy beaches and exciting attractions, we are widely celebrated as Adelaide's favourite coastal destination.

With a footprint of just under 14 square kilometres, our city includes the suburbs of Brighton, North Brighton, South Brighton, Glenelg, Glenelg East, Glenelg North, Glenelg South, Hove, Kingston Park, Seacliff, Seacliff Park and Somerton Park.

Our city is predominantly residential, with thriving retail precincts in Glenelg, Brighton and along Brighton Road, as well as a light industrial base at Somerton Park. The 2016 Commonwealth Census data shows a residential population of 36,399, of which 48.6 per cent are under 45 years old; 28.6 per cent are aged between 45 and 64; and 22.7 per cent are over 64 years of age. Comparisons with the 2011 Census show a slight increase in the number of older residents 65–74, and a relatively stable number of younger people.



FROM THE CEO

It has been a dynamic period for the City of Holdfast Bay.

In the last 12 months a number of new initiatives have begun and several long-standing, “big-ticket” items have gone beyond concept stage and into final development.

It also brings to the end the period of the current elected term of Council, with a new Council to begin in mid-November. The commitment of the elected members of Council, our past Mayor, Steven Patterson, and current Acting Mayor, Amanda Wilson, has been significant in seeing all of the major projects through to their current levels of progress.

The past year has also seen an increase in external political focus on local government. Some of this focus is cyclical and not unexpected. This year as part of State election campaign, rate capping became a primary topic of conversation. Regardless of the outcome, the Council prides itself on keeping rates as low as possible, whilst balancing the needs and expectations of one of the premier tourist and seaside residential areas in the State.

Whilst the list of achievements have been great for the City, it's also important to remember that the “business as usual” part of Council – maintaining road, parks and gardens, picking up rubbish and providing events and services – has continued to deliver at high level with our customer satisfaction survey showing a quality of life score of 8.5 out of 10.

As a council we are excited to see the Brighton Oval Redevelopment formally commence, the completion of the Kauri Parade Sports Complex, the completion of the Coast Path and Kingston Park and the final stage of the Path at Minda Dunes move from design to construction.

We also acknowledge our team of impressive volunteers who donate their time to assist Council in many facets throughout the year. With more than 480 volunteers filling 510 volunteer positions we thank them for their valuable efforts.

Importantly, the work of the current Council will pass on a healthy legacy to the new Council, ready to build on what they have begun in conjunction with the Council's administrative staff.

I thank them all for their service and dedication, and look forward to our future with confidence.



Justin Lynch

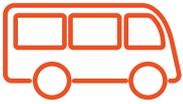
Chief Executive Officer
City of Holdfast Bay





2017-18 HIGHLIGHTS

DID YOU KNOW THAT IN 2017-18...



10,401

community transport trips helped residents get out and about



1,700

people provided with therapy and allied health services by the rehabilitation centre



443,582

items were lent to 13,904 library members, with 1,778 new borrowers joining



2,191

immunisations were administered at our local clinics

4,610

dogs registered

\$29,384

in donations to community groups

175

residents assisted with preparations for the introduction of the NDIS



200+

Holdfast Bay-hosted events



\$350,000

improving stormwater management at 12 locations



360km

of footpaths and kerbing and 160kms of roads were maintained



1,102

development applications were processed

30,000

visitors to Moseley Beach Club, Australia's first beach bar

13.5%

increase on tree canopy coverage in the city

9

Greening our Community Grants awarded



243

new dwellings were approved (valued at \$98 million)

13,139

guests to the Brighton Caravan Park

1st

successful Hooded Plover breeding event at Seacliff

40

community education sessions for coastal and natural areas rehabilitation



784

history enquiries were answered by our local history experts



481

volunteers contributed 89,594 voluntary hours



48,000

incoming calls answered by customer service team

\$4.3 million

in funding secured from the State Government to complete Coast Park, with a further \$1 million from Council

1.3 million

people visited and/or stayed in Holdfast Bay



QUALITY OF LIFE SURVEY RESULTS (2017-18)

HOW YOU RATED YOUR COUNCIL OUT OF 10

COMMUNITY



8.5
Providing library services



8.25
Providing sporting facilities



7.6
Delivering services for the elderly and people with a disability



8.6
Promoting programs and services that encourage an active lifestyle

PLACEMAKING



7.35
Maintaining roads and kerbing



8.2
Maintaining cycle networks



8.3
Providing a sense of safety in neighbourhoods

ENVIRONMENT



8.35
Maintaining beaches and coastal areas



8.1
Providing adequate waste management services

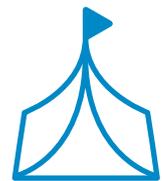


Overall rating of Holdfast Bay as a place to live

ECONOMY



8.6
Encouraging a diverse range of business and services in the area



8.5
Supporting and promoting tourism and events

CULTURE



7.2
Quality of service provided by Council staff



7.1
Overall satisfaction with the performance of the Council



8.3
Maintaining well laid out parks and reserve



8.0
Providing programs that foster social interaction and community wellbeing



8.3
Likelihood to recommend Holdfast Bay as a place to live



COMMUNITY

In 2017–18 we delivered many projects and services that supported our goal of building a strong community, creating a place with a quality lifestyle, for every generation that celebrates culture and is safe and secure.

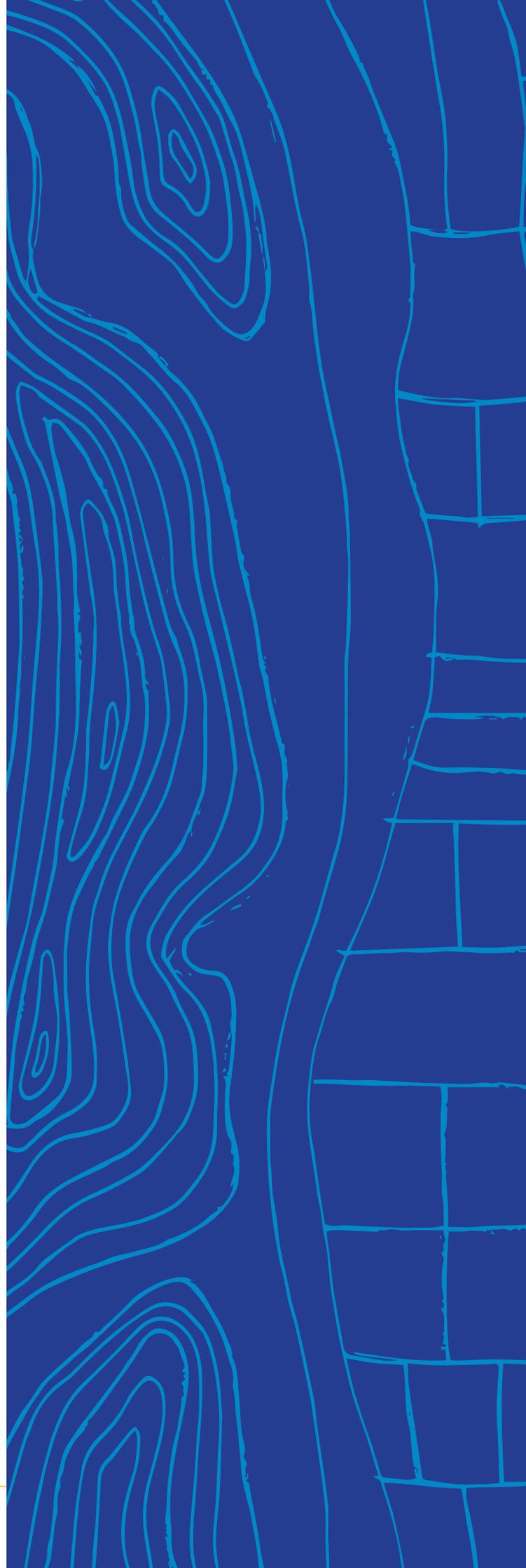
Active Communities

We promote an active, healthy and socially connected lifestyle for all members of our community by providing high-quality sporting and recreational facilities; opportunities for volunteering; a network of community centres; youth programs; opportunities for local clubs and community groups to improve their governance, as well as initiatives that celebrate and showcase our indigenous history and diverse culture. This year's highlights include:

- › Involving 481 volunteers across 537 active roles, contributing a total of 89,594 hours at an estimated value of \$3.6 Million to support the Holdfast Bay community
- › Currently work with 6 local schools to grow our environment volunteering program and offer a service that teaches environmental sustainability
- › The annual Community Centres 'Come and Try Week' was facilitated by Council and is designed to promote the four Community Centres and the activities hosted in these venues. This year's event was held from Sunday 30 April -Friday 6 May 2018 and allows members of the community to try existing Community Centre activities or a program for free during the week. Forty activities were showcased in this year's program providing a diverse range of leisure, health and educational activities
- › Fostering multi-cultural community connection and promoting healthy eating through our regular, low cost 'Let's Eat' community lunches and dinners at our Brighton, Holdfast Bay and Glenelg Community Centres
- › In celebration of National Reconciliation Week across Australia, over 100 people attended activities and workshops that shared the cultural importance and heritage of the Aboriginal people
- › Cultural workshops and activities facilitated by traditional owners were held throughout the year that encouraged cultural learning and a greater understanding and respect for Aboriginal culture and history
- › Traditional Welcome to Country by Kurna Elders and cultural activities were organised for Proclamation Day, Australia Day, the Commonwealth Games Baton Relay and Harmony Day Events
- › A variety of workshops and activities were held throughout the year that encouraged cultural sharing and a greater understanding and respect for Aboriginal heritage and culture
- › In celebration of National Reconciliation Week weaving workshops and cultural walking tours at Kingston Park facilitated by Kurna Elders
- › The Little River Exhibition at the Bay Discovery Centre had a strong Kurna heritage focus and Aboriginal Dreaming Stories and Wiltja Making Workshops were held as part of our School Holiday Program



- › Community Activation Events such as Sidewalk Sunday's, Harmony Day and Mud Fest were held throughout the year, which connected the community, promoted local businesses and supported artists, musicians, community centres
- › Promoting our parks and reserves by encouraging more than 100 children and their families to participate in the Life Looks Brighter Outside Challenge over the months of July and August 2017
- › Providing quarterly professional development workshops in school gardening for our early learning and primary school staff in partnership with the Cities of West Torrens and Marion and Natural Resource Management Education
- › Supporting 75 young people with representing South Australia and Australia at national and international events through Youth Achievement Sponsorships
- › Holding a range of youth programs and events including; music workshops, quiz nights and an SA Skate League Event with the YMCA
- › Involving hundreds of children and their families in our school holiday programs and sports clinics
- › Engaged with over 280 young people to develop a 5 year Youth Action Plan for the City of Holdfast Bay
- › Undertook investigation and research on our 30 playspaces and industry best practice standards for playspace provision to develop Playspace Research and Guidelines, a guiding document for Council playspace redevelopments
- › Working with our local sport and recreation clubs to develop responsible, positive and sustainable club management through workshops and individualised support in areas such as volunteer management, strategic and succession planning
- › Getting over 240 community members of all ages active and participating in our Be Active at the Bay Yoga program
- › Recognising our sport and recreation clubs through the Club of the Year program which was won in 2017 by the Glenelg District Cricket Club.





Community Donations

This year, we provided a total of \$29,384 in donations to 14 community groups and organisations for community and wellbeing initiatives (including creating a Youth Zone, disability and senior engagement programs, musical instruments and kayaks), events (ranging from Handball championship to Surf Life Saving competitions) and arts and cultural projects (including public murals and artworks, cultural exhibition and workshops and an anthology). Our community donation recipients were:

- › Golden Memories Karaoke
- › ReLink Australia
- › YMCA SA – Holdfast Bay Community Centre
- › Holdfast Bay Concert Band
- › Warradale Cricket Club
- › The Scouts Association of Australia
- › Glenelg Brass Band
- › Seacliff Surf Life Saving Club
- › Handball SA
- › Holdfast Bay Sensory Playgroup
- › Hyde and Seek Arts
- › Circle of Arts Foundation
- › Camile Espayza – Artist
- › Seaside Writers.

Community and Sporting Facilities

Brighton Oval redevelopment progressed with a Prudential Report and a comprehensive Social and Economic Business case outlining the wide ranging benefits to our community of undertaking the redevelopments to this community sporting hub. We worked closely with the sporting clubs to develop concept designs and plans for each new clubroom building. Council secured \$2 million in State Government funding to help enable the redevelopments to commence in the coming year.

Council endorsed the Glenelg Oval Masterplan in July and progressed with concept planning for upgrades to the Holdfast Tennis Club. We also applied for State Government grant funding through the Office for Recreation, Sport and Racing to part fund the clubroom and court upgrades.

This year, we supported our sporting and community groups by continuing with improvements to our community and sporting facilities. This included:

- › Kauri Parade Sporting and Community Complex (final stage finished in 2017–18).

Capital Works

- › Glenelg Community Centre – Colley Terrace – Ventilation, Kitchen & Toilet Upgrade
- › Holdfast Bay Community Centre – Security Lighting
- › Glenelg Football Club – Removal of the Sparks Stand
- › Somerton Surf Lifesaving Club – Exterior Lighting, Refurbish Toilet Facilities
- › Brighton Tennis Club – 2 X Tennis court Plexi Pave & line marking
- › Brighton Table Tennis Club – Stormwater, Paving & Fence Replacement
- › Glenelg North Community Centre – Interior & Exterior Painting
- › Holdfast Bay Bowling Club – Clubrooms – Asbestos Removal
- › Wattle Reserve – Plexi pave half court surface, Volleyball Nets & Posts
- › In partnership with Somerton Park Rotary Club additional amenities to the Brighton Pump Track – Drinking Fountain including Water Meter, shelter, seating, BBQ and landscaping.

Carried Forward Capital Works

(Works from the 2016–17 Capital Works program but completed in 2017–18)

- › Brighton Tennis Clubrooms - Asbestos/Insulation replacement
- › Somerton Yacht Club - Replace Elec/Switchboard
- › Holdfast Bay Community Centre - Weatherboard Cladding/Air Cond.

Angus Neill Reserve Nature Playspace

The Angus Neill Reserve Playspace came up for renewal in Council's Asset Management System in the 2017-2018 Annual Business Plan. Council staff saw this as a great opportunity to review this space, with a focus of best practice design principles, integrating nature play elements as a key design principle with the input of our community.

We met with students from Seacliff and St Teresa's Primary Schools to speak to the experts about what makes a great place to play and visit with friends and family. A Community Engagement Day was held on site, as well as an online engagement survey. We reached over 200 children and young people and 20 adults and all of their great ideas were pulled together in an Engagement Report given to our consultants to create the exciting design for the playspace. Construction began on the new playspace in June 2018 and is due to be completed in August 2018.

HoldUp Youth Committee

Council staff work to build community capacity and engagement with our young people through facilitation of the HoldUp Youth Committee. HoldUp are a group of young people aged 12 to 25 years who live, work, study or spend time in the City of Holdfast Bay and are passionate about:

- › Contributing to important community development projects affecting young people
- › Informing Council on issues that are important to young people
- › Developing youth initiatives and planning and organising youth activities and events
- › Directing decisions that affect young people in the community.

The committee currently has 10 members and over the last 12 months they have organised a range of initiatives and events for young people including: running two themed quiz nights, contributed towards the Jetty Road Masterplan, Holdfast Bay Community Centre Youth Zone and Draft Youth Action Plan, and promoted local opportunities for young people via their social media pages.

Alwyndor Aged Care

Our Alwyndor Aged Care service provided permanent accommodation and care to 134 residents and operates ten transitional care places as well as community care services to a further 190 clients in their homes, and our rehabilitation centre provided therapy and allied health services to 1,700 people.

Operated by Council as Trustee of the Dorothy Cheater Trust, Alwyndor is fully funded by the Commonwealth and State Governments and Alwyndor resident and client contributions.

Community Wellbeing

Our Community Wellbeing Program works within a rapidly changing Aged Care landscape to enhance wellbeing, promote independence and maintain quality of life for older people, people with disabilities and their carers. This year we:

- › Provided 10,776 hours of domestic assistance and home maintenance in residents' homes
- › Facilitated 6,288 hours of social support in a variety of settings
- › Invested \$33,192 to enhance safety and mobility in people's homes
- › Delivered 8,568 community bus trips and 1,833 personal transport trips (a total of 10,401 transport trips) to help people access our libraries, local shops and community venues.

During the year we also partnered with a number of organisations on key projects to benefit our city and enhanced options for our local residents, including:

- › Flinders University to implement Inspiring Health Project, receiving commendation for Excellence in Public Health. 126 local residents participated in the project
- › Department of Health to implement MECC (Making Every Contact Count) project. The City of Holdfast Bay was the first South Australian Metropolitan Council to participate in the project. The project encompassed delivering key health promotion messages to the local community using a peer to peer model. Over 900 residents participated in the project
- › Supported 175 residents with disabilities to prepare for introduction of National Disability Insurance Scheme (NDIS)

- › Continued our work to build a dementia friendly community, working in partnership with Flinders University to engage our community on what a dementia friendly community looks like
- › Enhanced our partnership with Cities of Marion, Mitcham and Onkaparinga to deliver PERMA+ wellbeing and resilience training, including winning a grant to train community residents identified as 'community champions' to deliver the courses using a Peer to Peer model
- › Introduced a 'Pet Pals' Program to address issue of people relinquishing pets due to frailty or disability
- › Growth in participation rates at the Let's Eat! Community meal programs at both locations.



Library Services

Our accessible, progressive library services not only meet our community's research and recreational reading needs, but also foster lifelong learning. This year, the service lent 443,582 items via our Brighton and Glenelg branches, Home Library Service and online resources. Our active borrower membership reached 13,904 members, with 1,778 new borrowers joining our service.

We held our regular weekly programs, with 228 Wriggle N Rhyme sessions for 12,462 babies and toddlers and 74 Storytime sessions for 4,086 children. We held story and craft sessions for 1,059 primary school students and 695 kindy children attended stories and rhyme programs. We ran 'Little Big Bang' STEM activities for 249 children aged 3-5, 192 children attended our holiday programs, 299 children came to our author events and 297 attended our other children's events.

We provided programs for 202 adults with 87 attending our digital literacy training sessions to access the increasing number of electronic books and magazines.

During the year we continued the refurbishment of the Brighton and Glenelg Libraries with the installation of new library shelves and displays.

Holdfast Bay History

The Holdfast Bay History Centre celebrates and shares Holdfast Bay's unique history. Each year the Centre works to preserve its nationally significant collection in order to make it accessible to our community and ensure its longevity. During the 2017–18 year volunteers dedicated over 4,000 hours to help deliver the Centre's extensive program.

This year's highlights include:

- › Answering 784 community history enquiries
- › Digitising over 800 collection items including photographs, objects and paintings
- › Welcoming over 2195 attendees to sixteen events during South Australia's History Festival welcoming 379 visitors to the Glenelg Air-Raid Shelter
- › Successfully attracting \$6,380 in grant funding from the History Trust of South Australia for the Little River Exhibition which attracted over 5,500 local, interstate and national visitors› generating \$3,024 in donations and sales
- › Continuing to work with Glenelg's museum, the Bay Discovery Centre, to provide content for short-term and long-term exhibition
- › Providing research and content for the heritage walking brochure of Glenelg and the WWI commemoration project From the Bay to the Battlefield.

Public Art

During 2017–2018 we continued to support local arts initiatives, including:

- › **Susan Grace Benny Sculpture**
A bronze bust of Susan Grace Benny by sculptor Melissa Judge was commissioned and installed in the garden near the Brighton Library as a lasting tribute to the first women to enter Local Government in 1919
- › **Broadway Kiosk and Seacliff Coast Path Exceloo Historic Image installations**
Historical images were selected and installed along the Esplanade at Glenelg South and Seacliff as permanent public artworks. The selected images create interest to the sites and provides people with the opportunity to interact, ponder and reminisce about the past and local heritage of the area
- › **Still Water Sculpture**
The Still Water Sculpture by artist Will Hendriks was commissioned and installed in the roundabout at the corner of Colley Tce and Anzac Highway, Glenelg. The elegant six metre sculpture is a significant public artwork that adds vitality to the roundabout and acts as a welcoming destination marker for Glenelg
- › **Temporary Art Interventions**
Temporary art installations, creative interventions and performances featured as part of community events and activities such as Sidewalk Sunday's, Tour Down Under, SALA Festival, Harmony Day Anzac Day and Remembrance Day
- › **Artisan on Partridge at historic Partridge House**
A two day celebration of art held during the SALA Festival that supported over sixty (60) artists, musicians and performers. The event featured an indoor exhibition, arts market, arts workshops, live music and come and try art activities.

Regulatory Services

Local laws and regulations are important in ensuring that Holdfast Bay is enjoyed by the whole community. Public expectations are high for safety and maintenance, particularly in the areas of health and traffic monitoring. Our Regulatory Services team fulfils Council's obligations under the relevant acts and regulations concerned with the safety, health and environmental wellbeing of the general community. The team employs a range of strategies including employing education, prevention and enforcement. This year's highlights include:

- › Providing 2191 immunisations
- › Registering 4610 dogs
- › Reuniting 174 dog owners
- › Managing 446 Dog & Cat complaints
- › Conducting 540 beach patrols
- › Attending to 76 nuisance and pest complaints
- › Attending to 264 litter complaints
- › Undertaking 273 food inspections.

Our security service also operates 365 days of the year, patrolling our community spaces to increase public safety.





ENVIRONMENT

In 2017–18 we delivered many projects and services that supported our goal of creating a place that values its natural environment and manages its environmental impacts.

Environmental projects and programs undertaken include:

- › Maintained and rehabilitated our natural reserves and coastal areas
- › Protected habitats for native flora and fauna including sand dunes
- › Maintained volunteer group to support the natural reserves and coastal areas
- › Provided workshops and community education for a sustainable living
- › Managed the waste collection services
- › Prepared the implementation arrangements for street light conversion to LEDs to reduce carbon emission
- › Delivered programs that improved the diversion rate of household waste from land fill
- › Prepared a number of plans including biodiversity baseline data and improvement program.
- › Awarded 9 Greening Our Community grants
- › Continued participation in Resilient South Program
- › Improved stormwater infrastructure and installed new Water Sensitive Urban Design (WSUD) installations
- › Installed 5 rain gauges that are now connected to BoM.

Community coastal and natural areas rehabilitation

Our Environmental team works in partnership with local schools and community groups in an ongoing effort to rehabilitate Holdfast Bay's natural areas. This year, we:

- › Planted indigenous plants in our sand dunes, natural areas and reserves
- › Held over 40 community education sessions, including six Green Living workshops, school and community group waste talks and plus interactive events for Clean Up Australia Day and National Tree Day
- › Held a number of coastal working bees involving our volunteers
- › Installed an additional 6 cigarette butt bins along the beach front, which are to be monitored by "Adopt a Spot" volunteers.

We have undertaken a Biodiversity Baseline study, which provides council with baseline data and recommendations on how an increase in flora and fauna biodiversity can be achieved. This study indicated that council has successfully increased its tree canopy coverage from 13.24 per cent in 2016 to 13.5 per cent in 2018.

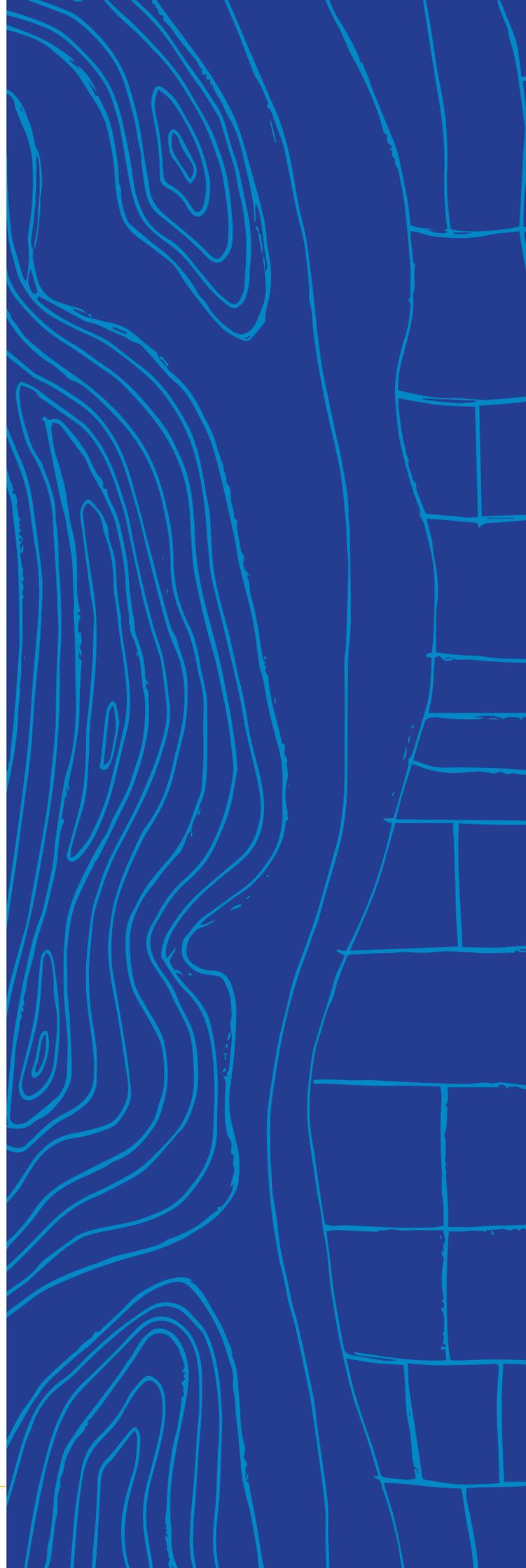
We have also reviewed and updated Pine Gully Masterplan, Barton Gully Masterplan and Gilbertson Gully Masterplan in consultation with the neighbours and friends of the gully.



Greening our community grants

This year we provided eight local community organisations with a total \$17894.22 in grant funding to support environmentally themed projects, involving biodiversity and water conservation, energy and waste reduction, renewable energy or educational programs. The recipients were:

- › Baden Pattison Kindergarten, which received \$1420 to assist with their "Living Summer Garden" irrigation project
- › Brighton Bowls Club, which received \$2917 for energy efficient hand dryers
- › Brighton Rugby Club, which received \$1482.14 for a lighting retro fit
- › Glenelg Primary School, which received \$950 for their "Environmental Learning Space" project
- › Paringa Park Primary School, which received \$5216 for their "Nude Food" and Nature Play Space projects
- › Seacliff Community Recreation Association, which received \$3993.18 for tap and light sensors and dual flush toilets
- › Seacliff Uniting Church, which received \$300 for indigenous plants
- › Glenelg District Cricket Club, which received \$1615.90 for energy saving switches.





Successful rare bird breeding in Seacliff

The first successful Hooded Plover (a small shore bird listed as vulnerable across South Australia) breeding event occurred at Seacliff last summer with a chick fledging from the site in January 2018. 3 new volunteers were recruited and trained in October 2017 and continued to monitor the birds along with our existing volunteer team until March 2018. Our Media team significantly raised the profile of Hooded Plovers not only at Seacliff but across the Fleurieu Peninsula through media and social media. NRM Coastal Conservation officer was interviewed on several occasions via radio (5AA and ABC), newspaper articles (Advertiser and Messenger), Channel 7 news and appeared in a segment on Totally Wild television program.

Resilient South Project

The Resilient South Project is a regional partnership with the Cities of Onkaparinga, Marion and Mitcham, developing adaptation strategies to strengthen the area's ability to manage the impacts of climate change.

In 2017–18 we continued to facilitate actions listed within our 2015–2018 Local Action Plan including planting street trees in identified "Urban Heat Islands", continued implementation of the region wide "Climate Ready Communities" with Red Cross, endorsement of our Gully Masterplans and launching a Green Living Subsidies program.

The Resilient South Sector agreement was renewed until 2020 at a regional Heatwave Hypothetical event in February 2018, where an audience of 200 people heard from a panel of 12 experts about how various departments and groups are preparing for extreme heatwave events in the future which could last up to three weeks with maximum temperatures around 47 degrees. The event Emceed by identity Amanda Blair was so successful that it won the 2018 Minister for Health and Wellbeing - Excellence in Public Health Award for Metropolitan Adelaide.

Compostable bags in local supermarkets pilot

The City of Holdfast Bay received a \$92,962 grant from Green Industries SA to replace plastic bags for fruit and vegetable purchases with compostable versions at Brighton Foodland and Glenelg South Romeos Foodland. Commencing in March 2018 the pilot reduces the supermarkets reliance on plastic and provides the community with another collection point for free compostable bags to be used in kitchen organic baskets. Waste audits have demonstrated a significant increase of food present in organic bins since the beginning of the pilot. In store surveys have also demonstrated an overwhelming positive support for the project. Stories about the pilot have been featured on National News outlets and council has received additional funding for the project to be extended under March 2019.

Water Sensitive Urban Design improvements

Trees and plants produce oxygen, store carbon and cool our environment while improving the appearance of our streets and public spaces. During the 2017–18 year, we:

- › Leak and Blackburn Avenue - Rain Gardens
- › Kibby Community Centre - Rain Garden
- › Dover Square Tennis Club - Rain Garden
- › Maitland Terrace - Stormwater diversion/
Flood mitigation
- › Bob Lewis Reserve - Stormwater diversion/
Flood mitigation.

Stormwater management

To improve our stormwater system's capacity and mitigate the risk of flooding, we are implementing our stormwater management plan in stages, according to priority. During 2017–18, we improved the stormwater flood management within the city considerably.

Approximately \$350,000 has been spent to investigate, design, and improve stormwater pipes and pits to reduce the flash floods at 12 locations within the City at:

- › Brighton Rd, Somerton
- › David Ave, Glenelg North
- › Short Ave, Glenelg East
- › Carnarvon Ave, Glenelg North
- › Clovelly Ave, Glenelg North
- › Corner of Pier and Mosely Streets, Glenelg
- › Alice Street, Hove
- › Highland Ave, Glenelg North
- › Moseley St, Glenelg
- › Colley Tce and Anzac, Glenelg
- › Tarlton St, Somerton Park.

We established an easement for stormwater to flow from Kauri Parade and the railway line and also installed new a pipeline.



ECONOMY

In 2017–18, we delivered many projects and services that supported our goal of delivering economic prosperity – creating a place to do business that welcomes visitors and provides value for money.

Tourism and Business Marketing Services

We work to promote and strengthen Holdfast Bay's tourism profile by developing tourism opportunities that aim to increase the number of visitors to our city; extend the length of their stay; increase the amount they spend while they are here; and encourage them to return.

The adoption of this Tourism Plan 2020 confirmed an ongoing commitment of council, industry and the community to see our city go from strength to strength as a tourism destination. The Tourism Plan 2020 provides a framework and strategic priorities for the planning, development, management and marketing of Holdfast Bay.

In 2017–18, Holdfast Bay hosted 1.335 million visitors, made up of 10,000 international overnight visitors, 191,000 domestic overnight visitors and 1.144 million day trippers.

We support our marketing strategies by hosting and running community events. This year our city hosted more than 200 events, which attracted more than 480,000 attendees. We continued to support many of these events through specialist advice, event planning, sponsorship and in-kind support. These events included the well-established Sunday Mail City Bay Fun Run; Channel 7 Brighton Jetty Classic Swim; Brighton Jetty Classic Sculptures; Bay Sports Festival; Openair Cinema; Pol Roger Beach Polo; Beach Concerts, Santos Tour Down Under Race Start and the Big Wedgie as well as the Glenelg and Brighton ANZAC Day dawn services. We also welcomed two new events; November Street

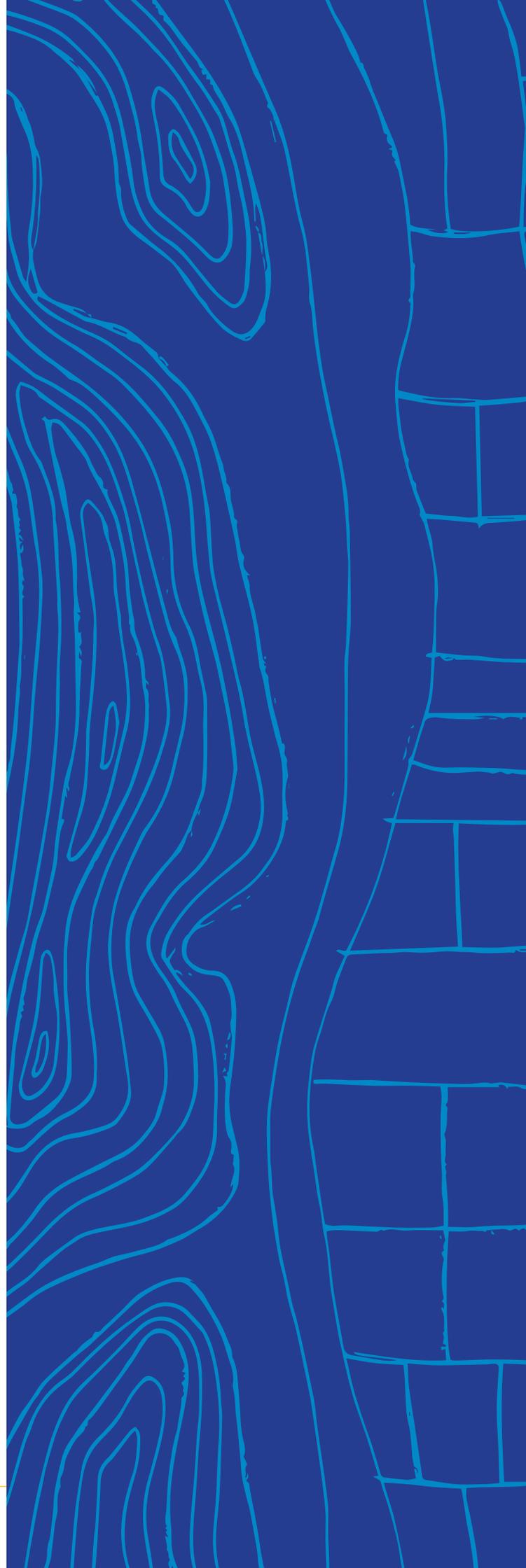
Party and the Moseley Beach Club, the Queen's Baton Relay and support for the Pacific School Games.

We also managed our own iconic events, including:

- › New Year's Eve celebrations in Glenelg, which, with support from the South Australian Government, sponsorship partners, RAA, Solo Resource Recovery and Nova 91.9, and emergency services, attracted more than 50,000 people, while our Brighton fireworks display drew a strong crowd of more than 15,000
- › The 62nd Annual Glenelg Christmas Pageant, which, with support from the Jetty Road Mainstreet Committee, involved 2,000 community participants from 80 community groups, schools and local businesses and attracted 30,000 spectators, 50 per cent of which travelled to the event from outside the precinct. The pageant achieved an estimated economic return of \$902,000
- › The Winter Wonderland Festival in Glenelg, which we ran in partnership with the Jetty Road Mainstreet Committee from 1–26 July. The event attracted more than 28,000 people to our ice rink in Moseley Square (86 per cent of which travelled to the event from outside the precinct) with an estimated economic return of \$1 million
- › The Glenelg Street Party, which attracted 32,000 attendees to Glenelg the night before our Santos Tour Down Under Race Start. Our involvement in the TDU generated 1,507 individual items of media coverage with a cumulative audience reach of 18.82 million people and a value of \$22 million



- › The official 180th South Australian Proclamation Day ceremony, which saw His Excellency Hieu Van Le, Governor of South Australia reading the Proclamation of South Australia, and included an address by the Premier of South Australia, The Hon. Jay Weatherill MP. An estimated 350 people attended the official ceremonies, followed by a community barbecue
- › Our official Australia Day citizenship and awards ceremonies, which saw 85 people from 17 different countries become Australian citizens and involved special guests, Dr Duncan McFetridge MP, State Member for Morphett; Steve Georganas MP, Federal Member for Hindmarsh; 2017 Australia Day Ambassador, Bruce Macky, former Chief Commissioner of Scouts SA; and Olympic Gold Medallist, Kyle Chalmers. We followed our official ceremonies with free, family-friendly Australia Day at the Bay activities
- › Our Beachfront Twilight Markets at Angus Neill Reserve in Seacliff, and Glenelg Sunset Markets on the Glenelg Foreshore attracted a total of 20,000 people.



Social Media

Social media and online platforms have become increasingly important communications tools for Council. In 2017–18, our:

- › Jetty Road Facebook fans increased from 19,826 to 23,283
- › Jetty Road Twitter followers increased from 5,089 to 5,260
- › Jetty Road Instagram followers increased from 3,200 to 5,000
- › City of Holdfast Bay Facebook page fans increased to 4,880
- › City of Holdfast Bay Twitter followers increased to 3,789.

Australia's first beach club arrives at Glenelg

The Moseley Beach Club was launched in January 2018 offering sun lounges and beds, each with table service. It also featured a casual dining area and bar with live acoustic music and DJs. The MBC employed 40 additional staff, sourced local produce, welcomed over 30,000 visitors, engaged local businesses, was well supported by the local community and increased patronage to surrounding retail precinct.

Tourism activations and marketing

We continued to develop an environment that assists the future viability of local businesses and creates opportunities to enhance our tourism offering.

Our visitor and business services include:

- › Planning, implementing and supporting a wide range of community events to increase visitation and length of stay within our city
- › Actively consulting and communicating with our community through our community engagement program
- › Preserving and stabilising the Holdfast History collection while developing opportunities to make it more accessible to the community
- › providing targeted tourism and marketing services aligned with community desires and needs. developing city-wide commercial and economic opportunities providing a voice for the business and property owners in the Glenelg precinct through the Jetty Road Mainstreet Committee.

Bay Discovery Centre

In 2017–18, the Bay Discovery Centre delivered a comprehensive cultural program, presenting a broad range of projects and exhibitions. The centre recorded a total of 42,942 visitors, including 64 groups who enjoyed educational tours through the museum.

Our Bay to the Battlefield project continued throughout 2017–18. A World War One commemoration project funded by the Commonwealth Government's ANZAC Centenary Local Grant Program, the project features large paste-up image installations throughout our city. Bay to the Battlefield will conclude in 2018, marking the duration of World War One.



Brighton Caravan Park

Brighton Caravan Park in Kingston Park is a community asset that provides an income to augment our ratepayer funding.

In 2016–17 we commenced the investigation and design planning phase of the park's Stage Two redevelopment; this was continue through to 2017–18. It is expected that the construction of the new administration building, replacement of older cabins and installation of various additional amenities will commence during the 2018–19 financial year.

The park recorded a total of 13,139 guests during the year.

Property and Assets

Throughout the year we continued to review our property and assets portfolio to ensure it meets our community's needs. In 2017–18 we:

- › Finalised the sale of a section of surplus road reserve at 83 Tapleys Hill Road, Glenelg North
- › Formally agreed to the sale of surplus sections of road reserve incorporating a laneway off-Marlborough Street, Brighton; adjacent the Esplanade at Brighton (corner with King Street); and adjacent 20 Seaview Avenue, Kingston Park.



PLACEMAKING

In 2017–18, we delivered a broad range of projects and services that supported our goal of enhancing city design and function, creating a place that is well planned, and providing choice and enhancing life.

Coast Park: Seacliff to Kingston Park and Minda Coast Park

The Coast Park Project is a State Government initiative which commenced in 2012. When complete, the project will provide a 70-kilometre stretch of shared use linear pathway for pedestrians and cyclists along Adelaide's metropolitan coastline.

Our share of the Coast Park boasts wide paved footpaths featuring access to our beaches, fencing, boardwalks, upgraded street lighting, shelters, benches, seating, showers and drinking fountains incorporating dog bowls. This is a significant asset for our region that enables the community and visitors to enjoy the foreshore of our popular beaches.

In May 2018, we finished building the Kingston Park section of the Coast Park. This section of coast park extends from south of the Seacliff Surf Life Saving Club to the council boundary on Burnham Road, Kingston Park.

During 2018–19 we will construct the last remaining section of Coast Park in Holdfast Bay above the Minda Dunes. This 500 metre section extends from the Somerton Surf Life Saving Club in the north, to the Gladstone Road car park in the south. This project will provide a controlled boardwalk across the over the sensitive dunes as well as significant public art and revegetation programmes. The project was made possible through \$4.3 million in funding from the State Government's Open Spaces Grant Fund and a \$1 million contribution by council.

Jetty Road Glenelg Masterplan

The implementation of our Jetty Road Glenelg Masterplan project aims to drive investment in infrastructure and improve the streetscape in one of our city's most important precincts.

Following endorsement of the Masterplan in February 2018, Council allocated funding in the 2018-19 budget for detailed design of the first three stages of the Masterplan - the Chapel Street Plaza (1) and Moseley Square Integration (2 & 3). Further funding has been committed for the first two stages of construction, contingent on matched funding from the State Government's Places for People Grant Fund.

In 2018–19, we will complete detailed designs and documentation, enabling the first three Masterplan stages to be construction ready. Jensen PLUS have been appointed to lead the project for Council and has commenced with surveys, traffic movement study and engineering investigations well underway.

Following the local government elections, we will consult with key stakeholders and those in the community directly affected by the changes proposed. Construction of the Chapel Street Plaza is also anticipated to commence in 2018-19 subject to matched funding from the State Government as indicated above.

Asset Management

We managed, maintained and developed our community's assets and infrastructure in an environmentally and financially sustainable way. This includes buildings, roads, coastal assets, stormwater assets, open space assets and general plant and equipment.

We are operating and maintaining our North Brighton and St Jude's cemeteries under contract to the Adelaide Cemeteries Authority.

Council maintained 160km of roads and 360km of footpaths and kerbing.

In addition, we:

- › Reviewed and updated our asset register, improved internal process and systems
- › Improved the condition assessment processes and systems
- › Undertaken condition Audits of over 3,000 Assets, including external Open Space Audit.



Development Services

Our development assessment, development advice and building compliance services work to recognise opportunities while protecting the character and amenity of our suburbs. This year, we processed 1,012 development applications and approved 243 new dwellings with a construction value of \$98 million.

Strategic Planning

In 2017–18, we progressed the development of several planning projects to support and promote projects that are sensitive to our city’s character and heritage, and enable better, more attractive city design. These include:

- › Continuing to research and develop our Housing Strategy to set directions for housing and growth across the city, with community consultation to take place in late 2018
- › Responding to major State Government initiatives as part of the Government’s progressive rollout of significant reforms to the State’s planning system. This included submitting feedback on the draft 30-Year Plan for Great Adelaide update and the draft state-wide design guidelines
- › Progressing the mediation process with Minda to resolve land issues at the Somerton Surf Life Saving Club in North Brighton, and allow the progression of the Coast Park project above Minda’s foreshore land
- › Conducting a car-parking audit of the Jetty Road Glenelg precinct. This comprehensive analysis of on-and-off-street parking highlighted areas of underutilised space and helped to inform the Jetty Road Masterplan process. This information will also be used to develop strategies to better direct visitors to available car-parking spaces during 2017–18 and beyond.

Shopfront Character and Heritage Grants Scheme

During 2017–18 we provided a grant scheme to support the conservation of our city’s heritage premises and the character of our retail precincts. Aimed at encouraging people who own heritage listed or retail precinct properties to invest in maintaining, restoring and preserving these properties, the grants will gradually (over a three year period) replace our previous rates rebate for heritage listed properties.

Public Safety Infrastructure

Effective street lighting and a network of strategically placed CCTV cameras improve public confidence in the safety of our public spaces. We continued to expand the coverage of our CCTV network to include the grounds at Partridge House. Street lighting was upgraded at the following locations Chappell Drive, Glenelg Foreshore south, Angus Neill, DaCosta Reserve, Brighton Jetty, and Colley Terrace adjacent to the Glenelg Community Centre.





CULTURE

In 2017–18, we progressed a number of projects to improve our service delivery and efficiency.

Achievements for 2017–18 include:

- › Progressing our multi-year Business Transformation program to provide more intuitive, innovative and efficient operations. This will make it easier for our community to access information, interact with Council and lodge documents. In 2017–18 we completed the implementation of new payment software, development application software and budgeting software, for improved efficiency and convenience
- › Continuing the responsible management our operational and capital expenditure, allowing us to reduce our debts
- › Resolving over 48,000 incoming calls via our customer service team
- › Commencing a school based trainee program, which gives the opportunity to local students to get support in gaining a qualification as well as workplace experience
- › Being selected as a finalists for a Local Government Excellence award for our work on our internal cultures and WHS branding.

Business Services

We deliver services in an accountable, transparent way that meets legislative requirements and provides the best value for money. The broad business areas delivering corporate services to support our administration include:

- › Business planning and improvement
- › Commercial and strategic services
- › Corporate communications and media management
- › Elected member and CEO support
- › Finance
- › Governance and policy
- › Information and technology services
- › People and culture
- › Procurement
- › Property management and leases
- › Rates
- › Records management
- › Risk management
- › Work health and safety.







STRATEGIC MANAGEMENT

HOW WE MEASURE OUR PERFORMANCE

We assess our financial performance against measures established in our *Long-Term Financial Plan*. As required under the *Local Government Act 1999*, we prepare a range of reports each financial year, including monthly financial statements, budget updates, four comprehensive annual budget reviews and audited financial statements.

Our Place: 2030 Strategic Plan (Our Place) was adopted in April 2017 after an extensive community engagement campaign, 'Say September'. Our Place establishes our vision for the city, defining five key outcome areas, provide objectives and strategic measures to track performance.

Our strategic measures measure our progress towards achieving community objectives and is used to improve our internal services. Information for these reports comes from a range of sources, including a comprehensive community Quality of Life Survey (2017) and Business Confidants Survey (2017).

People who participated in the surveys were asked to rate various Council services or performance out of 10 (0–5 being 'very poor to poor'; 5–7 'average to good'; 7+ 'good to very good').

STRATEGIC MEASURES



COMMUNITY

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL	RESULT
Increase resident wellbeing Using PERMA model (Positive emotion, Engagement, Relationships, Meaning, Accomplishment/Achievement)	5 per cent increase (life of plan)	Not yet available	The City of Holdfast Bay has been working in partnership with SAHMRI and the cities of Onkaparinga, Marion and Mitcham to deliver workshops to the community residing in the southern suburbs of Adelaide, and participated in workshops during 2017–18, with approximately 50 participants. The SAHMRI Wellbeing and Resilience Centre will aggregate the data for the pre and post workshop surveys (the official measure of wellbeing) once participant rates have reached 100 or more, therefore a measure is not yet available. More workshops will be undertaken during 2018-19 to secure enough participants for reporting. Measure not yet available - to be reported at a later date	Not yet available
Deliver wellbeing and resilience workshops Number of workshops undertaken annually	≥2 workshops (p/a)	N/A	3 workshops undertaken in 2017–18 Achieved for 2017–18	✓
Achieve a high level of community satisfaction with playgrounds and open space Quality of Life Survey Results	≥7 (each measure)	N/A	8.4 out of 10 Achieved for 2017–18	✓
Complete new sporting and community hubs Completion of sporting and community hub Projects	2 (life of plan)	N/A	The Brighton Oval was progressed with the Business case and prudential report both completed and endorsed by Council. Funding secured through SANFL and State Government (\$2 million) to contribute to Council's \$6 million investment to the project. Regarding the Glenelg Oval, preliminary concept plans were completed for Stage 1 of the project. Applications were submitted, but were unsuccessful, for State Government funding, with further applications reapplied for funding from both the State and Australian Government. Progressing - trend on track	✓
Attract new community initiatives through our Community Donations Program Number of new community initiatives	3 (p/a)	N/A	7 applications from groups/individuals who had not previously been funded through the program Achieved for 2017–18	✓

STRATEGIC MEASURES (continued)

<p>Achieve a high level of community satisfaction with the range and quality of services and programs</p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	8.1 out of 10 Achieved for 2017–18	
<p>Increase community engagement with culture and heritage and Aboriginal cultural programs through participation in events and activities</p> <p>Number of participants</p>	200 (p/a)	N/A	Approximately 800 participants across a number of events and activities, including: Kaurna cultural workshops, school holiday activities and the cultural walking tours held by Kaurna Elders during National Reconciliation Week. Achieved for 2017–18	
<p>Increase the number of people accessing our community centres and libraries</p> <p>Number of people accessing facilities</p>	5 per cent increase (p/a)	368,100	The Glenelg and Brighton libraries attracted 195,512 visitors in total. This is a 7 per cent decrease from the previous financial year. We are currently working with community centres to establish measuring tools to support ongoing patronage monitoring/measuring. Baseline only	
<p>Achieve a high level of community satisfaction with community facilities including libraries, services and programs</p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	8.2 out of 10 Achieved for 2017–18	
<p>Increase the number of volunteering opportunities</p> <p>Number of volunteering opportunities</p>	5 per cent increase (p/a)	506	481 volunteers were involved in 537 volunteering opportunities with some volunteers filling more than one role. This represents a 6.1 per cent increase in volunteering opportunities from the previous year. Achieved for 2017–18	
<p>Increase our “YourView” (online engagement site) subscription</p> <p>Number of people subscribed</p>	10 per cent sample of population (life of plan)	1788 (4.9 per cent sample of population)	The increase in YourView subscriptions was 4918. This was an increase of 275 per cent from the previous financial year. This was due to the new inclusion of 4,709 businesses added to the system in early 2018. For community members, there was an increase of 209 subscribers, which is an increase of 11.7 per cent. This has increased the sample size to 5.4 per cent of the population of Holdfast Bay. Progressing - trend on track	
<p>Increase awareness of volunteering opportunities within our city</p>	Develop successful partnerships with a range of groups/industries (life of plan)		We undertake works with a range of groups to increase awareness of volunteering opportunities. In 2017–18 we worked with 6 local schools, community centres in Holdfast Bay, Flinders University and volunteering organisations to progress this. Progressing - trend on track	

STRATEGIC MEASURES (continued)



ENVIRONMENT

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL	RESULT
<p>Increase native flora (species and population) in natural areas</p> <p>Types of species (flora) and density score using 'Bush Rat' assessment tool</p>	10 per cent increase (life of plan)	12.8	<p>We established a baseline for this measure of 12.8 (overall biodiversity Score). This score can be broken down into the following areas:</p> <p>Coastal Biodiversity – Average 15.63 Nature Reserve Biodiversity – Good 23.39 Parks and Ovals Biodiversity – Poor 9.77 Baseline only</p>	⚠
<p>Increase native fauna habitats in natural areas</p> <p>Type of species (flora) and density score using 'Bush Rat' assessment tool</p>	10 per cent increase (life of plan)	12.8	<p>An indicator of native fauna habitats is the measurement of native flora. The baseline of the native flora measure can also be used for this measure - baseline of 12.8.</p> <p>Baseline only</p>	⚠
<p>Increase tree canopy within our city</p> <p>Per cent of tree canopy cover increase</p>	10 per cent increase (life of plan)	11.6 per cent	<p>Canopy coverage was measured to be 13.5 per cent (baseline 11.6 per cent). This is a 1.9 per cent increase.</p> <p>Progressing - trend on track</p>	✅
<p>Maintain our dune systems and increase recreational beach widths</p> <p>Recreational beach width (based on land survey and aerial photography)</p>	10 per cent increase (life of plan)	Not yet available	<p>Works are being undertaken to increase recreational beach width, including conservation works and sand replenishment program. A baseline has yet to be established for this measure. Efforts are being made in conjunction with the Coastal Protection Board to establish this.</p> <p>Measure not yet available - to be reported at a later date</p>	Not yet available
<p>Reduce heat island areas within our city</p> <p>Surface temperature (thermal imaging or equivalent) across the city</p>	10 per cent increase (life of plan)	Not yet available	<p>Works are being undertaken to reduce heat island areas, including strategically located tree planting. A baseline has yet to be established.</p> <p>Measure not yet available - to be reported at a later date</p>	Not yet available
<p>Reduce flash flooding within our city during rain events less than 20mm</p> <p>Registered events of flash floods</p>	0 flash floods less than 20mm (life of plan)	59 events	<p>Flash flooding events were recorded at 17 locations. This is a reduction of 42 events (from baseline of 59 events). In 2017–18 we undertook a range of works to establish water sensitive urban developments and rain gardens in several locations, and reduce the flash floods at 12 locations within the City.</p> <p>Progressing - trend on track</p>	✅

STRATEGIC MEASURES (continued)

<p>Decrease Council's greenhouse emissions</p> <p>Carbon footprint assessment (only fuel and electricity usage at this time)</p>	12 per cent reduction (life of plan)	<p>Fuel – 146,678L</p> <p>Electricity – 1,526,084kWh</p>	<p>0.23 per cent increase in Council's carbon emissions (fleet fuel and electricity usage measured only at this time)</p> <p>Progressing - trend off track</p>	
<p>Increase waste diverted from landfill</p> <p>Tonnage diverted from landfill</p>	10 per cent increase (life of plan)	8274.6 tonnes	<p>8001.73 tonnes were sent to landfill (baseline 8274.6). This is a 3.3per cent increase in waste diverted from landfill.</p> <p>Progressing - trend on track</p>	
<p>Reduce stormwater discharge</p> <p>Stormwater discharge to sea (M/L)</p>	30 per cent reduction (life of plan)	2108 ML (p/a)	<p>A baseline has been captured of 2108 ML of stormwater discharge per annum. A reduction of 632.4 ML is required to meet the target. It is anticipated this will be achieved through the implementation of our Stormwater Management Plan and other related strategies (i.e. Water Sensitive Urban Design strategy)</p> <p>Baseline only</p>	
<p>Increase number of environmental volunteering opportunities</p> <p>Number of volunteering opportunities</p>	50 per cent increase (life of plan)	16	<p>Environmental volunteering opportunities were available. This is a 100 per cent increase compared to environmental volunteer opportunities in 2016–17.</p> <p>Progressing - trend on track</p>	

STRATEGIC MEASURES (continued)



ECONOMY

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL	RESULT
Increase business satisfaction in Council's support for business Business Confidence Survey Results	≥7 (each measure)	N/A	5.24 out of 10 Not achieved for 2017–18	⊗
Increase business satisfaction in doing business with Council Business Confidence Survey Results	≥7 (each measure)	N/A	7.34 out of 10 Achieved for 2017–18	⊙
Develop and commence implementation of a Digital Economy Strategy Endorsement of Strategy	Endorsement (by 1 July 2017)	N/A	A Digital Economy Strategy has been incorporated into the Economic Activation Plan 2018-2023, and was endorsed in July 2018. Completed (delayed)	⊙
Increase percentage of properties able to connect to high-speed internet	100 per cent increase (life of plan)	0	Approximately 7 per cent of properties were able to be connected to high-speed internet as of 30 June 2018. Progressing - trend on track	⊙
Increase the number of visitors to Holdfast Bay Number of visitors	15 per cent increase (by 2022)	1,295,000 visitors	1,335,000 visitors came to Holdfast Bay (base line 1,295,000). This is a 3.1 per cent increase in visitors. Progressing - trend on track	⊙

STRATEGIC MEASURES (continued)



PLACEMAKING

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL	RESULT
<p>Achieve a high level of community satisfaction with the quality and feel of our major main street precincts</p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	8 out of 10 Achieved for 2017–18	✓
<p>Achieve a high level of community satisfaction with walkability and access to local shops, services, public transport and open space</p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	8.5 out of 10 Achieved for 2017–18	✓
<p>Increase the number of people travelling to local destinations via active travel options</p>	20 per cent increase (life of plan)		Data not available at time of report. A baseline for this measure is yet to be established. Council is currently undertaking an Integrated Transport Strategy. During this project, options for measuring active travel data will be researched and considered for action during 2018/19. Measure not yet available	Not yet available
<p>Achieve a high level of community satisfaction with the design of new buildings and their contribution to local character</p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	7.1 out of 10 Achieved for 2017–18	✓
<p>Increase the proportion of non-detached dwelling types (the 'missing middle') in our city</p>	10per cent increase (life of plan)	43.3per cent	Result, based on trend data, shows a negligible (0.07 per cent) increase to be steady at 43.3 per cent (2016 baseline). Based on this trend data, we are on track to record a 1 per cent increase to the proportion of our missing middle housing to 2030. The potential recommendations as part of a housing strategy will be vital in exploring this data further and recommending development policy changes to accelerate the trend. Progressing - trend at risk	!

STRATEGIC MEASURES (continued)



CULTURE

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL	RESULT
Achieve a high level of community satisfaction with Council's services Quality of Life Survey Results	≥7 (each measure)	N/A	7.2 out of 10 Achieved for 2017–18	✓
Increase number of customer services available through a digital platform in additional to other service channels	100per cent of customer services (life of plan)	N/A	87per cent project/programs completed during the 2017–18 financial year Not achieved for 2017–18	✓
Achieve delivery on Annual Business Plan Completion of projects and programs outlined in the Annual Business Plan	100per cent delivery (p/a)	N/A	87per cent project/programs completed during the 2017–18 financial year Not achieved for 2017–18	✗
Achieve a high level of satisfaction with our Culture Brand Organisational Culture Survey Results	90per cent (each measure)	N/A	89.5per cent satisfaction rating Nearly achieved for 2017–18	!
Achieve a high score in our annual leadership survey Organisational Leadership Survey Results	≥8 (each measure)	N/A	6.8 out of 10 Not achieved for 2017–18	✗
Achieve annual financial targets Performance of annual financial targets	100per cent achievement (p/a)	N/A	80per cent (4 of 5) of financial targets achieved <ul style="list-style-type: none"> › Operating Result Target: >0 - Actual: \$2.5m surplus › Operating Ratio - Target >0per cent - Actual: 5per cent › Net Financial Liabilities Ratio: Target ≤ 75per cent - Actual: 35per cent › Interest Cover Ratio: Target ≤ 5per cent - Actual: 1.3per cent › Asset Sustainability Ratio: Target 90per cent - 110per cent - Actual: 57per cent Nearly achieved for 2017–18	!

STRATEGIC MEASURES (continued)

<p>Achieve high level of community satisfaction with Council's provision of good financial management and value for the rate dollar</p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	7.4 out of 10 Achieved for 2017–18	
<p>Reduce reliance on rate revenue</p> <p>Percentage of total revenue</p>	<70 per cent (life of plan)	2016/17 – 71 per cent (excluding separate rates)	The percentage of total operating revenue coming from rates was 70.3 per cent (excluding separate rates). This is a decrease of 0.7 per cent from the previous financial year Progressing - trend on track	
<p>Achieve recognition in operating efficiency: target – benchmarked as top 5 metropolitan councils</p>	benchmark as top 5 (life of plan)	Not yet available	As of the 2017–18 financial year, we are participating in a Local Government industry benchmarking program measuring and comparing across a wide variety of areas. At the time of printing these results are not available. Measure not yet available - to be reported at a later date	Not yet available
<p>Achieve high level of community satisfaction on Council's performance</p> <p>Quality of Life Survey Results</p>	≥7 (each measure)	N/A	7.1 out of 10 Achieved for 2017–18	
<p>Achieve recognition for work undertaken across our organisation</p> <p>Number of awards received</p>	3 awards of excellence (p/a)	N/A	1 award won (WHS best practice award) 1 award finalist (culture, leadership and WHS brand) Not achieved for 2017–18	





ANNUAL PERFORMANCE: COMPLETED PROGRAMS

Each year we prepare an Annual Business Plan that determines the programs, projects and outcomes that support our city's strategic vision of maintaining a socially, environmentally and financially sustainable future for our community.

We completed approximately 87 per cent of programs and projects identified in the *2017–18 Annual Business Plan*, including:

- › Completing the Tarlton Street stormwater project
- › Holding the Queens Baton Relay event
- › Converting the damaged HY Sparks Grandstand at the Glenelg Oval to a grassed mound
- › Completing the Kingston Park section of Coast Park
- › Installing five rain gauges for data collection
- › Launching the business start-up support scheme
- › Progressing our Business Transformation program, installing financial management, and corporate planning and reporting software.

The remaining 13 per cent of projects identified in the 2017–18 Annual Business Plan are either underway, staged over several years, not pursued or delayed because of circumstances beyond our control. These include:

- › **Glenelg Oval Masterplan – Stage 1**
Delays to this project have come as a result of unsuccessful funding applications to the State Government funding. Additional funding applications have since been submitted to both the State Government and the Commonwealth Government
- › **Alf Smedley Reserve and Mel Baker Reserve Play Equipment**
Delays were faced during this project as a result of time overruns in the supply and delivery of equipment
- › **Kingston Park Coastal Reserve Masterplan Detailed Design**
This project was delayed as we were unable to gain State Government funding, on two occasions, to progress detailed designs for the Masterplan. Following the completion of the Seacliff to Kingston Park Coast Park project in May 2018, the detailed designs were placed on hold.

PROJECTIONS AND PLANS

Our projections and plans for the next financial year are outlined in our 2018-19 Annual Business Plan. Some of the strategic activities to be undertaken as part of the 2018-19 Annual Business Plan include:

- › Commencing the construction of the Minda Dunes section of Coast Park. The Minda Dunes section runs across the secondary dunes of the Minda site at North Brighton and extends from the Somerton Surf Life Saving club to the Gladstone Road car park. This section is the final section of our City's Coast Park walkway
- › Commencing the construction of the Brighton Oval Sports Complex Masterplan. In 2018–19 we will undertake stage 1 of the Masterplan which includes three new buildings for the tenant clubs to use, including additional unisex change rooms, additional public amenities (accessible public toilets) and enhanced spectator facilities, meeting the needs of the clubs into the future
- › Undertaking the construction of stage 1 of the Glenelg Oval Sporting Masterplan. Stage 1 focuses on the Holdfast Tennis Club, located on Williams Avenue, Glenelg East, which includes the demolition and development of the clubroom on site, installation of new lighting and fencing around eight tennis courts. The scope of the project is subject to successfully securing external funding
- › Continuing to improve our stormwater systems across the city as part of our Stormwater Management Plan, to reduce the risk of flooding in our city. As part of our capital program we will undertake renewal works in Glenelg East and pits at a number of sites across the City. In addition, we will undertake important stormwater works at key sites in Somerton Park, Brighton and North Brighton. This work is subject to obtaining external match funding from the Government of South Australia's Department of Environment, Water and Natural Resources' Stormwater Management Authority
- › Beginning important repair work on the Glenelg Town Hall. In 2017–18 we engaged specialised heritage architects to undertake an assessment of the Glenelg Town Hall. The results of this assessment has identified a range of restoration works required to be undertaken to this important, historic State Heritage listed building over a number of years
- › Progressing the implementation of the Jetty Road Glenelg and Environs Masterplan. In 2018–19 we will undertake detailed designs and commence construction on aspects of the Masterplan. Detailed designs will be developed for the Chapel Street section, which will transform this area into a new civic plaza and Coast stages 1 & 2, which includes the public open space along Colley Terrace from Hope Street to Jetty Road, as well as the entrances of both Durham Road and Moseley Street. Further to detailed design, we will commence the construction of the Chapel Street section and Coast stage 1 (corner of Colley Terrace and Jetty Road). The construction will be a two year project and is subject to successfully receiving external funding.

COUNCIL OF THE CITY OF HOLDFAST BAY

COMPOSITION OF COUNCIL

Our Council consists of the principal member (Mayor) and 12 councillors. Our city is made up of four wards, each electing three councillors, with the Mayor elected by the whole city. Elections are held every four years, with the next election scheduled for November 2018. During 2017–18 the Council met 23 times and one special meeting was held on 30 January 2018.

On 21 March 2018, Mayor Patterson resigned from Council after a leave of absence since January 2018, creating a casual vacancy for the office of Mayor, however given there is a periodic election scheduled for November 2018, the provisions of section 54(8) of the *Local Government Act 1999* apply, and allow for a member chosen by the council to act in the office of mayor until the conclusion of the coming election.

On 27 March 2018, Council resolved to appoint Deputy Mayor, Councillor Wilson to the position of Acting Mayor for the period 28 March 2018 until the end of the current Council term.

Elected Members



**Mayor
(To 21 March 2018)**

Stephen Patterson



**Acting Mayor
(From 28 March 2018)**

Amanda Wilson

Elected Members – Seacliff Ward



Susan Lonie



Annette Bradshaw



Lynda Yates



Elected Members –
Brighton Ward



Rosemary Clancy



Karen Donaldson



Robert Snewin

Elected Members –
Somerton Ward



Mikki Bouchee



John Smedley



Amanda Wilson
(to 27 March 2018)

Elected Members –
Glenelg Ward



Samuel Charlick



Rosie Aust



Bob Patton

ELECTED MEMBER ATTENDANCE AT COUNCIL MEETINGS

Number of Council Meetings attended from
1 July 2017 to 30 June 2018

Number of Meetings held	General Council	22
	Special Council	1
	Total	23¹

Elected Members

Mayor

Stephen Patterson	To 21 March 2018	11
-------------------	-------------------------	-----------

Acting Mayor

Amanda Wilson ²	Acting Mayor from 28 March 2018	7
----------------------------	--	----------

Brighton Ward

Rosemary Clancy		23
Karen Donaldson		20
Bob Snewin		21

Glenelg Ward

Bob Patton		22
Rosie Aust		21
Sam Charlick		18

Seacliff Ward

Lynda Yates		20
Susan Lonie	Deputy Mayor from 1 July 2017	20
Annette Bradshaw	Deputy Mayor from 28 March 2018	22

Somerton Ward

Mikki Bouchee		20
John Smedley		21
Amanda Wilson	Deputy Mayor from 23 January 2018	16

¹ One General Council meeting was held in December 2017 and January 2018, and one Special Council Meeting was held in January 2018.

² Her Worship the Acting Mayor, Amanda Wilson has total meeting attendance of 23 meetings. This is a combination of her role as Ward Councillor and Acting Mayor.

ALLOWANCES

In 2017–18, in accordance with the Remuneration Tribunal Decision 7 of 2014, our elected members received the following allowances:

- › Mayor/Acting Mayor \$58,566*
- › Deputy Mayor \$24,486
- › Councillors \$19,330
- › Presiding Member of the Audit Committee \$24,136.

*Note: No Mayoral allowance was paid for the period January to 28 March 2018 due to Mayoral vacancy.

Each elected member receives an IT allowance of \$1,042 and the Mayor and Acting Mayor received a total vehicle allowance of \$398.

Each independent member of the Audit Committee received \$400 per meeting (July – October) and \$417 per meeting (November – June).

The Presiding Member of the Development Assessment Panel (known as Council Assessment Panel as of September 2017) received \$500 per meeting (July – October) and \$522 per meeting (November – June) and other panel members received \$400 per meeting (July- October) and \$417 per meeting (November – June).

The Chairman of the Alwyndor Aged Care Management Committee received an honorarium of \$350 per meeting (July – September) and \$500 per meeting (October – June). Independent members received \$250 per meeting (July – September) and \$400 per meeting (October – June). As an employee of Council, Ms Aukett was not remunerated as a member of the committee during the 2017–18 Financial Year.

TRAINING AND DEVELOPMENT

To assist elected members in undertaking their functions and duties, we provide an annual budget allocation to fund training and development activities, such as information sessions, briefings, workshops, skills development and external training opportunities.



TRAINING AND DEVELOPMENT EXPENDITURE FOR 2017–18

All Council Members

Elected Member Code of Conduct Training **\$2,500.00**

Caretaker Training **\$1,500.00**

Acting Mayor Wilson

Legal Training - Training for Acting Mayor **\$1,980**

Councillor Lonie

LGA SA Conference and AGM **\$200.00**

Councillor Yates

2017 Murray Darling Association Conference **\$587.43**

Councillor Bouchee

LGA Council Next practice Showcase and LGAOGM **\$190.00**

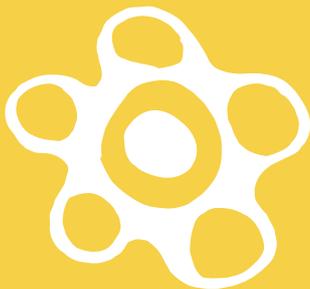
Councillor Aust

LGA Council Next practice Showcase and LGAOGM **\$350.00**

DECISION-MAKING STRUCTURE

PROVISIONS FOR MEETING PROCEDURES

All Council and committee meetings are conducted in accordance with the *Local Government Act (Procedures at Meetings) Regulations 2013*. The *Local Government Act 1999* is the primary legislation for the operation of Local Government in South Australia and its provisions are supported by *Local Government (General) Regulations 2013*. Meetings for the Development Assessment Panel (known as the Council Assessment Panel as of September 2017) are convened under the *Development Act 1993*.



COMMITTEES

Throughout 2017–18 our Council met twice a month (on the second and fourth Tuesdays of the month). One General Council meeting was held in December 2017 and January 2018, and one Special Council Meeting was held in January 2018.

Council was supported by a number of committees. These are:

1. One management committee:

- › Alwyndor Management Committee.

2. Two statutory committees:

- › Audit Committee
- › Strategic Planning and Development Policy Committee.

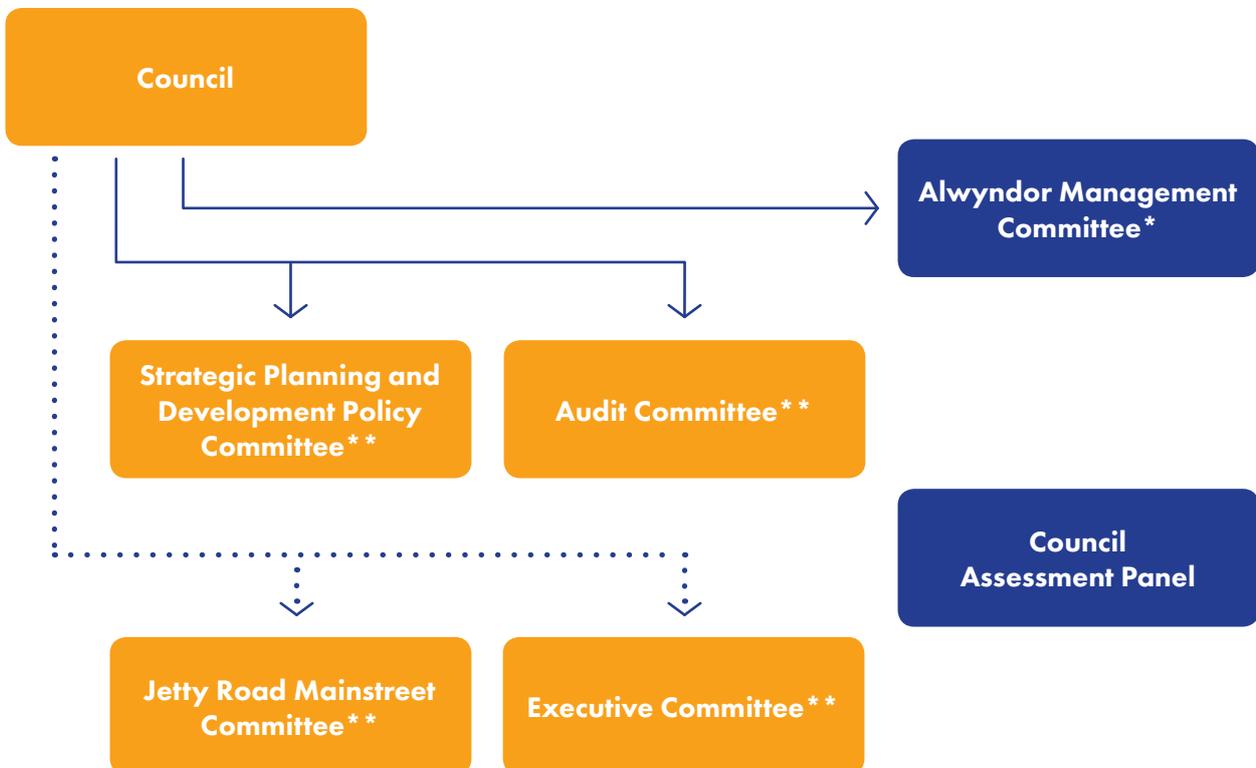
3. Two advisory committees:

- › Jetty Road Mainstreet Committee
- › Executive Committee.

The Development Assessment Panel (known as the Council Assessment Panel as of September 2017) met on the fourth Wednesday of the month as required.

All meetings were open to the public, with notices of meetings, agendas, reports and minutes available at holdfast.sa.gov.au

Council’s current committee structure is shown below:



* delegated authority from Council to make decisions within budget and terms of reference.

** advisory only, with no delegations.

DELEGATIONS

In accordance with Sections 44 and 101 of the *Local Government Act 1999*, our Council delegates relevant powers and duties to the Chief Executive Officer, who may sub-delegate to individual officers or committees. Council also delegates powers to the Alwyndor Management Committee to make decisions within the Committee's terms of reference. Delegations and individual sub-delegations are reflected in the Delegations Schedule and are reviewed every financial year.

STRATEGIC PLANNING AND DEVELOPMENT POLICY COMMITTEE

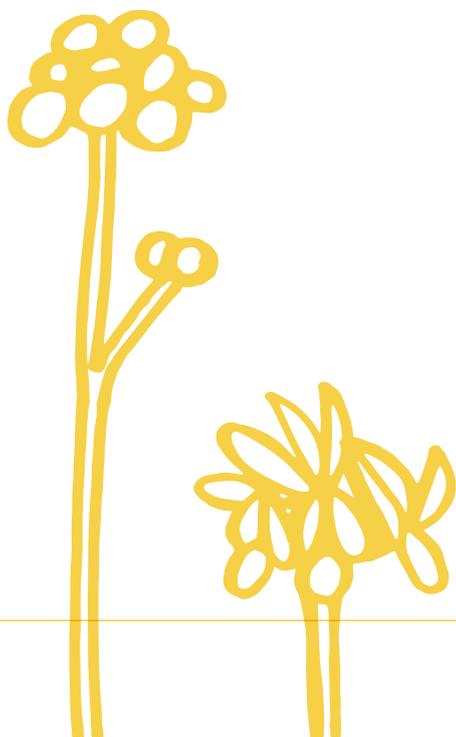
The Strategic Planning and Development Policy Committee is formed under Section 41 of the *Local Government Act 1999* and is a requirement of the *Development Act 1993*. The Committee provides advice to Council on strategic planning and development policy issues. The Committee comprises all members of Council and convenes as required.

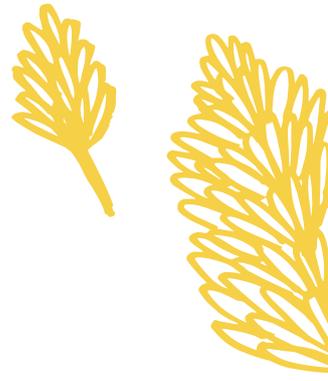
AUDIT COMMITTEE

The Audit Committee operates under Section 126 of the *Local Government Act 1999* and oversees our risk management and internal control frameworks. The Committee reports to the Council on a regular basis to confirm that these frameworks are in place and operating effectively, and to review our annual financial statements, Annual Business Plan and Long-Term Financial Plan.

In 2017–18, the Committee comprised three independent members who each received an allowance of \$400 per meeting (July–October) and \$417 per meeting (November–June), plus two elected members, as follows:

- › Councillor John Smedley, Chair
- › Councillor Sam Charlick
- › Mr John Wood
- › Mr Sam Spadavecchia
- › Mr Sean Tu.





ALWYNDOR MANAGEMENT COMMITTEE

The Alwyndor Management Committee oversees the management of the Alwyndor Aged Care Facility, which provides a range of care and accommodation options for elderly people. The 2017–18 committee consisted of two elected members and eight independent members, as follows:

- › Mr Darryl Royans, Chair
- › Mr Ian Pratt
- › Councillor Susan Lonie
- › Dr Ollie Peters
- › Ms Leah Wills
- › Councillor Rosie Aust
- › Mr Todd Bamford
- › Ms Julie Bonnici
- › Ms Julia Cudsi
- › Ms Trish Aukett (from September 2017).

The Chairman of the Alwyndor Aged Care Management Committee received an honorarium of \$350 per meeting (July – September) and \$500 per meeting (October – June). Independent members received \$250 each, per meeting (July – September) and \$400 per meeting (October – June). As an employee of Council, Ms Aukett was not remunerated as a member of the committee during the 2017–18 Financial Year.

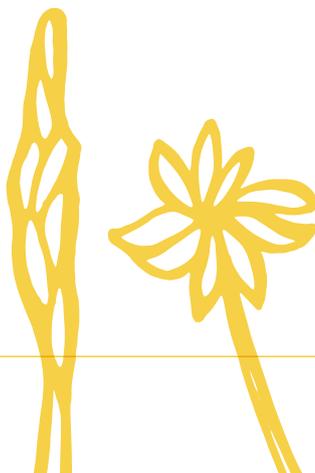
JETTY ROAD MAINSTREET COMMITTEE

The Jetty Road Mainstreet Committee is funded through the collection of a separate rate to assist Council to enhance and promote Glenelg's Jetty Road as a vibrant shopping, leisure and recreational precinct.

The 2017–18 committee comprised two elected members and eight independent members who represent traders in the precinct, with no allowances paid.

The Committee comprised:

- › Chairman – Mr Mark Faulkner
- › Ms Eve Leenearts
- › Mr Tony Beatrice
- › Mr Andoni Fotopolous
- › Mr Con Maios
- › Mr Rocco Caruso
- › Mr A Haywood, (to September 2017)
- › Mr Simon Robinson
- › Mr Angus Warren
- › Ms Elise Fassina (from December 2017)
- › Councillor Susan Lonie (to December 2017)
- › Councillor Amanda Wilson (to April 2018)
- › Councillor Sam Charlick (from August 2017)
- › Councillor Annette Bradshaw (from April 2018).





DEVELOPMENT ASSESSMENT PANEL

The Development Assessment Panel (DAP) is an autonomous authority that considers development applications and makes development decisions. It was established in accordance with the *Development Act 1993* and has delegated powers that are administered in accordance with the Act's statutory requirements. It consists of three elected members who are appointed by the Council and four independent members. In September 2017, through changes in legislation, DAP was changed to the Council Assessment Panel (CAP). CAP has the same delegated powers as DAP, and consists of one elected member who is appointed by the Council and four independent members. The Presiding Member received \$500 per meeting (July – October) and \$522 per meeting (November – June) and other panel members received \$400 per meeting (July-October) and \$417 per meeting (November – June). In 2017–18 the panel comprised of:

- › Ms Jenny Newman, Presiding Member
 - › Ms Alison Vine
 - › Mr Graham Goss
 - › Mr David Bailey
 - › Councillor Rosemary Clancy
 - › Councillor Bob Patton (to September 2017)
 - › Councillor Lynda Yates (to September 2017).
- 

ORGANISATIONAL STRUCTURE

As at 30 June 2017 our organisation structure was:



Justin Lynch
CHIEF EXECUTIVE
OFFICER



Rick Kluge
GENERAL
MANAGER
ALWYNDOR



Brett Capes
CHIEF PEOPLE &
CULTURE OFFICER



**Nadia
Andjelkovic**
CHIEF FINANCIAL
OFFICER



Travis Hill
CHIEF OPERATING
OFFICER



Susan Wirth
RESIDENTIAL
SERVICES
MANAGER



Simon Drew
HEALTHY LIVING
SERVICES
MANAGER



Narelle Jeffery
HOME SUPPORT
SERVICES
MANAGER



Steve Hodge
GENERAL
MANAGER CITY
ASSETS AND
SERVICES*



Rajiv Mouveri
MANAGER
ASSETS &
FACILITIES



Ken O'Neill
MANAGER
REGULATORY
SERVICES



Ross Whitfield
MANAGER
FIELD SERVICES
(ACTING)



**Anthony
Marroncelli**
MANAGER
DEVELOPMENT
SERVICES



Trish Aukett
GENERAL MANAGER
COMMUNITY
SERVICES



Marnie Lock
MANAGER CITY
ACTIVATION



Matthew Rechner
MANAGER ACTIVE
COMMUNITIES



Monica DuPlessis
MANAGER
COMMUNITY
WELLBEING



David Lambert
MANAGER
LIBRARY SERVICES



**Jo Miller-
Robinson**
MANAGER
CUSTOMER
SERVICES



Roberto Bria
GENERAL
MANAGER
BUSINESS
SERVICES



John Newton
MANAGER
FINANCE



**Sharon
Somerville**
MANAGER
PEOPLE &
CULTURE



Pamela Jackson
MANAGER
COMMERCIAL
& STRATEGIC
SERVICES

* Howard Lacy commenced in April 2018 as General Manager City Assets and Services (Elect) to replace Steve Hodge as General Manager City Assets in July 2018



**CORPORATION
OF THE CITY OF
HOLDFAST BAY**



OUR VALUES

Our ARISE values are the way we achieve our vision.

Achievement

We will meet the needs of our community today and in the future.

Respect

We appreciate the ideas and values of others.

Innovation

We constantly seek new and better ways.

Simplicity

We are honest, open and direct.

Engagement

We communicate and collaborate with all stakeholders.

SENIOR LEADERSHIP TEAM

Council is supported in its decision making by the Senior Leadership Team, which comprises:

- › Chief Executive Officer, Mr Justin Lynch
- › General Manager Alwyndor Aged Care, Mr Rick Kluge
- › General Manager City Assets and Services, Mr Steve Hodge
- › General Manager City Assets and Services (Elect), Mr Howard Lacy (from April 2018)
- › General Manager Community Services, Ms Trish Aukett
- › General Manager Business Services, Mr Roberto Bria.

Senior executive salary packages include the following benefits:

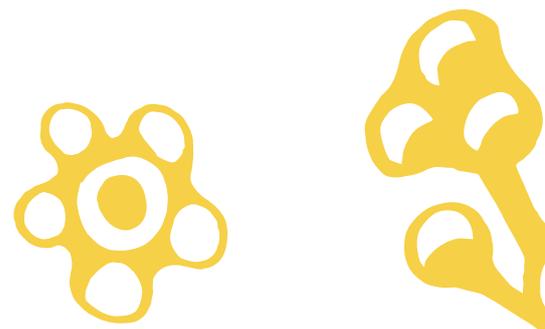
- › Competitive salary
- › Fully maintained vehicle or novated vehicle lease
- › Employer-sponsored superannuation contributions.

REMUNERATION PROFILE

As at 30 June 2018 we employed 311 females and 125 males, including part-time and casual staff.

Total remuneration (excluding superannuation)	Male	Female
< \$25,000	7	50
\$25,000 - \$35,000	2	48
\$35,001 - \$45,000	8	45
\$45,001 - \$55,000	8	55
\$55,001 - \$65,000	7	26
\$65,001 - \$75,000	41	32
\$75,001 - \$85,000	11	20
\$85,001 - \$95,000	18	22
\$95,001 - \$105,000	6	6
\$105,001 - \$115,000	6	3
\$115,001 - \$125,000	4	0
\$125,001 - \$150,000	3	3
>\$150,000	4	1
	125	311

Note: This table includes totals for Alwyndor.





FLEXIBLE WORKING ARRANGEMENTS

Flexible working arrangements have been accommodated where possible to enable the retention of employees. These have included flexible hours of work and working part-time for employees who:

- › Are returning from parental leave
- › Are transitioning to retirement
- › Have caring responsibilities
- › Have disabilities
- › Are undertaking study.

Voluntary employee turnover was 10.3 per cent for Council’s municipal operations and 24.2 per cent for the Alwyndor Aged Care Facility.

TRAINING AND DEVELOPMENT

Approximately \$150,075 was spent on developing workforce skills to meet current and future needs, and this included mandatory training to meet legislative requirements such as work health and safety as well as governance obligations. Work continues to be undertaken to build leadership capabilities across Council, included targeted programs for emerging leaders to assist with succession planning.

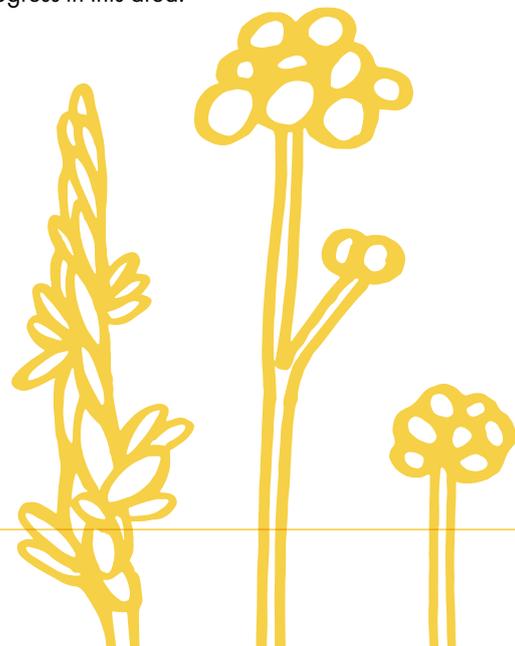
Regular measurements are undertaken to ensure progress in this area.

WORK HEALTH AND SAFETY

Incident reports received	111
Hazard reports received	12
Injuries reported	66

Note: This table includes totals for Alwyndor.

The Local Government Association Workers Compensation Scheme (LGAWCS) provides the City of Holdfast Bay with a fully integrated Claims, Return to Work and Work Health Safety Service. Claims are determined and coordinated by LGAWCS as our Insurer.



TRANSPARENCY



COMMUNITY ENGAGEMENT

We regularly source community views about local issues, plans, events and activities through our online hub (yourviewholdfast.com), customer service points and our regular Quality of Life Survey. This input helps to form Council's decisions and ensures that services are tailored to best meet local requirements. The International Association of Public Participation (IAP2) spectrum provides the framework for our community engagement.

COMMUNICATIONS AND MEDIA ACTIVITIES

In the interest of providing our services in a transparent manner, we aim to address all media enquiries promptly and honestly. This year, in addition to proactive media advice supplied to journalists and editors, hundreds of written media responses were provided by email, most of which included between two and five separate questions. This does not include media enquiries handled directly by the Mayor, elected members and the CEO.

COMMUNITY LAND MANAGEMENT PLANS

Community land management plans identify the purpose and objectives of land held for community use and operate in accordance with Section 196 of the *Local Government Act 1999*.

In the 2017–18 financial year we sold a property classed as 'Closed Road' located at Tapleys Hill Road (corner Tapleys Hill Road and Carnarvon Avenue), Glenelg North.

REGISTERS AND CODES

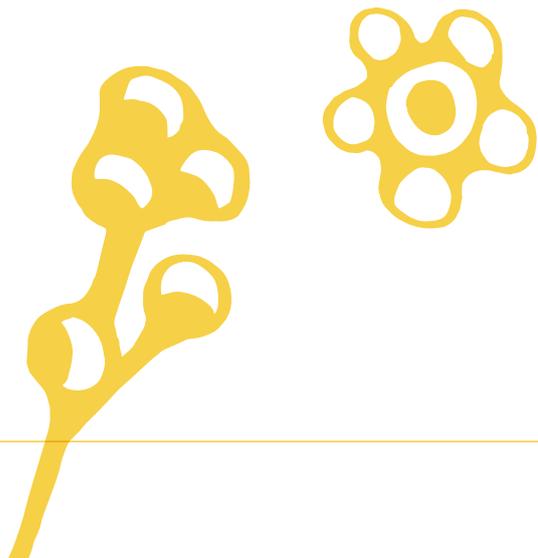
The following documents are available to the public:

Registers

- › Register of Interests (Elected Members)
- › Register of Allowances and Benefits
- › Register of Remuneration, Salaries and Benefits
- › Register of Interests (Staff)
- › Register of Community Land
- › Register of Public Roads
- › Register of By-Laws
- › Register of Conflict of Interest
- › Register of Fees and Charges.

Codes

- › Code of Conduct (Member of Council)
- › Code of Practice for Access to Meetings/Documents
- › Code of Conduct (Staff)
- › Code of Practice - Meeting Practice.





INTERNAL REVIEW OF COUNCIL ACTIONS – SECTION 270 OF THE LOCAL GOVERNMENT ACT 1999

We recognise the importance of transparency in decision making and the need to provide a fair procedure for the review of Council decisions, including matters relating to the impact of rates and service charges on ratepayers.

We received five requests in 2017–18 to review Council decisions in accordance with the provisions of Section 270 of the *Local Government Act 1999 – Internal Review of Council Actions*.

Year	Number of reviews
2017–18	5
2016–17	1
2015–16	3
2014–15	3
2013–14	0

INDEPENDENT AUDITORS

The *Local Government Act 1999* provides that auditors will be appointed on the recommendation of the Audit Committee for a term no longer than five years. As of 1 July 2016, BDO were reappointed as Council’s external auditors for a period of three years, with the option to extend for a further two years. In 2017–18, BDO were paid \$30,470 (excluding GST) for external auditing services.

FREEDOM OF INFORMATION APPLICATIONS

In 2017–18, eleven requests were made to release information under *Freedom of Information Act 1982*. All requests were resolved: nine were granted in full; one was transferred; and one was due to third-party consultation.

LOCAL NUISANCE AND LITTER CONTROL

In 2017–18, in accordance to the *Local Nuisance and Litter Control Act 2017*, 328 complaints were registered, four abatement notices were provided and three expiation notices were issued.

	Dust	Noise	Odour	Animals	Litter	Insanitary Conditions
Complaints	7	28	17	3	264	9
Abatement Notices		1	1		2	
Expiations					3	

NATIONAL COMPETITION POLICY

Competitive neutrality is one of the key principles of the National Competition Policy. The principle is based on the concept of a level playing field for people competing for business and relates to any situation where there is, or there is the potential for, competition between the private and public sectors.

Councils are required to identify their business activities and disclose those in Category One (annual gross operating income greater than \$2 million per year) and Category 2 (annual gross operating income less than \$2 million per year.)

In 2017–18 we continued to maintain the following significant business activities:

- › Alwyndor Aged Care Facility
- › Brighton Caravan Park
- › Partridge House.

COMPETITIVE TENDERING

Tenders are called for contracts in excess of \$50,000, provided Council is of the reasonable opinion that a competitive process is practicable and will deliver greater benefit than through other methods. All tendering is managed within the following procurement principles:

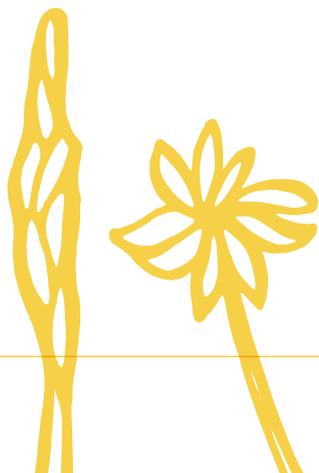
- › It offers value for money
- › It is transparent, accountable, fair and ethical
- › It is environmentally sustainable
- › It supports local economic development
- › It conforms with our work health and safety policies.



REPRESENTATION QUOTA

The number of electors represented by each City of Holdfast Bay elected member, and comparative data for similar councils, is shown below:

Council	Number of members (including the Mayor)	Number of electors	Elector/ representation ratio
Burnside	13	31,816	1:2447
Campbelltown	11	35,153	1:3195
Holdfast Bay	13	27,935	1:2148
Mitcham	14	48,453	1:3460
Norwood, Payneham and St Peters	14	25,443	1:1817
Unley	13	27,688	1:2129
West Torrens	15	40,971	1:2731
Average	13	33,923	1:2561



NUMBER OF ITEMS DISCUSSED IN CONFIDENCE

Of the 34 confidential orders made in 2017–18, 0 were fully or partially revoked as the conditions requiring confidentiality no longer applied.



Orders made – S91(7) LG ACT 1999

	Orders made - S90(2) LG Act 1999	Orders Expired	Ceased to Apply	Revoked	Remained Operative	Partially Released
A Personal affairs	11				11	
B Commercial advantage	8				8	
C Trade secret						
D Commercial information not a trade secret	11				11	
E Security/safety						
F Maintenance of law						
G Breach of law	1				1	
H Legal advice	1				1	
I Litigation	1				1	
J Minister of the Crown						
K Tenders for the supply of goods						
M Amendment to the Development plan						
N <i>Freedom of Information Act 1982</i>						

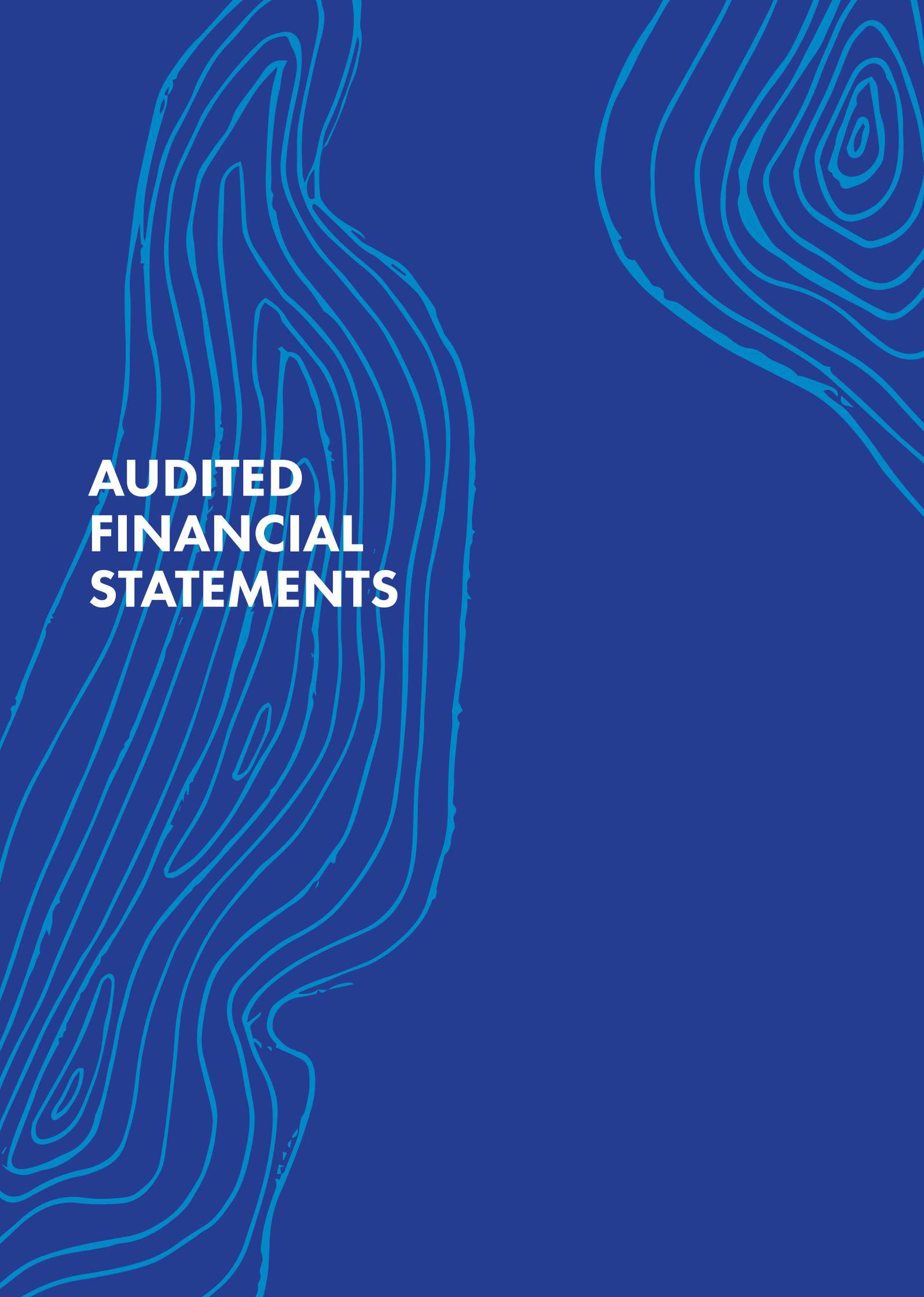


ITEMS RELEASED FROM PREVIOUS YEARS

	2017
A Personal affairs	
B Commercial advantage	2
C Trade secret	
D Commercial information not a trade secret	2
E Security/safety	
F Maintenance of law	
G Breach of law	
H Legal advice	
I Litigation	
J Minister of the Crown	
K Tenders for the supply of goods	
M Amendment to the Development plan	
N <i>Freedom of Information Act 1982</i>	

ITEMS RETAINED IN CONFIDENCE

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of Items	2	0	0	4	6	1	0	1	2	1	0	1	6	22	18

The background is a solid blue color with white, hand-drawn contour lines. These lines form irregular, organic shapes that resemble topographical map lines or perhaps stylized waves. The lines are more densely packed on the left side and become more sparse and circular on the right side.

AUDITED FINANCIAL STATEMENTS

City of Holdfast Bay

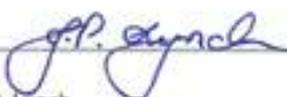
General Purpose Financial Statements for the year ended 30 June 2018

Certification of Financial Statements

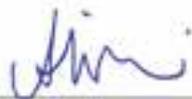
We have been authorised by the Council to certify the financial statements in their final form.

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 2018 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.



J.P. Lynch
CHIEF EXECUTIVE OFFICER



A. Wilson
ACTING MAYOR

City of Holdfast Bay

Statement of Comprehensive Income for the year ended 30 June 2018

\$ '000	Notes	2018	2017
Income			
Rates Revenues	2a	34,886	33,702
Statutory Charges	2b	2,224	2,171
User Charges	2c	7,034	7,079
Grants, Subsidies and Contributions	2g	13,739	13,642
Investment Income	2d	562	418
Reimbursements	2e	2,697	2,289
Other Income	2f	3,915	2,555
Net Gain - Equity Accounted Council Businesses	19	267	211
Total Income		65,324	62,067
Expenses			
Employee Costs	3a	29,316	27,232
Materials, Contracts & Other Expenses	3b	24,048	22,787
Depreciation, Amortisation & Impairment	3c	9,806	9,135
Finance Costs	3d	856	1,000
Total Expenses		64,026	60,154
Operating Surplus / (Deficit)		1,298	1,913
Asset Disposal & Fair Value Adjustments	4	(142)	(2,187)
Amounts Received Specifically for New or Upgraded Assets	2g	1,832	4,446
Net Surplus / (Deficit) ¹		2,988	4,172
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - I,PP&E	9a	(9,203)	76,214
Total Other Comprehensive Income		(9,203)	76,214
Total Comprehensive Income		(6,215)	80,386

¹ Transferred to Statement of Changes in Equity

City of Holdfast Bay

Statement of Financial Position as at 30 June 2018

\$ '000	Notes	2018	2017
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	27,092	21,362
Trade & Other Receivables	5b	3,062	3,334
Inventories	5c	10	9
Total Current Assets		30,164	24,705
Non-Current Assets			
Financial Assets	6a	1,496	1,694
Equity Accounted Investments in Council Businesses	6b	2,869	2,985
Infrastructure, Property, Plant & Equipment	7a	727,944	733,491
Other Non-Current Assets	6c	520	1,019
Total Non-Current Assets		732,829	739,189
TOTAL ASSETS		762,993	763,894
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	45,228	37,303
Borrowings	8b	1,130	2,618
Provisions	8c	4,303	4,180
Total Current Liabilities		50,661	44,101
Non-Current Liabilities			
Borrowings	8b	12,460	13,589
Provisions	8c	439	556
Total Non-Current Liabilities		12,899	14,145
TOTAL LIABILITIES		63,560	58,246
Net Assets		699,433	705,648
EQUITY			
Accumulated Surplus		174,459	171,538
Asset Revaluation Reserves	9a	518,559	527,762
Other Reserves	9b	6,415	6,348
Total Council Equity		699,433	705,648

City of Holdfast Bay

Statement of Changes in Equity for the year ended 30 June 2018

\$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
2018					
Balance at the end of previous reporting period		171,538	527,762	6,348	705,648
a. Net Surplus / (Deficit) for Year		2,988	-	-	2,988
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	(9,203)	-	(9,203)
Other Comprehensive Income		-	(9,203)	-	(9,203)
Total Comprehensive Income		2,988	(9,203)	-	(6,215)
c. Transfers between Reserves		(67)	-	67	-
Balance at the end of period		174,459	518,559	6,415	699,433
2017					
Balance at the end of previous reporting period		167,366	451,548	6,348	625,262
a. Net Surplus / (Deficit) for Year		4,172	-	-	4,172
b. Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	-	76,214	-	76,214
Other Comprehensive Income		-	76,214	-	76,214
Total Comprehensive Income		4,172	76,214	-	80,386
Balance at the end of period		171,538	527,762	6,348	705,648

City of Holdfast Bay

Statement of Cash Flows for the year ended 30 June 2018

\$ '000	Notes	2018	2017
Cash Flows from Operating Activities			
<u>Receipts</u>			
Rates Receipts		34,812	33,727
Statutory Charges		2,444	2,331
User Charges		7,452	7,454
Grants, Subsidies and Contributions (operating purpose)		14,052	13,900
Investment Receipts		562	418
Reimbursements		2,783	2,324
Other Receipts		12,524	5,797
<u>Payments</u>			
Payments to Employees		(29,345)	(27,300)
Payments for Materials, Contracts & Other Expenses		(26,364)	(24,571)
Finance Payments		(856)	(1,000)
Net Cash provided by (or used in) Operating Activities	11b	18,064	13,080
Cash Flows from Investing Activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		1,832	4,446
Sale of Replaced Assets		227	225
Sale of Surplus Assets		17	1,104
Sale of Non Current Assets "Held for Sale"		-	2,098
Repayments of Loans by Community Groups		260	148
Distributions Received from Equity Accounted Council Businesses		383	5
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(5,208)	(6,899)
Expenditure on New/Upgraded Assets		(8,142)	(6,077)
Loans Made to Community Groups		(50)	(21)
Net Cash provided by (or used in) Investing Activities		(10,680)	(4,971)
Cash Flows from Financing Activities			
<u>Receipts</u>			
Proceeds from Bonds & Deposits		18	-
Proceeds from Aged Care Facility Deposits		9,416	10,791
<u>Payments</u>			
Repayments of Borrowings		(2,617)	(1,932)
Repayment of Bonds & Deposits		-	(2)
Repayment of Aged Care Facility Deposits		(8,471)	(7,720)
Net Cash provided by (or used in) Financing Activities		(1,654)	1,137
Net Increase (Decrease) in Cash Held		5,730	9,246
plus: Cash & Cash Equivalents at beginning of period	11	21,362	12,116
Cash & Cash Equivalents at end of period	11	27,092	21,362

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies

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Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies

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 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 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 Council'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 these Notes.

1.4 Rounding

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

2 The Local Government Reporting Entity

The City of Holdfast Bay is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 24 Jetty Road, Brighton. These 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.

3 Income Recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Where grants, contributions and donations recognised as incomes 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 incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

In recent years the payment of untied financial assistance grants has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Difference
2015/16	\$522,000	\$1,110,830	- \$588,830
2016/17	\$1,676,106	\$1,106,206	+ \$599,900
2017/18	\$1,185,644	\$1,136,934	+ \$48,710

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (continued)

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. 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.

Office Furniture & Fittings	\$2,000
Equipment	\$2,000
Buildings	\$10,000
Roads	\$10,000
Other Infrastructure	\$6,500

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.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 1. Summary of Significant Accounting Policies (continued)

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 Furniture & Equipment	3 to 10 years
Vehicles and Road-making Equip	6 to 15 years
Other Plant & Equipment	3 to 25 years

Building & Other Structures

Buildings – masonry	50 to 170 years
Buildings – other construction	20 to 60 years
Park Structures – masonry	40 to 100 years
Park Structures – other construction	20 to 50 years

Infrastructure

Sealed Roads – Surface	15 to 40 years
Sealed Roads – Structure	120 to 150 years
Sealed Roads – Sub-base	300 years
Sealed Roads – Kerbing	100 years
Bridges	15 to 100 years
Paving & Footpaths	10 to 50 years
Drains / Culverts	50 to 150 years
Playground Equipment	10 to 20 years
Benches, seats, etc	10 to 25 years

Other Assets

Library Lending Materials	7 years
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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.

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 Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this

Note 1. Summary of Significant Accounting Policies (continued)

experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

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 Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117.

In respect of operating leases, where the lessor substantially retains all of the risks and benefits incident to ownership of the leased items, lease payments are charged to expense over the lease term.

11 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.

12 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.

13 New accounting standards and UIG 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. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

The City of Holdfast Bay has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

Some Australian Accounting Standards and Interpretations have been issued but are not yet effective. Those standards have not been applied in these financial statements. Council will implement them when they are effective.

14 Disclaimer

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

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 2. Income

\$ '000	Notes	2018	2017
(a). Rates Revenues			
General Rates			
General Rates		33,592	32,537
Less: Mandatory Rebates		(409)	(397)
Less: Discretionary Rebates, Remissions & Write Offs		(200)	(267)
Total General Rates		32,983	31,873
Other Rates (Including Service Charges)			
Natural Resource Management Levy		1,173	1,110
Separate & Special Rates		633	621
Total Other Rates		1,806	1,731
Other Charges			
Penalties for Late Payment		66	59
Legal & Other Costs Recovered		31	39
Total Other Charges		97	98
Total Rates Revenues		34,886	33,702
(b). Statutory Charges			
Development Act Fees		447	439
Animal Registration Fees & Fines		185	185
Parking Fines / Expiation Fees		1,015	1,028
Other Licences, Fees & Fines		577	519
Total Statutory Charges		2,224	2,171
(c). User Charges			
Cemetery/Crematoria Fees		159	120
Community Centres		1	24
Parking Fees		862	886
Sundry		111	96
Commercial Leases/Caravan Park		2,791	2,409
Aged Care Residential Fees and Rentals		2,912	3,381
Major Community Event		191	163
Other		7	-
Total User Charges		7,034	7,079

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 2. Income (continued)

\$ '000	Notes	2018	2017
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		160	79
- Banks & Other		402	339
Total Investment Income		562	418
(e). Reimbursements			
Private Works		149	89
Other		2,548	2,200
Total Reimbursements		2,697	2,289
(f). Other Income			
Rebates Received		439	405
Sundry		2,124	1,674
Aged Care Facility		973	476
Other		379	-
Total Other Income		3,915	2,555
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		1,832	4,446
Total Amounts Received Specifically for New or Upgraded Assets		1,832	4,446
Other Grants, Subsidies and Contributions		10,923	10,486
Untied - Financial Assistance Grant		1,325	1,106
Roads to Recovery		537	586
Home and Community Care Grant		905	894
Individually Significant Item - Additional Grants Commission Payment (Refer Note 1 (3))		49	570
Total Other Grants, Subsidies and Contributions		13,739	13,642
Total Grants, Subsidies, Contributions		15,571	18,088
The functions to which these grants relate are shown in Note 12.			
(i) Sources of grants			
Commonwealth Government		3,419	4,484
State Government		1,571	3,617
Other		10,581	9,987
Total		15,571	18,088

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 3. Expenses

\$ '000	Notes	2018	2017
(a). Employee Costs			
Salaries and Wages		24,591	22,443
Employee Leave Expense		2,059	2,307
Superannuation - Defined Contribution Plan Contributions	18	1,136	1,022
Superannuation - Defined Benefit Plan Contributions	18	1,250	1,175
Workers' Compensation Insurance		1,076	1,062
Less: Capitalised and Distributed Costs		(796)	(777)
Total Operating Employee Costs		29,316	27,232
Total Number of Employees (full time equivalent at end of reporting period)		335.1	324.6
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		35	31
Elected Members' Expenses		310	354
Election Expenses		14	11
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		36	54
Subtotal - Prescribed Expenses		395	450
(ii) Other Materials, Contracts and Expenses			
Contractors		7,903	7,170
Energy		729	620
Maintenance		2,173	2,209
Legal Expenses		293	329
Levies Paid to Government - NRM levy		1,152	1,094
Levies - Other		35	35
Professional Services		2,792	2,260
Sundry		1,527	2,275
Water		638	516
Materials		2,547	1,972
Insurances		481	477
Waste Management		3,305	3,309
Other		78	71
Subtotal - Other Material, Contracts & Expenses		23,653	22,337
Total Materials, Contracts and Other Expenses		24,048	22,787

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 3. Expenses (continued)

\$ '000	Notes	2018	2017
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Buildings & Other Structures		2,787	2,223
Infrastructure			
- Stormwater Drainage		459	409
- Roads		1,331	1,322
- Footpaths		926	925
- Kerb & Guttering		721	714
- Other Transport		426	401
- Open Space & Coastal		1,763	1,712
Plant & Equipment		918	858
Furniture & Fittings, Office Equipment		325	303
Library Lending Materials		150	150
Subtotal		9,806	9,017
(ii) Impairment			
Loans to Community Organisations		-	118
Subtotal		-	118
Total Depreciation, Amortisation and Impairment		9,806	9,135
(d). Finance Costs			
Interest on Loans		722	904
Interest on Accommodation Bonds		134	96
Total Finance Costs		856	1,000

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	Notes	2018	2017
Infrastructure, Property, Plant & Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		227	225
Less: Carrying Amount of Assets Sold		(357)	(831)
Gain (Loss) on Disposal		(129)	(606)
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		17	1,104
Less: Carrying Amount of Assets Sold		(30)	(2,212)
Gain (Loss) on Disposal		(13)	(1,108)
Non Current Assets Held For Sale			
Proceeds from Disposal		-	2,098
Less: Carrying Amount of Assets Sold		-	(2,571)
Gain (Loss) on Disposal		-	(473)
Net Gain (Loss) on Disposal or Revaluation of Assets		(142)	(2,187)

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 5. Current Assets

\$ '000	Notes	2018	2017
(a). Cash & Cash Equivalents			
Cash on Hand at Bank		1,423	500
Deposits at Call		6,445	6,412
Short Term Deposits & Bills, etc.		19,224	14,450
Total Cash & Cash Equivalents		27,092	21,362
(b). Trade & Other Receivables			
Rates - General & Other		471	397
Council Rates Postponement Scheme		30	30
Accrued Revenues		186	288
Debtors - General		1,276	1,350
GST Recoupment		95	81
Prepayments		632	616
Loans to Community Organisations		208	220
Aged Care Facility Deposits		352	540
Subtotal		3,250	3,522
Less: Allowance for Doubtful Debts		(188)	(188)
Total Trade & Other Receivables		3,062	3,334
(c). Inventories			
Stores & Materials		10	9
Total Inventories		10	9

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 6. Non-Current Assets

\$ '000	Notes	2018	2017
(a). Financial Assets			
Receivables			
Loans to Community Organisations		2,014	2,212
Provision for Impairment on Loans to Community Organisations		(518)	(518)
Total Receivables		1,496	1,694
Total Financial Assets		1,496	1,694
(b). Equity Accounted Investments in Council Businesses			
Southern Region Waste Resource Authority	19	2,869	2,985
Total Equity Accounted Investments in Council Businesses		2,869	2,985
(c). Other Non-Current Assets			
Capital Works-in-Progress		520	1,019
Total Other Non-Current Assets		520	1,019

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 7a (i). Infrastructure, Property, Plant & Equipment

	Fair Value Level	as at 30/6/2017					Asset Movements during the Reporting Period										as at 30/6/2018					
		At Fair Value	At Cost	Accumulated Dep'n	Impairment	Carrying Value	Asset Additions New / Upgrade	Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Adjustments & Transfers	This From/(to) "Held for Sale" category	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Dep'n	Impairment	Carrying Value			
\$ '000																						
Land	2	28,062	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,062	-	-	28,062
Buildings & Other Structures	3	330,274	-	-	-	200	-	-	-	-	-	-	-	-	-	-	-	-	330,274	200	-	330,474
Buildings & Other Structures	3	137,559	-	43,345	-	510	951	(3)	(2,749)	-	-	-	-	-	-	-	-	-	129,626	1,452	38,155	92,923
Infrastructure	2	3,539	-	2,478	-	-	-	-	(38)	-	-	-	-	-	-	-	-	-	3,539	-	2,516	1,023
- Stormwater Drainage	3	54,650	-	18,899	-	2,692	438	(37)	(459)	207	-	-	-	-	-	-	-	-	54,799	3,130	19,337	38,592
- Roads	3	119,571	2,357	24,021	-	-	1,057	(58)	(1,331)	-	-	-	-	-	-	-	-	-	119,402	3,414	25,241	97,575
- Footpaths	3	43,973	105	15,501	-	-	103	(7)	(926)	-	-	-	-	-	-	-	-	-	43,960	208	16,421	27,747
- Kerb & Guttering	3	70,516	1,541	25,919	-	-	645	(118)	(721)	-	-	-	-	-	-	-	-	-	70,332	2,186	26,574	45,944
- Other Transport	3	22,767	58	3,701	-	943	275	(24)	(426)	525	-	-	-	-	-	-	-	-	23,593	1,276	4,452	20,417
- Open Space & Coastal Plant & Equipment	3	43,081	22,582	21,147	-	2,188	1,139	-	(1,763)	(732)	-	-	-	-	-	-	-	-	53,961	8,423	17,787	36,174
Furniture & Fittings, Office Equipment	3	1	9,791	4,472	-	131	1,062	(108)	(918)	-	-	-	-	-	-	-	-	-	-	4,817	2,936	5,487
Library Lending Materials	3	(1)	7,441	5,656	-	921	401	(31)	(325)	-	-	-	-	-	-	-	-	-	(1,281)	1,253	477	2,750
Total Infrastructure, Property, Plant & Equipment		855,290	43,875	165,674	-	7,585	6,263	(386)	(9,806)	-	-	(9,203)	-	-	-	-	-	-	856,267	26,359	154,682	727,944
Comparatives		777,556	46,644	169,839	-	9,007	6,944	(3,043)	(9,017)	-	(975)	(1,306)	77,520	855,290	43,875	165,674	-	-	777,556	46,644	169,839	727,944

Note 7a (ii). Investment Property

Nil

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

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

\$ '000

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.

Information on Valuations

Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques.

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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

\$ '000

Valuation of Assets (continued)

Other Information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

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.

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Land & Land Improvements

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

Land and Land improvements, including bulk earthworks with an assessed unlimited useful life, were valued at 30 June 2017 by Maloney Field Services

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2017
- Valuer: Maloney Field Services

Buildings & Other Structures

Buildings and other structures were revalued as at 30 June 2017 by Maloney Field Services

- Basis of valuation: Fair Value / Written down current replacement cost
- Date of valuation: 30 June 2017
- Valuer: Maloney Field Services

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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

\$ '000

Valuation of Assets (continued)

Infrastructure

Infrastructure assets have been valued as follows:

Roads, Kerb and Gutter, Footpaths

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2015
- Valuer: Assetic Pty Ltd

Footpaths

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 September 2015
- Valuer: Assetic Pty Ltds

Stormwater Drainage

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2017
- Valuer: Jones Lang LaSalle

Other Transport - Bridges, Car Parks, Traffic Control Devices

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2016
- Valuer: Maloney Field Services

Open Space, Coastal

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2018
- Valuer: Jones Lang LaSalle

Plant, Furniture & Equipment

These assets are recognised at cost.

Library Lending Materials

Library Lending Materials were valued as at 30 June 2018 by Council senior library officers.

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 8. Liabilities

\$ '000	Notes	2018 Current	2018 Non Current	2017 Current	2017 Non Current
(a). Trade and Other Payables					
Goods & Services		4,457	-	4,280	-
Payments Received in Advance		6,677	-	406	-
Accrued Expenses - Employee Entitlements		176	-	61	-
Accrued Expenses - Other		284	-	298	-
Aged Care Facility Deposits		32,564	-	31,619	-
Deposits, Retentions & Bonds		30	-	12	-
Other		1,040	-	627	-
Total Trade and Other Payables		45,228	-	37,303	-
(b). Borrowings					
Loans		1,130	12,460	2,618	13,589
Total Borrowings		1,130	12,460	2,618	13,589
All interest bearing liabilities are secured over the future revenues of the Council					
(c). Provisions					
Employee Entitlements		4,303	439	4,180	556
Total Provisions		4,303	439	4,180	556

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 9. Reserves

\$ '000	1/7/2017	Increments (Decrements)	Transfers	Impairments	30/6/2018
(a). Asset Revaluation Reserve					
Land	310,456	-	-	-	310,456
Buildings & Other Structures	40,198	-	-	-	40,198
Infrastructure					
- Stormwater Drainage	22,004	-	-	-	22,004
- Roads	80,851	-	-	-	80,851
- Footpaths	14,055	-	-	-	14,055
- Kerb & Guttering	39,538	-	-	-	39,538
- Other Transport	2,727	-	-	-	2,727
- Open Space & Coastal	17,483	(9,174)	-	-	8,309
Library Lending Materials	450	(29)	-	-	421
Total Asset Revaluation Reserve	527,762	(9,203)	-	-	518,559
Comparatives	451,548	76,214	-	-	527,762

\$ '000	1/7/2017	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2018
(b). Other Reserves					
Car Park Contributions Fund	37	-	(36)	-	1
Alwyndor General Reserve	6,311	103	-	-	6,414
Total Other Reserves	6,348	103	(36)	-	6,415
Comparatives	8,412	-	(2,064)	-	6,348

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).

Car Park Contributions Fund

To provide for improved off-street, car parking and improved access throughout the Glenelg Precinct. Specific developers contributions towards car parking are held within this fund.

Note 10. Assets Subject to Restrictions

\$ '000	Notes	2018	2017
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.			
Receivables			
Accommodation Bonds		352	540
Total Receivables		352	540
Total Assets Subject to Externally Imposed Restrictions		352	540

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2018	2017
(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	27,092	21,362
Balances per Statement of Cash Flows		27,092	21,362
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		2,988	4,172
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		9,806	9,135
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(267)	(211)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(1,832)	(4,446)
Net (Gain) Loss on Disposals		142	2,187
		10,837	10,837
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		260	1,317
Change in Allowances for Under-Recovery of Receivables		-	29
Net (Increase)/Decrease in Inventories		(1)	(3)
Net (Increase)/Decrease in Other Current Assets		-	297
Net Increase/(Decrease) in Trade & Other Payables		6,962	529
Net Increase/(Decrease) in Unpaid Employee Benefits		6	74
Net Cash provided by (or used in) operations		18,064	13,080
(c). Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Corporate Credit Cards		100	100
LGFA Cash Advance Debenture Facility		14,358	13,181

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

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

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)			
\$ '000	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017	Actual 2018	Actual 2017		
Business Undertakings	3,625	3,246	2,384	2,258	1,241	988	-	-	18,774	18,820		
Community Services	20,293	18,624	26,436	24,061	(6,143)	(5,437)	11,397	10,981	157,409	157,840		
Culture	614	664	4,997	4,164	(4,383)	(3,500)	270	363	17,200	17,447		
Economic Development	634	602	1,294	1,349	(660)	(747)	-	-	338	342		
Environment	339	206	7,000	7,251	(6,661)	(7,045)	40	27	41,423	39,037		
Recreation	310	296	6,500	6,001	(6,190)	(5,705)	-	-	315,262	324,164		
Regulatory Services	1,957	1,908	5,089	5,080	(3,132)	(3,172)	-	-	495	501		
Transport & Communication	27	41	7,677	7,460	(7,650)	(7,419)	121	949	189,223	188,766		
Unclassified Activities	-	-	-	-	-	-	-	-	3,365	3,407		
Council Administration	37,258	36,269	2,649	2,530	34,609	33,739	1,911	1,322	19,504	13,570		
Total Functions/Activities	65,057	61,856	64,026	60,154	1,031	1,702	13,739	13,642	762,993	763,894		

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



City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 12b. Components of Functions

\$ '000

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Caravan Parks, Off-street Car Parks, Private Works, Commercial Property, Commercial Activities

COMMUNITY SERVICES

Public Order and Safety, Crime Prevention, Health Services, Nursing Homes, Elderly Citizens Facilities, Home Assistance Scheme, Aged and Disabled Services, Youth Services, Community Bus, Community Amenities including Cemeteries and Public Conveniences

CULTURE

Library Services, Heritage and Museum Facilities and Services.

ECONOMIC DEVELOPMENT

Tourism and Local Businesses Support

ENVIRONMENT

Domestic Waste & Green Waste, Recycling, Coastal Protection, Stormwater and other Drainage, Street Cleaning, Street Lighting.

RECREATION

Jetties, Other Marine Facilities, Parks and Gardens, Sports Facilities

REGULATORY SERVICES

Dog and Cat Control, Building Control, Town Planning, Health Inspection, Litter and Parking Control

TRANSPORT

Construction and Maintenance of Roads, Footpaths, Traffic Control, Streetscape, Kerb and Water Table, Bridges

COUNCIL ADMINISTRATION

Administration n.e.c., Elected Members, Organisational, Support Services, Rate Revenue

Note 13. Financial Instruments

\$ '000

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

Carried at lower of cost and net realisable value; Interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 1.5% and 2.77% (2017: 1.5% and 2.82%). Short term deposits have an average interest rate of 1.96% (2017: 1.55%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates & Associated Charges

(including legals & penalties for late payment)

Note: These receivables do not meet the definition of "financial instruments" and have been excluded from the following disclosures.

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Secured over the subject land, arrears attract interest of 0.56% per month (2017: 0.58 % pm). 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:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

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).

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

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.

Receivables

Retirement Home Contributions

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective legislation.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

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.

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Liabilities

Retirement Home Contributions

Accounting Policy:

To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values.

Terms & Conditions:

Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy.

Carrying Amount:

Approximates fair value for short tenancies; may be non-materially overstated for longer tenancies.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

Carried at the principal amounts. Interest is charged as an expense as it accrues.

Terms & Conditions:

Secured over future revenues, borrowings are repayable six monthly; interest is charged at rates between 3.75% and 7.05% (2017: 3.75% and 7.35%).

Carrying Amount:

Approximates fair value.

Liabilities

Finance Leases

Accounting Policy:

Accounted for in accordance with AASB 117.

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2018					
Financial Assets					
Cash & Equivalents	27,092	-	-	27,092	27,092
Receivables	2,498	429	2,762	5,689	4,150
Total Financial Assets	29,589	429	2,762	32,780	31,242
Financial Liabilities					
Payables	45,346	-	-	45,346	44,944
Current Borrowings	1,772	-	-	1,772	1,130
Non-Current Borrowings	-	5,538	11,527	17,065	12,460
Total Financial Liabilities	47,118	5,538	11,527	64,183	58,534

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2017					
Financial Assets					
Cash & Equivalents	21,362	-	-	21,362	21,362
Receivables	3,751	810	489	5,050	4,708
Total Financial Assets	25,113	810	489	26,412	26,070
Financial Liabilities					
Payables	37,088	-	-	37,088	37,005
Current Borrowings	3,354	-	-	3,354	2,618
Non-Current Borrowings	-	6,462	13,168	19,630	13,589
Total Financial Liabilities	40,442	6,462	13,168	60,072	53,212

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

	30 June 2018		30 June 2017	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates		-	3.65%	1,057
Fixed Interest Rates	4.81%	13,590	5.94%	15,150
		13,590		16,207

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.

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 13. Financial Instruments (continued)

\$ '000

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 allowance for doubtful debts. 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.

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

Note 14. Commitments for Expenditure

\$ '000	Notes	2018	2017
(a). Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Buildings		122	249
Infrastructure		239	3,872
Reserves		94	1,397
Plant & Equipment		309	325
		<u>764</u>	<u>5,843</u>
These expenditures are payable:			
Not later than one year		764	5,843
Later than one year and not later than 5 years		-	-
Later than 5 years		-	-
		<u>764</u>	<u>5,843</u>
(b). Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:			
Audit Services		31	61
Waste Management Services		8,861	11,918
Employee Remuneration Contracts		3,045	3,733
Other Maintenance Contracts		1,975	566
Other		52	1,236
		<u>13,964</u>	<u>17,514</u>
These expenditures are payable:			
Not later than one year		6,276	6,221
Later than one year and not later than 5 years		7,683	11,293
Later than 5 years		5	-
		<u>13,964</u>	<u>17,514</u>

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 15. Financial Indicators

\$ '000	Amounts	Indicator	Prior Periods	
	2018	2018	2017	2016

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	1,298			
Total Operating Income	65,324	2%	3%	1%

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

2. Net Financial Liabilities Ratio

Net Financial Liabilities	31,910			
Total Operating Income	65,324	49%	51%	63%

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.

Adjusted Operating Surplus Ratio		2%	2%	2%
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Adjusted Net Financial Liabilities Ratio		49%	51%	63%
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3. Asset Sustainability Ratio

Net Asset Renewals	4,981			
Depreciation expenditure	9,806	51%	73%	47%

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.

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 16. Uniform Presentation of Finances

\$ '000	2018	2017
<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	65,324	62,067
<i>less</i> Expenses	(64,026)	(60,154)
Operating Surplus / (Deficit)	1,298	1,913
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(5,208)	(6,899)
<i>add back</i> Depreciation, Amortisation and Impairment	9,806	9,135
<i>add back</i> Proceeds from Sale of Replaced Assets	227	225
Subtotal	4,825	2,461
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(8,142)	(6,077)
<i>add back</i> Amounts Received Specifically for New and Upgraded Assets	1,832	4,446
<i>add back</i> Proceeds from Sale of Surplus Assets (including Investment Property & and Real Estate Developments)	17	1,104
Subtotal	(6,292)	(527)
Net Lending / (Borrowing) for Financial Year	(169)	3,847

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 17. Operating Leases

\$ '000	2018	2017
Leases commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:		
Not later than one year	501	470
Later than one year and not later than 5 years	1,898	1,698
Later than 5 years	286	2,589
	2,685	4,757

Lease Payment Commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment.

No lease imposes any additional restrictions on Council in relation to additional debt or further leasing.

Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease return or acquire the equipment leased

No lease contains any escalation clause

Commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

Not later than one year	45	51
Later than one year and not later than 5 years	60	92
Later than 5 years	5	-
	110	143

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 18. Superannuation

\$ '000

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 2017/18; 9.50% in 2016/17). 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 2016/17) 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 Willie Towers Watson as at 30 June 2017. 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.

City of Holdfast Bay

Notes to and forming part of the Financial Statements
for the year ended 30 June 2018

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	
	2018	2017	2018	2017
Joint Ventures	267	211	2,869	2,985
Total	267	211	2,869	2,985

(i) JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

(a) Carrying Amounts

Name of Entity	Principal Activity	2018	2017
Southern Region Waste Resource Authority	Management of waste and waste facilities	2,869	2,985
Western Region Waste Management Authority	Management of waste and waste facilities	-	-
Total Carrying Amounts - Joint Ventures & Associates		2,869	2,985

Southern Region Waste Resource Authority

Established under Section 43 of the Local Government Act, 1999 to provide operate services for the management of waste and the management of waste facilities under its control on behalf of the constituent Council, being the City of Holdfast Bay, City of Marion, and City of Onkaparinga. The Authority made a provision of \$13m in the accounts for landfill restoration which is considered reasonable.

Western Region Waste Management Authority

Established under Section 43 of the Local Government Act, 1999 to provide operate services for the management of waste and the management of waste facilities under its control on behalf of the constituent Councils, being the City of Holdfast Bay, City of Port Adelaide, City of West Torrens and City of Charles Sturt. The site was closed on 28 February 2001 and an Environment Performance agreement between Renewal SA, the Environment Protection Authority and the Waste Region Waste Management Authority (WRWMA) was signed in October 2005. The major obligations of the agreement were completed and the landfill site was handed back to Renewal SA on 1 September 2015. The WRWMA was officially wound up under Notice of Winding-up of a Subsidiary in the South Australian Government Gazette on 29 June 2016 and final distributions were made to the member councils during 2016/17.

(b) Relevant Interests

Name of Entity	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2018	2017	2018	2017	2018	2017
Southern Region Waste Resource Authority	15%	15%	15%	15%	33%	33%
Western Region Waste Management Authority		5.91%		5.91%		25%

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

Note 19. Interests in Other Entities (continued)

\$ '000

(c) Movement in Investment in Joint Venture or Associate

	Southern Region Waste Resource Authority		Western Region Waste Management Authority	
	2018	2017	2018	2017
Opening Balance	2,986	2,779	-	10
Share in Operating Result	267	207	-	4
Distributions Received	(384)	-	-	-
Adjustments to Equity	-	-	-	(14)
Council's Equity Share in the Joint Venture or Associate	2,869	2,986	-	-

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.

At reporting date, Council controlled 178 km of road reserves of average width 8.7 metres.

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.

City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2018

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

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. At the date of these reports, Council had notice of 14 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

4. SOUTHERN REGION WASTE RESOURCE AUTHORITY

Council has a 15% interest in Southern Region Waste Resource Authority. The Authority describes contingent liabilities in Note 15 to their Financial Statements for the year ended 30 June 2018.

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2018, 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 Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 23/10/18.

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

Note 23. Related Party Transactions

\$ '000	2018	2017
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Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the *Local Government Act 1999*. In all, 22 persons were paid the following total compensation:

The compensation paid to Key Management Personnel comprises:

Short-Term Employee Benefits	1,010	954
Payments to Mayor and Elected Members	317	334
Development Assessment Panel Independent Members, Alwyndor Management Committee	56	48
Total	1,383	1,336

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



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INDEPENDENT AUDITOR'S REPORT TO THE PRINCIPAL MEMBER OF THE CITY OF HOLDFAST BAY

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the City of Holdfast Bay ("the Council"), which comprises the statement of financial position as at 30 June 2018, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the certification of the financial statements.

In our opinion the financial report of the City of Holdfast Bay, presents fairly, in all material respects, the Council's financial position as at 30 June 2018 and its financial performance for the year ended on that date in accordance with Australian Accounting Standards, the *Local Government Act 1999*, and the *Local Government (Financial Council's officers) 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 Council in accordance with the *Local Government Act 1999* and 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 confirm that the independence declaration required by the *Local Government Act 1999*, which has been given to the Council, would be in the same terms if given to the Council as at the time of this auditor's report.

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

Information Other than the Financial Report and Auditor's Report Thereon

Management is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Annual Report, 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 of the City of Holdfast Bay, 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 on the other information obtained prior to the date of this auditor's report, 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.

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Council's responsibility for the Financial Report

The Council's officers are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Council's officers) Regulations 2011* and for such internal control as the Council's officers determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_files/ar3.pdf.

This description forms part of our auditor's report.

BDO Audit (SA) Pty Ltd

G K Edwards
Director

Adelaide, 24 October 2018

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE CITY OF HOLDFAST BAY

Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by City of Holdfast Bay (“the Council”) in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2017 to 30 June 2018 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, in all material respects:

- (a) The controls established by the Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2017 to 30 June 2018.

Basis for opinion

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 responsibilities for the internal controls

The Council is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives
- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

Our independence and quality control

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



Assurance practitioner's responsibilities

Our responsibility is to express an opinion, in all material respects, on the suitability of the design to achieve the control objectives and the operating effectiveness of controls established by the Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities. ASAE 3150 requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operated effectively throughout the period.

An assurance engagement to report on the design and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the control objectives and the operating effectiveness of 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 of those 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.

Limitations of controls

Because of the inherent limitations of an assurance engagement, together with 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 and so 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.

BDO Audit (SA) Pty Ltd

G K Edwards
Director

Adelaide, 24 October 2018

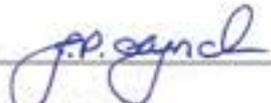
City of Holdfast Bay

General Purpose Financial Statements for the year ended 30 June 2018

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Holdfast Bay (excluding Alwyndor Aged Care) for the year ended 30 June 2018, the Council's Auditor, BDO Audit Partnership (SA) 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*.



J.P. Lynch
CHIEF EXECUTIVE OFFICER

J. Smedley
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 17/10/18



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CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the City of Holdfast Bay for the year ended 30 June 2018, 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.

G K Edwards
Director

BDO Audit (SA) Pty Ltd

Adelaide, 24 October 2018

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**SOUTHERN REGION
WASTE RESOURCE
AUTHORITY
ANNUAL REPORT**

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME for the financial year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
INCOME			
User charges	2	11,713	11,617
Investment income	2	620	552
Other Income	2	1,201	244
Net gain - equity accounted Joint Venture	15	176	265
Total Income		13,710	12,678
EXPENSES			
Employee costs	3	1,189	1,194
Materials, contracts & other expenses	3	9,777	9,240
Depreciation, amortisation & impairment	3	908	949
Other Expenses	3	80	78
Net loss - equity accounted Joint Venture	15	-	-
Total Expenses		11,954	11,461
OPERATING SURPLUS / (DEFICIT)		1,756	1,217
Net gain (loss) on disposal or revaluation of assets	4	21	18
Amounts received specifically for new or upgraded assets		-	140
NET SURPLUS / (DEFICIT)		1,777	1,375
transfer to Equity Statement			
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		-	-
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		1,777	1,375

This Statement is to be read in conjunction with the attached Notes.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF FINANCIAL POSITION as at 30 June 2018

	Notes	2018 \$'000	2017 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	16,343	19,940
Trade & other receivables	5	1,839	2,025
Inventories	5	-	-
		<u>18,182</u>	<u>21,965</u>
Total Current Assets		<u>18,182</u>	<u>21,965</u>
Non-current Assets			
Equity Accounted Joint Venture	15	885	709
Property, Plant & Equipment	6	15,580	15,081
		<u>16,465</u>	<u>15,790</u>
Total Non-current Assets		<u>16,465</u>	<u>15,790</u>
Total Assets		<u>34,647</u>	<u>37,755</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	2,436	2,529
Provisions	7	101	149
		<u>2,537</u>	<u>2,678</u>
Total Current Liabilities		<u>2,537</u>	<u>2,678</u>
Non-current Liabilities			
Provisions	7	12,980	15,174
		<u>12,980</u>	<u>15,174</u>
Total Non-current Liabilities		<u>12,980</u>	<u>15,174</u>
Total Liabilities		<u>15,517</u>	<u>17,852</u>
NET ASSETS		<u>19,130</u>	<u>19,903</u>
EQUITY			
Accumulated Surplus		19,130	19,903
TOTAL EQUITY		<u>19,130</u>	<u>19,903</u>

This Statement is to be read in conjunction with the attached Notes.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF CHANGES IN EQUITY for the financial year ended 30 June 2018

2018	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		19,903	-	-	19,903
Adjustments due to compliance with revised Accounting Standards		-	-	-	-
Adjustments to give effect to changed accounting policies		-	-	-	-
Restated Opening Balance		19,903	-	-	19,903
Net Surplus/ (Deficit) for Year		1,777			1,777
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		-	-	-	-
Transfers between reserves		-	-	-	-
Distributions to Member Councils		(2,550)	-	-	(2,550)
Balance at end of period		19,130	-	-	19,130

2017	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		18,528	-	-	18,528
Adjustments due to compliance with revised Accounting Standards		-	-	-	-
Adjustments to give effect to changed accounting policies		-	-	-	-
Restated Opening Balance		18,528	-	-	18,528
Net Surplus/ (Deficit) for Year		1,375	-	-	1,375
Other Comprehensive Income					
Gain on revaluation of infrastructure, property, plant & equipment		-	-	-	-
Transfers between reserves		-	-	-	-
Distributions to Member Councils		-	-	-	-
Balance at end of period		19,903	-	-	19,903

This Statement is to be read in conjunction with the attached Notes

SOUTHERN REGION WASTE RESOURCE AUTHORITY

STATEMENT OF CASH FLOWS

for the year ended 30 June 2018

	Notes	2018 \$'000	2017 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Operating receipts		13,439	11,927
Investment receipts		623	552
<u>Payments</u>			
Operating payments to suppliers & employees		<u>(12,322)</u>	<u>(10,279)</u>
Net Cash provided by (or used in) Operating Activities	8 (b)	<u>1,740</u>	<u>2,200</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Amounts specifically for new or upgraded assets		-	-
Sale of surplus assets		33	163
Distributions received from equity accounted Joint Venture	15	-	125
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(341)	(754)
Expenditure on new/upgraded assets		(2,479)	(863)
Capital contributed to equity accounted Joint Venture	15	<u>-</u>	<u>-</u>
Net Cash provided by (or used in) Investing Activities		<u>(2,787)</u>	<u>(1,329)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Payments</u>			
Distribution to Member Councils		<u>(2,550)</u>	<u>-</u>
Net Cash provided by (or used in) Financing Activities		<u>(2,550)</u>	<u>-</u>
Net Increase (Decrease) in cash held		(3,597)	871
Cash & cash equivalents at beginning of period		<u>19,940</u>	<u>19,069</u>
Cash & cash equivalents at end of period	8 (a)	<u>16,343</u>	<u>19,940</u>

This Statement is to be read in conjunction with the attached Notes

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

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 equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group Interpretations (UGIs) and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Onkaparinga, City of Marion and the City of Holdfast Bay.

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 AIFRS 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 thousand dollars (\$'000).

2 The Local Government Reporting Entity

Southern Region Waste Resource Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at 112 Bakewell Dr, Seaford Heights SA 5169.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. 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.

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 policies applied to financial instruments forms part of Note 10.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

5 Infrastructure, Property, Plant & Equipment

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".

5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the 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.

5.2 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. No capitalisation threshold is applied to the acquisition of land or interests in land.

Capitalisation threshold applied of \$1,000 for all asset classes. Any purchases greater than this amount are capitalised and depreciated on the Authority's asset register.

5.3 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 on Landfill Construction assets are amortised proportionately to the rate of filling based upon the projected remaining airspace of landfill cells as at the beginning of the reporting period. The Authority annually assesses the remaining airspace of landfill cells and accordingly, depreciation and amortisation rates are adjusted to reflect these estimates. 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	3 -10 years
Buildings	30 - 50 years
Waste Facility	10 - 15 years
Landfill Construction	Amortised proportionately to rate of filling

6 Payables

6.1 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.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

7 Employee Benefits

7.1 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.

The Authority recognises all presently entitled liabilities as current liabilities regardless of whether it is expected to be paid within the preceding 12 months of reporting date.

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Statewide Super. The Scheme has two types of membership, each of which is funded differently.

Accumulation Fund Members

Accumulation 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 2017/18 (9.5% in 2016/17; 9.5% in 2015/16). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Defined Benefit Members

Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent full actuarial investigation conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. 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 the Authority's contribution rates at some future time.

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 new assets of the scheme, and no further liability attaches to the Authority.

8 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet. 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.

9 Inventory

Inventory held by the Authority reflect materials stored on site which have either been purchased or gifted which will be used for future Cell and Capping construction works to be undertaken in future years.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 1 - Significant Accounting Policies (cont)

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 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

12 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2018 reporting period and have not been used in preparing these reports.

The Authority is of the view that none of the new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

13 Valuation of Land and Building Assets

Land and Building assets held by the Authority were valued by Opteon (South Australia) Pty Ltd with an effective valuation date of 30 June 2014 applied for financial reporting purposes. Assets were valued to their market value based on the current zoning of the Onkaparinga Council Development Plan and Environmental Protection Agency (EPA) constraints and assessed market values based on highest and best use. All purchases made post 30 June 2014 have been recorded at Cost.

14 Capping Liability Review

During the 2017/18 financial year, the Authority undertook a review of all the key assumptions and estimates in relation to the measurement of the Future Restoration liability recorded in Note 7 of the Financial Statements. The Authority engaged Golder Associates Pty Ltd to complete the independent assessment of the liability. As a result of work completed, Golder Associates estimated the liability to be \$1.471 million as at 30 June 2018. The Authority has applied an additional 10% contingency estimate on the Post Closure liability estimate for risk mitigating purposes which resulted in a total reduction in the liability of \$2.555 million reducing the balance of the provision for future restoration costs to \$1.605 million (2017: \$4.159 million).

As a result of the reduction in the liability, a non-cash income amount totalling \$0.886 million was recognised in the Statement of Comprehensive Income.

During the 2018/19 financial year, all other landfill capping liability estimates and assumptions will be reviewed and updated accordingly. Any changes to key assumptions or estimates will be applied in the 2018/19 financial year once the review has been completed.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 2 - INCOME

	Notes	2018 \$'000	2017 \$'000
USER CHARGES			
Landfill Operations		11,713	11,617
		<u>11,713</u>	<u>11,617</u>
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		444	488
Banks & other		24	22
Investment property rental income		152	42
		<u>620</u>	<u>552</u>
OTHER INCOME			
Movement in Landfill Liabilities	1.14	886	-
Other Income		48	88
Southern Recycling Centre		267	156
		<u>1,201</u>	<u>244</u>

Note 3 - EXPENSES

EMPLOYEE COSTS			
Salaries and Wages		1,092	1,042
Employee leave expense		(42)	26
Superannuation		87	90
Workers' Compensation Insurance		52	50
Less: Capitalised and distributed costs		-	(14)
Total Operating Employee Costs		<u>1,189</u>	<u>1,194</u>
Total Number of Employees		11	11
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		18	16
Board Expenses		38	37
Operating Lease Rentals - cancellable leases		-	-
Subtotal - Prescribed Expenses		<u>56</u>	<u>53</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		143	238
Fuel		113	135
Equipment Hire		68	19
Maintenance		299	299
Legal Expenses		21	14
Levies paid- EPA Levy		8,547	8,018
Professional services		28	20
Southern Recycling Centre		187	60
Sundry		315	384
Subtotal - Other Materials, Contracts & Expenses		<u>9,721</u>	<u>9,187</u>
		<u>9,777</u>	<u>9,240</u>

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 3 - EXPENSES (cont)

	Notes	2018 \$'000	2017 \$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Landfill Construction		394	488
Buildings & Waste Facility		140	99
Plant & Equipment		374	362
Impairment	6	-	-
		<u>908</u>	<u>949</u>
OTHER EXPENSES			
Transfer to Provision of Cell 3-1 & 3-2 Capping		80	78
		<u>80</u>	<u>78</u>

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

PROPERTY, PLANT & EQUIPMENT			
Proceeds from disposal		33	163
Less: Carrying amount of assets sold		<u>(12)</u>	<u>(145)</u>
Gain (Loss) on disposal		<u>21</u>	<u>18</u>
NET GAIN (LOSS) ON DISPOSAL OF ASSETS			
		<u>21</u>	<u>18</u>

Note 5 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		2,013	3,787
Short Term Deposits & Bills, etc		<u>14,330</u>	<u>16,153</u>
		<u>16,343</u>	<u>19,940</u>
TRADE & OTHER RECEIVABLES			
Accrued Revenues		22	19
Debtors - general		1,813	1,994
Prepayments		<u>4</u>	<u>12</u>
		<u>1,839</u>	<u>2,025</u>
INVENTORIES			
Stores & Materials		-	-
		<u>-</u>	<u>-</u>

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 6 - PROPERTY, PLANT & EQUIPMENT

	2017					2018				
	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEPN	CARRYING AMOUNT		
Land	1,427	400	-	1,827	1,427	2,556	-	3,983		
Buildings	560	3,825	(351)	4,034	560	4,042	(491)	4,111		
Plant & Equipment	-	4,150	(2,358)	1,792	-	4,393	(2,651)	1,742		
Office Equipment	-	132	(102)	30	-	148	(113)	35		
Landfill Construction:										
Landfill Cell 3-1 & 3-2	-	-	-	-	-	-	-	-		
Landfill Cell's 3-1 & 3-2 Capping	-	-	-	-	-	-	-	-		
Cell 3-3 & 3-4 (Lower)	-	-	-	-	-	-	-	-		
Cell 3-3 & 3-4 (Lower) Capping	-	-	-	-	-	-	-	-		
Cell 4	-	-	-	-	-	-	-	-		
Cell 4 (Capping)	-	-	-	-	-	-	-	-		
Super Cell	-	7,436	(4,867)	2,569	-	7,511	(5,042)	2,469		
Super Cell Capping	-	4,737	(1,777)	2,960	-	4,887	(1,982)	2,905		
Post Closure Rehabilitation	-	5,851	(5,740)	111	-	5,974	(5,756)	218		
Future Restoration Costs	-	4,159	(2,495)	1,664	-	4,159	(4,159)	-		
Work in Progress	-	94	-	94	-	117	-	117		
TOTAL PROPERTY, PLANT & EQUIPMENT	1,987	30,784	(17,690)	15,081	1,987	33,787	(20,194)	15,580		
<i>Comparatives</i>	1,987	36,085	(23,611)	14,461	1,987	30,784	(17,690)	15,081		

This Note continues on the following pages.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 6 - PROPERTY, PLANT & EQUIPMENT

	2017		CARRYING AMOUNT MOVEMENTS DURING YEAR							2018
	\$'000									\$'000
	CARRYING AMOUNT	Capital	Additions Renewals	Disposals	Depreciation	Impairment	Adjustments	Transfer	CARRYING AMOUNT	
Land	1,827	2,156	-	-	-	-	-	-	3,983	
Buildings	4,034	217	-	-	(140)	-	-	-	4,111	
Plant, Equipment & Motor Vehicles	1,792	-	326	(12)	(364)	-	-	-	1,742	
Office Equipment	30	-	15	-	(10)	-	-	-	35	
Landfill Construction:										
Landfill Cell 3-1 & 3-2	-	-	-	-	-	-	-	-	-	
Landfill Cell's 3-1 & 3-2 Capping	-	-	-	-	-	-	-	-	-	
Cell 3-3 & 3-4 (lower)	-	-	-	-	-	-	-	-	-	
Cell 3-3 & 3-4 (lower) Capping	-	-	-	-	-	-	-	-	-	
Cell 4	-	-	-	-	-	-	-	-	-	
Cell 4 (Capping)	-	-	-	-	-	-	-	-	-	
Super Cell	2,569	74	-	-	(174)	-	-	-	2,469	
Super Cell Capping	2,960	150	-	-	(205)	-	-	-	2,905	
Post Closure Rehabilitation	111	122	-	-	(15)	-	-	-	218	
Future Restoration Costs	1,664	-	-	-	-	-	(1,664)	-	-	
Work in Progress	94	23	-	-	-	-	-	-	117	
TOTAL PROPERTY, PLANT & EQUIPMENT	15,081	2,742	341	(12)	(908)	-	(1,664)	-	15,580	
<i>Comparatives</i>	14,461	1,343	755	(145)	(949)	-	-	(384)	15,081	

This Note continues on the following pages.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2018

Note 7 - LIABILITIES

	Notes	2018 \$'000		2017 \$'000	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		2,371	-	2,469	-
Accrued expenses - other		65	-	60	-
		2,436	-	2,529	-

PROVISIONS

Annual Leave		63	-	78	-
Long Service Leave		38	39	71	32
Post Closure Rehabilitation		-	3,895	-	3,772
Cell Capping - 3-1 & 3-2		-	2,554	-	2,474
Cell Capping - 3-3 & 3-4 (Lower)		-	2,937	-	2,845
Cell 4 Capping		-	1,950	-	1,892
Future Restoration Costs		-	1,605	-	4,159
		101	12,980	149	15,174

<i>Movements in Provisions - 2018 year only (current & non-current)</i>	<i>Opening Balance</i>	<i>Additional Amounts Recognised/ (Derecognised)</i>	<i>Payments</i>	<i>Closing Balance</i>
Post Closure Rehabilitation	3,772	123	-	3,895
Cell Capping -3-1 & 3-2	2,474	80	-	2,554
Cell Capping - 3-3 & 3-4 (Lower)	2,845	92	-	2,937
Cell 4 Capping	1,892	58	-	1,950
Future Restoration Costs	4,159	(2,554)	-	1,605
Total	15,142	(2,201)	-	12,941

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 8 - RECONCILIATION OF 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 Statement of Financial Position as follows:

	Notes	2018 \$'000	2017 \$'000
Total cash & equivalent assets	5	16,343	19,940
Less: Short-term borrowings		-	-
Balances per Cash Flow Statement		<u>16,343</u>	<u>19,940</u>

(b) Reconciliation of Change in Net Assets to Cash from Operating Activities

Net Surplus (Deficit)		1,777	1,375
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		908	949
Net (Gain) loss in Equity Movement Joint Venture		(176)	(265)
Movement in Landfill Provisions		(886)	-
Net (Gain) Loss on Disposals		(21)	(45)
		<u>1,602</u>	<u>2,014</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		186	(1,018)
Net (increase) decrease in inventories		-	48
Net (increase) decrease in other current assets		-	-
Net increase (decrease) in trade & other payables		(93)	1,166
Net increase (decrease) in other provisions		45	(10)
Net Cash provided by (or used in) operations		<u>1,740</u>	<u>2,200</u>

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

- Physical resources received free of charge		-	-
- Non-cash grants & contributions		-	-
<i>Amounts recognised in Income Statement</i>		-	-
- Finance Leases		-	-
		<u>-</u>	<u>-</u>

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Corporate Credit Cards	18	18
------------------------	----	----

The Authority has no bank overdraft facility.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 9 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term	Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.
Deposits	Terms & conditions: Deposits are returning fixed interest rates of 1.25 - 2.5% (2017: 1.25 - 2.5%). Short term deposits have an average maturity of 90 days (2017: 90 days). Carrying amount: approximates fair value due to the short term to maturity.
Receivables - Gate Fees & Associated Charges	Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. Carrying amount: approximates fair value (after deduction of any allowance).
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 Authority. Terms & conditions: Liabilities are normally settled on 30 day terms. Carrying amount: approximates fair value.

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 provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and the ANZ Bank. 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 Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 9 (cont) - FINANCIAL INSTRUMENTS

Liquidity Analysis

2018	Floating Interest Rate \$'000	Fixed interest maturing in			Non- interest bearing \$'000	Total \$'000
		≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000		
Financial Assets						
Fair Value through P&L						
Cash Assets	2,013	14,330	-	-	-	16,343
Loans & Receivables						
Receivables	-	-	-	-	1,839	1,839
Total	2,013	14,330	-	-	1,839	18,182
<i>Weighted Average Interest Rate</i>	1.25%	2.50%				
Financial Liabilities						
Payables	-	-	-	-	2,436	2,436
Total	-	-	-	-	2,436	2,436
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES	2,013	14,330	-	-	(597)	15,746
<hr/>						
2017	Floating Interest Rate \$'000	Fixed interest maturing in			Non- interest bearing \$'000	Total \$'000
		≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000		
Financial Assets						
Fair Value through P&L						
Cash Assets	3,787	16,153	-	-	-	19,940
Loans & Receivables						
Receivables	-	-	-	-	2,025	2,025
Total	3,787	16,153	-	-	2,025	21,965
<i>Weighted Average Interest Rate</i>	1.50%	2.80%				
Financial Liabilities						
Payables	-	-	-	-	2,529	2,529
Total	-	-	-	-	2,529	2,529
EXCESS OF FINANCIAL ASSETS OVER LIABILITIES	3,787	16,153	-	-	(504)	19,436

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2018

Note 10 - COMMITMENTS FOR EXPENDITURE

	2018 \$'000	2017 \$'000
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Committed Projects	-	-
	<u>-</u>	<u>-</u>

As at 30 June 2018, the Authority has entered into no capital commitments that are not already recorded on the Statement of Financial Position.

Other Expenditure Commitments

Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:

Audit Services	37	55
	<u>37</u>	<u>55</u>
These expenditures are payable:		
Not later than one year	18	18
Later than one year and not later than 5 years	19	37
Later than 5 years	-	-
	<u>37</u>	<u>55</u>

Note 11 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position but knowledge of those items is considered relevant to users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. Potential Insurance Losses

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

2. Legal Expenses

All known costs have been recognised.

Note 12 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2018 that need to be disclosed in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

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 uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

	2018	2017
	\$'000	\$'000
Income	13,710	12,678
<i>less</i> Expenses	(11,954)	(11,461)
Operating Surplus / (Deficit)	1,756	1,217
<i>less</i> Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	341	754
Depreciation, Amortisation, Impairment and Movement in Landfill Provisions	(988)	(1,027)
Proceeds from Sale of Replaced Assets	-	-
	(647)	(273)
<i>less</i> Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	2,479	863
Amounts received specifically for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets	(33)	(163)
	2,446	700
Net Lending / (Borrowing) for Financial Year	(43)	790

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2018

Note 14 - DISCLOSURES OF RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. The following payments were made to Key Management Personnel during the year:

	2018 \$'000
Salaries, allowances & other short term benefits	380
Post-employment benefits	-
Long term benefits	26
Termination Benefits	7
TOTAL	413

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Onkaparinga	4,509	382	Provision of waste disposal services
City of Holdfast Bay	825	84	Provision of waste disposal services
City of Marion	2,026	248	Provision of waste disposal services
Southern Recycling Centre	4,523	508	Provision of waste disposal services

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 Member Councils. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2018

Note 15 - EQUITY ACCOUNTED JOINT VENTURE

Southern Recycling Centre (SRC)

The Authority has entered into a joint venture arrangement with Integrated Waste Services Pty Ltd to operate the Southern Recycling Centre located on the Authority's landfill site.

	2018	2017
	\$'000	\$'000
The Authority's respective interests are:		
- interest in operating result:	49.99%	49.99%
- ownership of equity	49.99%	49.99%
the proportion of voting power	50.00%	50.00%
 <u>Movement in Investment in Joint Operation:</u>		
Opening Balance	709	164
New Capital Contributions	-	405
Share in Operating Result	176	71
Equity Adjustment	-	194
Distributions Received	-	(125)
Share in Equity of Joint Operation	885	709

Expenditure Commitments

There were no expenditure commitments at reporting date that required to be recognised in the financial statements.

Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2018

Note 16 - FAIR VALUE MEASUREMENTS

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets.

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) **Fair value hierarchy**

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

- *Market approach*: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach*: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- *Cost approach*: reflects the current replacement cost of an asset at its current service capacity.

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2018

Note 16 - FAIR VALUE MEASUREMENTS (Cont.)

The following tables provide the fair values of the Authority's assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2018					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,427	-	1,427
- Buildings	6	-	560	-	560
Total financial assets recognised at fair value		-	1,987	-	1,987
2017					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,427	-	1,427
- Buildings	6	-	560	-	560
Total financial assets recognised at fair value		-	1,987	-	1,987

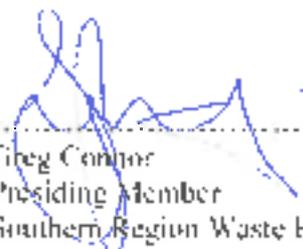
(b) **Disclosed fair value measurements**

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

	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements

**Presiding Member Southern Region Waste Resource Authority
Audit Committee – Auditor Independence**

I, Greg Connor the person occupying the position of Presiding Member of the Southern Region Waste Resource Authority's Audit Committee, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Local Government Act 1999.



Greg Connor
Presiding Member
Southern Region Waste Resource Authority Audit Committee

28 / 8 / 18
Dated

Galpins

Accountants, Auditors
& Business Consultants

David Chant CA, FCA
Simon Smith CA, FCA
David Sullivan CA, CPA
Jason Seidel CA
Renee Nicholson CA
Tim Muhlbauer CA
Aaron Cooran CA
Luke Williams CA, CPA
Daniel Moon CA



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SOUTHERN REGION WASTE RESOURCE AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2018

Statement by Auditor

I confirm that, for the audit of the financial statements of the Southern Region Waste Resource Authority for the year ended 30 June 2018, I have maintained my independence in accordance with the requirements of APFS 110 - Code of Ethics for Professional Accountants, Section 230, 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 77 (5) Local Government (Financial Management) Regulation 2011.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Simon Smith FCA, Registered Company Auditor

Partner

13/09/2018

David Quant CA, CPA
Simon Smith CA, CPA
David Sullivan CA, CPA
Jason Seidel CA
Rensae Nicholson CA
Tim Multhauser CA
Aaron Coonan CA
Luke Williams CA, CPA
Daniel Moon CA



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

We have audited the compliance of the Southern Region Waste Resource Authority ("the Authority") with the requirements of Section 125 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, acquisition and disposal of property and incurring of liabilities for the period 1 July 2017 to 30 June 2018 have been conducted properly and in accordance with law.

The Authority's Responsibility for 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, with 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 125 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, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with the law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAC 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 period 1 July 2017 to 30 June 2018. ASAC 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 risk.

Limitation of Use

This report has been prepared for the members of the Authority in accordance with Section 129 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 which it was prepared.

Inherent Limitation.

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not to be detected. An assurance engagement on 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.

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 125 of the Local Government Act 1993* in relation to internal controls established by the Authority 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 authority have been conducted properly and in accordance with law for the year ended 30 June 2018.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Simon Smith CPA Registered Company Auditor

Partner

13/09/2018

David Chant CA, CPA
Simon Smith CA, CPA
David Sullivan CA, CPA
Jason Seidel CA
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INDEPENDENT AUDITOR'S REPORT

To the members of the Southern Region Waste Resource Authority

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the Southern Region Waste Resource Authority ('the Authority'), which comprises the balance sheet as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Executive Officer and the Chairman.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2018, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, Local Government Act 1999 and 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 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 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.

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 (including the Australian Accounting Interpretations), the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 and for such internal control as the Authority 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, 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 Responsibility 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. 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 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 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 management.
- Conclude on the appropriateness of 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.

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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Simon Smith CPA, Registered Company Auditor

Partner

13/09/2018

**Southern Region Waste Resource Authority
Board Chair – Auditor Independence**

I, Mark Booth, the person occupying the position of Chair of the Southern Region Waste Resource Authority's Board, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpin, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Local Government Act 1999.

.....
Mark Booth
Chair
Southern Region Waste Resource Authority Board

26.6.2018
Dated



**Chief Executive Officer's Certificate of Compliance - Auditor Independence
Southern Region Waste Resource Authority**

I, Mark Dowd the person for the time being occupying the position of Chief Executive Officer of the City of Onkaparinga, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.

Mark Dowd
Chief Executive Officer
City of Onkaparinga
23 August 2018



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Woodcroft office
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Morphett Vale
Telephone (08) 8384 6666
Facsimile (08) 8382 5144

17 August 2018



Henny Redden
Southern Region Waste Resource Authority
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McLaren Vale SA 5171

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Dear Henny,

**Chief Executive Officer's Certificate of Compliance – Auditor Independence
Southern Region Waste Resource Authority**

I, Adrian Skull, the person for the time being occupying the position of Chief Executive Officer of the City of Marion, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.


.....
Adrian Skull
Chief Executive Officer
City of Marion

15.8.18
.....
Dated

The City of Marion acknowledges it is part of Kaurna land and recognises the Kaurna people as the traditional and continuing custodians of the land.



City of Marion



@CityofMarion



City of Marion



@CityofMarion

marion.sa.gov.au



holdfast.sa.gov.au

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Glenside Customer Service Centre and Library
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**Chief Executive Officer's Certificate of Compliance – Auditor Independence
Southern Region Waste Resource Authority**

I, Justin Lynch, the person for the time being occupying the position of Chief Executive Officer of the City of Holdfast Bay, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.


Justin Lynch
Chief Executive Officer
City of Holdfast Bay

17.2.18
Dated

Attendance at Board Meetings

July 2017 – June 2018

BOARD MEETINGS	A	B
BOARD MEMBERS		
Chairman Mark Booth	7	7
Trish Aukett (resigned April 2018)	5	3
Roberto Bria (appointed May 2018)	2	2
Kirk Richardson	7	7
Vincent Mifsud	7	6
Alison Hancock (appointed October 2017)	5	5
Lynda Yates	7	6
Ian Crossland	7	5
DEPUTY BOARD MEMBERS Please Note: Deputy Board Members are only required to attend a Board Meeting when the Board Member is an apology.		
Nick Kerry		
John Smedley		2
Heidi Greaves		

A = Number of meetings held 1 July 2017 to 30 June 2018 at which time the Board Member or the Deputy Board Member was a member of the Board.

B = Number of meetings attended by the Board Member or Deputy Board Member from 1 July 2017 to 30 June 2018.

Attendance at Audit Committee Meetings

AUDIT COMMITTEE MEETINGS	A	B
Chairman Greg Connor	4	4
Vicki Brown	4	4
David Powell	4	3
Mark Booth	4	3
Lynda Yates (Deputy SRWRA Representative)	3	3

A = Number of meetings held 1 July 2017 to 30 June 2018 at which time the Audit Committee Member was a member of the Committee.

Performance Against Business Plan

Each year SRWRA prepares an Annual Business Plan that is submitted to the Constituent Councils detailing its aims and objectives.

Aims and objectives	
Operating Surplus is maintained	Achieved
Meet all legislative requirements (WHS, EPA, Zero Waste)	Achieved
Asset Management plans are in place	Achieved
Grow the revenue (to offset a reduction in the forecast SRWRA revenue)	Achieved
Capital works program is planned and funded i.e. cell construction (link to LTFP).	Achieved
Development of a Bio-Pad, Bailing field and Hard-Stand/Capped operational area	In Progress



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