

## **OUR VISION**

Balancing our progress with our heritage, we lead in coastal management to deliver high quality public spaces and services to build a welcoming, safe and active community where resident, visitor and business prosperity meet.

Our Place: 2030 Strategic Plan

# WELCOME TO OUR PLACE

This annual report is part of a strategic planning and reporting framework that guides the direction and measures the performance of the organisation in relation to the goals set out in the City's strategic plan—Our Place 2030.

It records our achievements in line with the ambitious program of works outlined in the 2018–19 Annual Business Plan, and reports our performance compared to the budget and strategic measures set out for the past financial year.

In 2018–19, Council undertook a range of improvements on behalf of the community and continued to deliver an extensive suite of high-quality services—while containing the rate revenue increase to a modest 2.7 per cent.



# TRADITIONAL CUSTODIANS

The City of Holdfast Bay acknowledges the Kaurna People as the traditional owners and custodians of the land. We respect the spiritual relationship with Country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to the Kaurna People today.



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## **OUR PLACE**

### Adelaide's Favourite Coastal Destination

For 65,000 years Aboriginal people have inhabited the vast lands of Australia.

The traditional owners of Holdfast Bay, the Kaurna people, used the coastal plain that makes up Holdfast Bay as a place to seek refuge from summer temperatures, a meeting place for celebration, ceremony and trade, and an area for abundant plant and animal resources.

Holdfast Bay continues to be a place of rich cultural significance for Kaurna.

The coastal environment with its fresh water lagoons and abundant food sources was used for millennia as a meeting place for cultural celebrations, ceremony and trade by Kaurna people, and continues to be a place of significant Kaurna cultural heritage.

In 1836, Colonel William Light arrived on The Rapid on a mission to survey the South Australian coast in search of a place for settlement. While The Rapid stood off-shore near the mouth of the Patawalonga, a storm blew in and the anchor held. Colonel Light consequently named the bay 'Holdfast Bay'.



The Province of South Australia was proclaimed at Pathawilyangga in 1836, which became the municipality of Glenelg in 1855. Wituwartingga became the municipality of Brighton in 1858.

The City of Holdfast Bay was formed in 1997 through the amalgamation of the City Councils of Glenelg and Brighton.

Located just 11 kilometres from the Adelaide city centre and five minutes from Adelaide Airport, our City is now home to almost 37,000 people and one of the most celebrated places to live, work and visit in the Adelaide metropolitan area. It boasts a beautiful natural environment; high quality recreation and community facilities; superior health and education options; a vibrant tourism sector; thriving retail precincts and a small light industrial area.

## MESSAGE FROM THE MAYOR

The 2018–19 year marked the beginning of our term as a new Council. Welcoming five new elected members, we are working together to achieve a collective vision for our community.

It was also a year when a number of long-awaited projects commenced.

We began the redevelopment of the Brighton Oval sports complex thanks to commitments by the City of Holdfast Bay together with both the Federal and State Governments and national sporting bodies.

The project includes the construction of three purposebuilt club rooms with new unisex change rooms. There will also be upgraded community spaces, a new play area, shelters, seating and carparks. The improved facilities will generate significant economic, social and health benefits for the community for many years to come.

In 2018–19 we also began construction of the final section of Coast Park in Holdfast Bay, thanks to a \$4.3 million State Government funding injection and our close partnership with Minda Inc. The Minda Coast Park at North Brighton will, for the very first time, provide a continuous coastal pedestrian and cycling pathway in Holdfast Bay from Kingston Park in the south to Glenelg North. An exciting element of the project is the commitment to the protection and revegetation of the remnant dune system that has seen the planting of more than 10,000 native plants in the dunes.

We progressed the Jetty Road Glenelg and Environs Masterplan and will soon begin work on the Chapel Street Plaza and Hindmarsh Lane section. However, it's not only the big projects that make our community great. Importantly, it's the way we come together and look out for one another, share experiences and care for our precious environment.

In 2018–19 more than 13,000 native plants were planted in our gullies, cliffs and dunes, as well as 584 new street trees. We were excited that our Hooded Plover family at Seacliff beach successfully raised two chicks – Cliff and Sandy. The work undertaken to protect these endangered birds is a wonderful example of council working in partnerships with other organisations, volunteers and our community.

Throughout the past year, my fellow councillors and I attended many of the 200 events hosted in our City. We also met with incredible volunteers, community groups and club leaders, and I would like to express my gratitude to each of them. They embody the spirit of working together which is just one of our community's many qualities.

I hope you enjoy reflecting on our City's achievements over the past 12 months. I look forward to working with my fellow councillors, Council staff and the community to achieve our shared vision for the City of Holdfast Bay in years to come.



Amanda Wilson

Mayor
City of Holdfast Bay



## **MESSAGE** FROM THE CEO



It has been a period of new beginnings for the City of Holdfast Bay. In November 2018, we welcomed a new Council and elected Mayor Amanda Wilson.

In June this year, we bid farewell to CEO Justin Lynch, who had served our City with great passion and acuity for more than a decade.

Years of careful planning by the Council resulted in securing significant State and Federal Government funding, which has allowed a number of major projects to be undertaken:

- > Brighton Oval Redevelopment received funding from the Federal Government (\$5 million), State Government (\$2 million), AFL (\$75,000) and Cricket Australia (\$40,000).
- > Jetty Road Glenela and Environs Masterplan will commence thanks to \$1.8 million in State Government funding.
- > The Minda Coast Park was constructed with an injection of \$4.3 million in State Government funds.

We also received several awards and accolades for our projects and innovations. Among them:

- > The Angus Neill Playspace won the Parks and Leisure Australia SA/NT Playspace Award (<\$0.5m).
- > Excellence in Cross Council Collaboration at the Local Government Excellence Awards.
- > Excellence in Environmental Leadership & Sustainability at the Local Government Excellence Awards.
- > Local Government IT South Australia Award for Information Management Excellence.
- > 2018-2019 Green Industries SA Women in Waste Award.
- > 2018 Local Government Award for Tourism at the South Australian Tourism Awards.

In addition to investing in big ticket items, the Council has maintained its commitment to the environment, reducing our waste to landfill by 273 tonnes.

We've also cut carbon dioxide emissions from electricity by 259 tonnes per year, which is a 13.6% reduction. This has been achieved largely by our investment in LED streetlight conversion.

Another important focus has been improving our community services through elements such as:

- > Increased opening hours of the Brighton Library resulted in an extra 18,000 visits.
- > Elderly residents were supported with 10,310 hours of domestic assistance and home maintenance.
- > There have been 9,512 community transport trips.
- > More than 200 local businesses took part in digital training and associated mentoring as a part of our Economic Activation Plan.
- > Our continued investment in tourism resulted in more than 200 events held in our City, which in excess of 620,000 people attended.

These great programs combined with the Council's 'business as usual' - maintaining roads, footpaths, parks and community spaces - have continued to meet community expectations. Our annual customer satisfaction survey delivered a quality of life score of 8.8 out of 10.

The work of the departing Council in partnership with Justin left a healthy legacy for the new Council and we are ready to build on what they began, in conjunction with the administrative staff.

I express my appreciation to them all for their service and commitment, and I look forward to continuing to deliver a great quality of life for the City of Holdfast's residents, businesses and visitors.



Roberto Bria Chief Executive Officer City of Holdfast Bay

## 2018-19 HIGHLIGHTS

In 2018-19:



community transport trips helped residents get out and about



hours of active and healthy living services were provided to 743 people through Alwyndor Aged Care



items were lent to 14,039 library members



immunisations were administered at our local clinics



people visited and/or stayed in Holdfast Bay



13,000

native plants were planted in our gullies, cliffs and dunes

584 street trees

were planted

267m

fencing was installed at Seacliff



\$569,216

was invested in improving stormwater management at 10 locations

in funding was received from the State Government to complete the Minda Coast Park, with \$1 million funding from Council



development applications were processed



4,414lm

of kerbing, 2,377sq m of footpath and 23.6sq kms of roads were maintained



620,000

people attended more than 200 Holdfast Bay-hosted events



hours of domestic assistance, home modifications and home maintenance were provided to residents



new dwellings were approved (valued at \$114 million)



## \$3 million

was brought into our local economy by our Winter Wonderland event

1,977

attendees were welcomed to Holdfast **Bay History Centre events** during South Australia's History Festival



volunteers contributed 89.500 voluntary hours to the community (\$3.7 million economic value)



phone calls were answered, with 9 out of 10 enquiries resolved by the first staff member that callers spoke to



## million

people around the globe saw the Santos Tour Down Under race start in Holdfast Bay

in funding was secured from the State Government for the Brighton Oval Masterplan, with a further \$2.7 million from Council



## **QUALITY OF LIFE SURVEY RESULTS (2019)**

**HOW YOU RATED YOUR COUNCIL OUT OF 10** 





Providing library services



Providing sporting



**7.85** 

Delivering services for the elderly and people with a disability



**Promoting** programs and services that encourage an active lifestyle







Maintaining roads and kerbing

Maintaining cycle networks



Providing a sense of safety in neighbourhoods



**ENVIRONMENT** 



Maintaining beaches and coastal areas



Providing adequate waste management services



Overall rating of Holdfast Bay as a place to live



**ECONOMY** 



7.9 Encouraging a diverse range of businesses and services

in the area



**7.8** Supporting and promoting tourism and events





6.8 Quality of service provided by Council staff



Overall satisfaction with the quality of service and performance of the Council



Maintaining well laid out parks and reserves



Providing programs that foster social interaction and community wellbeing



8.8

Likelihood to recommend Holdfast Bay as a place to live

Council would like to express their appreciation and thanks to those who participated in this survey.



## COMMUNITY

## A HEALTHY, CREATIVE, CONNECTED COMMUNITY

In 2018–19 Council delivered many projects and services that contributed to building a healthy, active and resilient community; celebrating culture and diversity; providing welcoming, accessible facilities; and fostering an engaged contributing community.

#### **Active Communities**

The City of Holdfast Bay promotes an active, healthy and socially connected lifestyle for residents 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; and initiatives that celebrate the City's indigenous history and diverse culture. This year's highlights include:

- Development of a Playspace Action Plan (2019–2028) detailing recommendations for playspace redevelopments across our City over the next decade.
- Completion of new playspaces at Angus Neill Reserve, Bindarra Reserve, Kauri Community and Sports Centre, and Alf Smedley and Mel Baker Reserve.
- Receipt of the Parks and Leisure Australia (SA/NT) award for the Best Playspace Redevelopment under \$500,000 for the Angus Neill Reserve Playspace.
- Community consultation and planning for the redevelopment of Wigley Reserve Playspace and Fitness Hub.
- Creation of a five year Youth Action Plan (2018–2023) in partnership with the Youth Affairs Council of SA and our youth community.

- Delivery of youth events including: Pumpin' National Youth Week event at Brighton Pump Track; HoldUp Race Around the Bay 2018; Christmas in July at Winter Wonderland; and the SA Skate League Event at West Beach Skate Park in partnership with the City of West Torrens.
- Supporting 82 young people to represent South Australia and Australia at national and international sporting and cultural events through the Youth Achievement Sponsorship program.
- Providing quarterly professional development workshops on the topic of school gardening for early learning and primary school staff, in partnership with the Cites of West Torrens and Marion and Natural Resource Management Education.
- Adoption of the Arts and Culture Strategy and Action Plan (2019–2024) by Council.
- Contribution of 89,500 hours, equating to \$3.7 million in economic value to the community by 440 volunteers.
- Commencement of a masterplan design for the Holdfast Bay Community Centre.



#### PROJECTIONS AND PLANS

Council's projections and plans for the next financial year are outlined in our 2019 - 20 Annual Business Plan. Some of the strategic activities to be undertaken as part of the 2019 – 20 Annual Business Plan include:



## **Community Donations**

Council distributed \$45,009 to the Holdfast Bay community via the Community Chest and Community Donations programs in 2018–19.

#### **Community Donations**

Of the total amount, \$30,609 was provided through the Community Donations program to support:

- > Community and wellbeing initiatives including a junior tennis growth initiative, Seacliff beach volleyball courts, skill and performance workshops for musicians and a community socialisation through singing initiative.
- > Events ranging from beach water polo to club centenary celebration functions.
- > Arts and cultural projects including a photographic and poetry exhibition and community engagement sculpture.

Community Donation recipients were:

- > Somerton Park Tennis Club
- > Volleyball SA
- > Holdfast Bay Music Centre
- > City of Holdfast Bay Concert Band
- > Holdfast Bay Dog Centre
- > Kingston Park With One Voice Choir
- > Somerton Park Surf Life Saving Club
- > Water Polo SA
- > Brighton Bowling Club
- > Tutti Arts
- > Seacliff Community Recreation Association.

#### **Community Chest Donations**

\$6,200 was distributed in Community Chest Donations to 13 community groups, organisations and individuals to support initiatives including:

- > Community events and street parties
- > Arts and cultural events
- > Planting of community fruit trees
- > Installation of defibrillators in club facilities
- > Establishing a Seacliff Esplanade Parkrun.

#### **Youth Sponsorship**

\$8,200 was distributed in Youth Achievement Sponsorships to assist 65 young people with personal and professional development activities and sports, including public speaking, defence force cadets, calisthenics, volleyball, cricket, sailing, netball, basketball and hockey.

### Community and Sporting Facilities

#### **Brighton Oval Masterplan**

Local sporting clubs and residents will benefit from the \$13.7 million redevelopment of Brighton Oval which commenced in June 2019. In addition to Council funding, State and Federal Government funding was secured to enable the whole Masterplan to proceed.

Once redeveloped, Brighton Oval will provide high quality sports and recreational facilities for the community, including three brand new, purpose-built buildings for cricket/football, rugby and lacrosse, and improved community spaces including a new playspace, shelters, seating and carparks.

The redevelopment will create significant economic, social and health benefits for the community. In particular, the facilities will be expanded to accommodate increased female and youth participation in sport. The new buildings, leased by the tenant sports clubs, will also be available for the whole community to use and hire.

#### **Club Development**

Council provides assistance and support to local sporting clubs and recreation groups to develop positive and sustainable club management through workshops that support strategic planning, volunteer management, financial management and succession planning. In 2018–19 workshops covered topics including CPR, financial management, sports and social media, grant writing, making meetings work, sports taping, and succession planning.

#### **Glenelg Oval**

Concept Plans for Stage 1 of the redevelopment of Glenelg Oval were completed. Stage one will see a redevelopment of the Holdfast Bay Tennis Club, including upgrades to the clubroom, courts, fencing and lighting. Council is working with all stakeholders to deliver this project in the 2019–20 year.

### Alwyndor Aged Care

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

The Community Wellbeing program provided 10,697 hours of domestic assistance and home maintenance, and facilitated 7,617 hours of social support during the last financial year.

Home maintenance officers installed \$47,266 worth of home modifications to improve the safety and mobility of residents.

The community bus service provided 7,506 community bus trips to local libraries, shopping centres and other community venues, and personal transport volunteers provided another 2,006 trips to residents who needed individualised support.

The community participation team introduced a number of lifestyle programs including:



- Aqua fun
- > Fun with art
- > Tai Chi
- > Healthy living with Dawn
- > Zumba gold.

The team expanded the Let's Eat! community meal program to 3 locations, three times per month, catering to approximately 120 people each time.

A partnership with cities of Marion, Mitcham and Onkaparinga resulted in the delivery of Moving Towards Wellness and the Wellbeing and Resilience Programs (WaRP) that aim to build individual resilience and provide residents with tools to deal with life's setbacks.

### 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 2018–19 financial year volunteers dedicated more than 4,000 hours to help deliver the Centre's extensive program.

This year's highlights include:

- > Answering more than 1,000 community history enquiries.
- > Digitising more than 200 collection items including photographs, objects and paintings.
- > Welcoming more than 1,977 attendees to events during South Australia's History Festival.
- > Welcoming 236 visitors to the Glenelg air-raid shelter.
- > Successfully attracting \$25,000 in grant funding.
- > Generating \$7,000 in donations and sales.
- > Providing research and content for exhibition within Glenelg's museum - the Bay Discovery Centre.
- > Completion of the WWI commemoration project -From the Bay to the Battlefield.



## Heritage and Culture

The City of Holdfast Bay continues to foster and strengthen relationships with the Kaurna People to honour, promote and protect their culture, heritage and connection to the land.

- Regular meetings were held with Kaurna elders to discuss Council projects, cultural initiatives and to support their ongoing culture, heritage, beliefs and connection to country.
- The new elected body and the senior leadership team undertook cultural awareness training and took part in a smoking ceremony and Welcome to Country, at the swearing in of the new elected members and first Council meeting.
- The Heritage Research and Procedures Report was developed by Integrated Heritage Services to identify and manage areas of Kaurna cultural and European historic heritage.



- A variety of workshops, activities and cultural inductions were held throughout the year that encouraged cultural sharing and a greater understanding and respect for Aboriginal heritage and culture and significant cultural sites throughout the City.
- In celebration of National Reconciliation Week and History Month cultural workshops and tours where facilitated by Kaurna elders.
- Dual naming signage was applied on reserves and cultural sites throughout the City.
- Traditional Welcome to Country and smoking ceremonies were held by Kaurna elders at community events and civic ceremonies.

#### Art and Activations

#### **Arts and Culture Strategy**

The Arts and Culture Strategy and Action Plan (2019–2024) was developed in collaboration with Trish Hansen, Founding Principal of Urban Mind, the community, creative leaders, businesses and arts organisations. The Arts and Culture Strategy provides a framework to guide the philosophy, coordination, promotion, management of and investment in arts and culture across the City over the next five years.

#### Murals

Several mural artworks were installed on walls throughout Holdfast Bay to create interest and add vitality. Artist Bronte Naylor created an artwork at the Glenelg Community Centre. Matt Fortrose installed a vibrant work along Milton Street. Glenelg arts duo, Hyde and Seek, used recycled materials to create a colourful work at the Broadway in Glenelg South.

#### **Sculpture**

The Gyre Sculpture by artist Matt Turley was purchased by Council from the 2019 Patritti Brighton Jetty Sculptures Festival and installed along the Brighton Esplanade on the southern side of the Brighton Jetty.

#### **Community Art Events**

Seven pop up community and youth events were held that featured creative workshops, activities and performances. These included Sidewalk Sundays, SALA Festival, Adventures by the Sea, Pumpin Youth event, MudFest and the community opening of the Angus Neill Playspace.



#### **Artisan on Partridge at Historic Partridge House**

The annual Artisan on Partridge event held during the South Australian Living Artist (SALA) Festival showcased artworks and the creative talents of over 50 artists. designers, musicians and performers. The one-day event featured an indoor exhibition, arts market, arts workshops, live music and come-and-try art activities and workshops.

#### **Green Rooms at Jetty Road Glenelg**

The final Green Room artwork elements were installed along Jetty Road Glenelg. The creative pipe-works and planter boxes have been positioned along Jetty Road and in Moseley Square to provide interest, soften harsh spaces and create greenery.

#### Community Centres

The City of Holdfast Bay provides four community centres:

- > Glenelg Community Centre
- > Glenelg North Community Centre
- > Brighton Community Centre
- > Holdfast Bay Community Centre.

Council staff work closely with centre volunteers to attract more than 8,000 visitors each month and deliver over 70 low-cost programs that include health and fitness, education, arts and crafts, social and personal development as well as luncheons, charity events, and Fringe and Festival shows.

The community centres support local charities by delivering social events that raise awareness of issues, and by sharing information on services available within the community. The Cancer Council's Biggest Lunch, Easter, Christmas, Seniors and Seasonal luncheons attract up to 100 people each, while Halloween at Holdfast Bay drew around 300 ghouls and goblins.

#### Cemeteries

Council operates the St Judes Cemetery and North Brighton Cemetery as well as the Glenelg and Brighton Seaside Memorial.

A modular ashes system was installed in May 2019 at the North Brighton Cemetery, allowing for an additional 75 new ashes sites.

## Community Gardens

Glenelg North Community Garden (on the corner of Kibby Avenue and Alison Street) and the newly established Brighton Community Garden on Bowker Street, continue to attract hundreds of community members each week.

Council provides funding and support through project development, governance direction and volunteer recruitment.

The gardens are a vibrant and inclusive environment to share sustainable food practices and learn about topics such as wicking beds, tree pruning and the benefits of working in an environmentally friendly way.

#### Volunteers

During 2018–19, the 440 people belonging to the City of Holdfast Bay's volunteering program performed 545 active roles and contributed 89,500 hours, translating to \$3.7 million in economic value.

To facilitate this contribution, Council staff worked with 20 other organisations including Volunteer SA & NT, Southern Volunteering and Council's community centres to maximise the opportunities for volunteering.

Staff used social media, online advertising and promotion at Council events to attract new volunteers, and worked with organisations to support corporate volunteering programs.

Corporate and one-off community volunteering increased from 102 incidental volunteers to 257. This was an increase of 155 per cent on the previous year. Over the 2018–2019 financial year our referral rate also increased by 27 per cent. Volunteer opportunities continue to grow through improving our databases, referral networks and promotion to the wider community.

#### Libraries

Council's accessible, progressive library service not only meets the community's research and recreational reading needs, it also fosters lifelong learning.

This year, the service lent 435,576 items via the Brighton and Glenelg branches, Home Library Service and online resources. Active borrower membership reached 14,039 members, with 1,740 new borrowers joining the library service.

Programs aimed at the children of City of Holdfast Bay attracted 20,121 people. Staff provided 120 sessions for Wriggle N Rhyme, 120 sessions for the newly introduced Toddler Time, and 80 Storytime sessions. Outreach services were provided to early learning centres, kindergartens and primary schools. Staff continued to run Little Bang Discovery Club STEM activities and introduced Little Bang Plus, promoting the library as a place of connected learning inspiring engagement and curiosity in science. Highlights of the children's programming calendar included Book Week and the school holiday programs.

A program aimed at adults was attended by 735 people, with 185 attending digital workshops, 506 attending general community sessions and 44 community members attending 1:1 digital support sessions designed to improve access to digital collections.

The refurbishment of Glenelg library continued with the installation of new air-conditioning.

The opening hours at Brighton Library were extended to six days a week from Monday to Saturday. The number of people visiting Brighton Library increased by 23 per cent. Overall, there were 213,452 visits to Holdfast Bay's Libraries.

### **Regulatory Services**

Council's Regulatory Services Department protects the health and safety of the local community and visitors to Holdfast Bay. Services include immunisation, animal management, public health, permits, litter and nuisance control, security, parking control and public safety.

To ensure that the City of Holdfast Bay is a safe place, staff use a broad range of strategies including education and enforcement.

This year's highlights include:

- > Providing 2,050 immunisations
- > Registering 4,397 dogs
- > Reuniting 150 animals with their owners
- > Investigating 92 litter and nuisance issues
- > Undertaking 291 food business inspections
- > Patrolling traffic safety at schools 150 times a year.

The Regulatory Services Department operates a security patrol in public spaces 365 days of the year and staff are available 24 hours a day, 7 days a week.

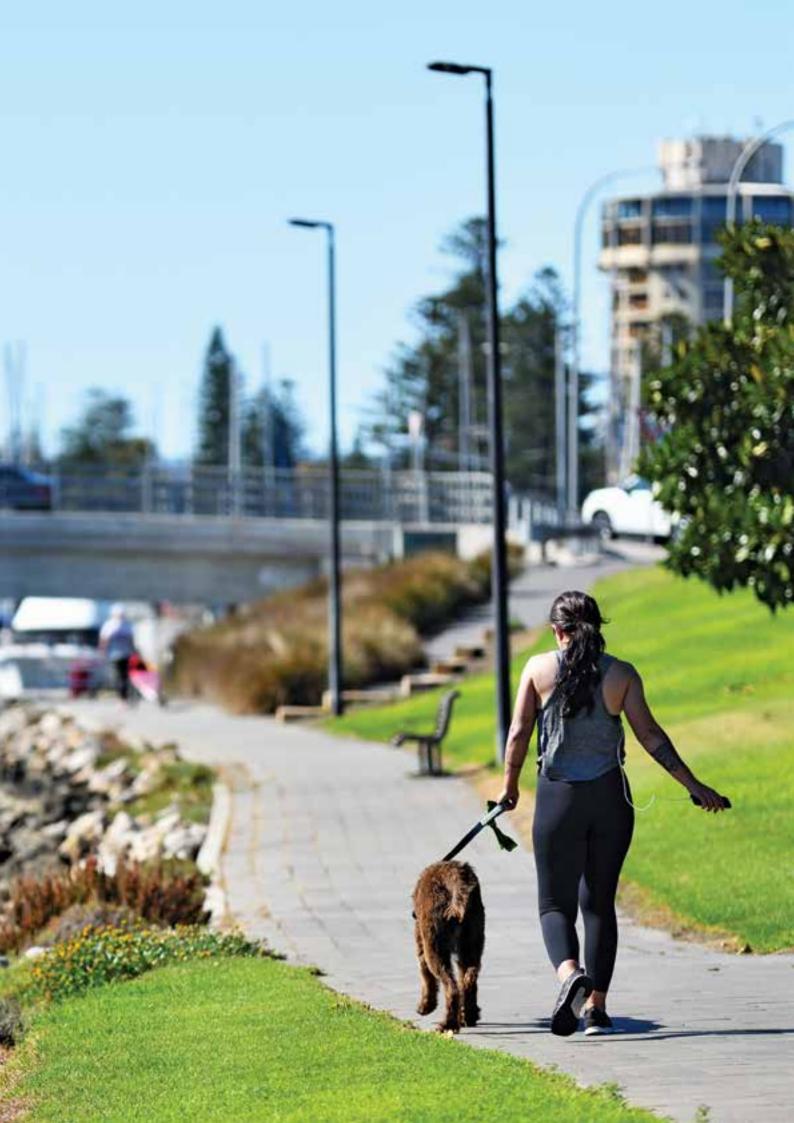
#### **Ticket Machine Upgrade**

This year parking ticket machines were changed from coin only to coin and credit card, making it easier for visitors to park, thereby supporting the local economy.

#### **Dog and Cat Registration**

In 2018–19 a new state-wide online dog and cat registration system called DACO (Dogs and Cats Online) was introduced to make it easier for dog and cat owners to register their pets. The new system reduces waste and inefficiency by issuing one I.D. tag for life, saving Councils the need to re-issue tags each year. It also enables Councils to return wandering animals to their owners more easily.







## **ENVIRONMENT**

## A COMMUNITY CONNECTED TO OUR NATURAL ENVIRONMENT

This year Council staff undertook a range of actions to protect biodiversity; build an environmentally resilient City; use resources efficiently; and foster an environmentally connected community, including:

- Maintenance and rehabilitation of natural reserves and coastal areas.
- Commencement of a Sturt River (Warriparri) nature corridor.
- Protection of habitats for native flora and fauna including sand dunes.
- > Implementation of formal bird surveys.
- > Installation of 267m of sand drift fencing at Seacliff.
- Providing support for volunteer groups taking care of our natural reserves and sand dunes.
- Providing workshops and subsidies for sustainable living.

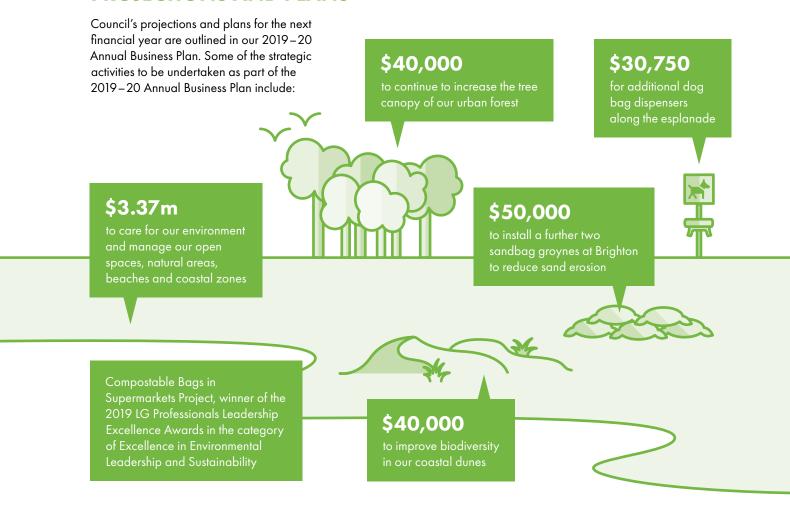
- Staging Clean Up Australia Day and National Tree Day community activities.
- > Managing waste collection services.
- Converting street lights to LEDs to reduce carbon emissions.
- Delivering programs that improved the diversion rate of household waste from landfill.
- > Awarding five Greening Our Community grants.
- > Planting 584 street trees.
- Continuing our participation in the Resilient South program.
- Improving stormwater infrastructure and constructing new Water Sensitive Urban Design (WSUD) installations.
- > Installing two sand groynes.

## **Biodiversity Corridor**

In partnership with SA Water, City of Marion, Natural Resources Adelaide & Mt Lofty, and Friends of Sturt River, Council began implementation of a corridor for plants and animals, along the Sturt River (Warriparri). The corridor started with planting 900 native plants in the Bob Lewis Reserve, Glenelg North.



#### PROJECTIONS AND PLANS



## Compostable Bags in Supermarkets Pilot

In 2018 Council implemented a 12-month trial with two local supermarkets, replacing plastic bags for fruit and vegetables with compostable versions. The project aimed to increase availability of kitchen caddy compatible compostable bags for disposal of food waste into kerbside organics bins, and to reduce the supermarkets' reliance on single use plastic bags.

Customer surveys demonstrated overwhelming support for the pilot and a high level of understanding of the pilot's objectives. Bin audit data demonstrated an average 310 per cent increase in food waste efficiency in kerbside garbage bins in close proximity to both supermarkets.

The State Minister for Environment and Water praised the pilot and progress reports have been shared with the Australian Packaging Covenant and government staff reviewing the Australian Capital Territory's single use plastic bag ban legislation.

#### Minda Dunes

Minda Dunes underwent a huge transformation this year, with the removal of a large number of weedy trees including olives, boxthorn and athel pines, and other invasive weed species. This was followed by planting 10,000 native plant species, some of which were planted by the new Friends of Minda Dunes volunteer group on World Environment Day, after a special Kaurna smoking ceremony.



### Greening Our Community Grants

In 2018–19, Council provided five local community organisations with a total of \$19,331 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:

- The Brighton and Seacliff Yacht Club \$5,000 for solar panels.
- Baden Pattison Kindergarten \$1,145 for their Warm in Winter – Cool in Summer project.
- St Peters Woodland School \$5,000 for their Nature Play Space.
- Seacliff Recreational Centre \$4,191 for their Energy Efficient Hand Dryers project.
- St Leonards Primary School \$3,995 for their SLPS Goes Green project.

## Community Engagement

Staff conducted a range of community engagement activities during the year including:

- > 26 waste talks and tours.
- Clean Up Australia Day 62 volunteers cleaned up Brighton Beach, including the Mayor and Senator Hanson-Young.

- World Environment Day new Friends of Minda
   Dunes volunteer group planted 300 native plants.
- National Tree Day 200 people attended including the State Minister for Environment and Water. Planted 500 native plants.
- > 7 Green Living Workshops.

#### Nature Volunteers

Over the course of 15 volunteering sessions and one plant identification training day, 32 nature volunteers contributed at least 210 hours to looking after our natural areas.

#### **Hooded Plovers**

Holdfast Bay's Hooded Plover family successfully raised two chicks this year. 'Cliff' fledged from Seacliff beach in early November 2018 and was seen later in the year at Aldinga Beach. The second fledgling, 'Sandy' was successfully banded by BirdLife Australia with a white flag 'YL'.

The family are a story of success against the odds, and are very popular on Council's Facebook page with more hits than any other topic.

The City of Holdfast Bay works in partnership with BirdLife Australia and Natural Resources Adelaide and Mt Lofty Ranges.



## Natural Areas and Dunes Rehabilitation and Maintenance

Holdfast Bay's environment team works in partnership with community volunteers and Natural Resources Adelaide and Mt Lofty Ranges to maintain and improve our natural areas.

Three gullies represent the majority of our natural areas and are important refuges for native animals and plants, including some regionally rare species. This year we improved the pathways in Gilbertson and Pine Gullies, as well as undertaking weed control and revegetation at all three gullies and Kingston cliff face:

- > Barton Gully 235 plants
- > Pine Gully 500 plants
- > Gilbertson Gully 500 plants

A contractor also planted 235 plants at the Kingston cliff face, where a weed that is new to South Australia was discovered and is now being treated. The dunes had a range of weeds treated, and approximately 300 native dune plants were planted by volunteers.

## 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 2018–19 financial year, Council implemented water sensitive urban design improvements in the following areas:

- > Farrel Street/Weewanda Street
- > Portland Street, Seacliff
- > Partridge Street
- Brighton Road permeable pavement installed in sections

### Stormwater Management

To improve the capacity of the City's stormwater system and mitigate the risk of flooding, Council is implementing its stormwater management plan in stages, according to priority. During 2018–19, we reduced the impact of stormwater flooding considerably. Approximately \$579,000 was invested to investigate, design, and improve stormwater pipes and pits to reduce the risk of flash flooding at six locations:

- > Robert Street, Glenelg
- > Miller Street, Glenelg
- > Wheatland Street
- > Maitland Street
- > Mary Street
- > Seacliff Train Station





## **ECONOMY**

### A DIVERSE AND RESILIENT **LOCAL ECONOMY**

The City of Holdfast Bays aims to help the local economy by supporting and growing local business; making it easier to do business; harnessing emerging technology; and boosting the visitor economy.

In August 2018 Council adopted the Economic Activation Plan (2018-2023) focusing on five key strategic areas.

- > Strategy 1 business capacity building.
- > Strategy 2 investment growth & attraction.
- > Strategy 3 innovation and digital evolution.
- > Strategy 4 regional collaboration.
- > Strategy 5 Adelaide's premier seaside destination.

Achievements for 2018-19 include:

- > Participation by 200 businesses in digital training programs and associated mentoring services.
- > Provision of business support through the Southern Adelaide Business Advisory Service, which reported that 10 per cent of their advisory assistance had been provided to Holdfast Bay businesses.
- > Ongoing coordination of the Western Business Leaders program which provides Holdfast Bay businesses with opportunities for training, networking and promotion (for tourism and hospitality businesses) via the website adelaidebeaches.com.au.
- > Introduction of small businesses grants, providing new and existing businesses matched funding up to \$5,000 for projects leading to employment growth, sustainable outcomes, export opportunities and collaboration that increases the capacity of a precinct.

- > Expenditure of \$55,000 in the Shopfront Grants program to stimulate further investment by businesses and property owners in the upkeep of their facades and improve the vibrancy of the City's mainstreets, resulting in an estimated total value of works of approximately \$242,000.
- > Formation of a Brighton Jetty Road business group to improve the coordination of activation events and programs and establish a new brand identity.
- > Planning for a 2020 Winter festival and establishing the Brighton Jetty Road precinct as South Australia's first plastic free precinct.

## Tourism and Business Marketina Services

In 2018, Holdfast Bay hosted 1.459 million visitors, made up of 13,000 international overnight visitors, 181,000 domestic overnight visitors, and 1.29 million day trippers.

Council works to strengthen Holdfast Bay's tourism profile by implementing strategies that aim to increase the number of visitors to the City; extend the length of their stay; increase the amount they spend while they are here; and encourage them to return.

The Tourism Plan 2020, adopted by Council this year, provides a framework and strategic priorities for the planning, development, management and marketing of Holdfast Bay.







#### **PROJECTIONS AND PLANS**

Council's projections and plans for the next \$100,000 financial year are outlined in our 2019-20 Annual Business Plan. Some of the strategic to continue to implement our activities to be undertaken as part of the **Economic Activation Plan** 2019 - 20 Annual Business Plan include: \$26,000 on upgrading our carparking facilities \$2.27m to promote tourism and attract visitors to our city, boosting trade \$35,000 for local businesses on new signage and a contribution to a new winter activation for Jetty Rd, Brighton \$279,500 on event support, attraction and infrastructure \$1.5m to deliver commercial activities, to ensure the best possible return on the community's investment





Community events are a key component of the Tourism Plan. This year, our City hosted more than 200 events, which attracted more than 620,000 attendees. Council continued to support many of these events through specialist advice, event planning, sponsorship and in-kind support. These events included the well-established Westpac City-Bay Fun Run, Channel 7 Brighton Jetty Classic Swim, Patritti Brighton Jetty Sculptures, Bay Sports Festival, Pol Roger Beach Polo, multiple beach concerts, Santos Tour Down Under race start, World Surf Life Saving Championships and the Skyline Observation Wheel as well as the Glenelg and Brighton ANZAC Day dawn services. We welcomed back the October Glenelg Street Party and the Moseley Beach Club.

Council's own iconic events included:

- New Year's Eve celebrations in Glenelg, which, with support from the South Australian Government, sponsorship partners, and emergency services, attracted more than 60,000 people, while our Brighton fireworks display drew a strong crowd of more than 15,000.
- > The 63rd 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 35,000 spectators, 50 per cent of whom travelled to the event from outside the precinct.
- The Winter Wonderland Festival in Glenelg, which ran in partnership with the Jetty Road Mainstreet Committee from 1–22 July 2018. The event attracted more than 20,000 people to an ice rink in Moseley Square (79 per cent of whom travelled to the event from outside the precinct) with an estimated economic return of more than \$3 million.
- The Glenelg Street Party, which attracted 40,000 attendees to Glenelg the night before our Santos Tour Down Under race start. Involvement in the TDU generated 355 individual items of media coverage directly promoting the City of Holdfast Bay, with a cumulative audience reach of more than 7 million people and a value of \$5.5 million.

- > The official 181st South Australian Proclamation Day ceremony, which saw His Excellency Hieu Van Le AC, Governor of South Australia reading the Proclamation of South Australia, and included an address by the Premier of South Australia, The Hon. Steven Marshall MP. An estimated 400 people attended the official ceremonies, followed by a community barbecue.
- › Official Australia Day citizenship and awards ceremonies, which saw 79 people from 27 different countries become Australian citizens and involved special guest, Australia Day Ambassador, Dr Deane Hutton, and was followed by free all-ages, family-friendly Australia Day at the Bay activities.

## Lifesaving World Championships

The 2018 Lifesaving World Championships were held in Glenelg from 16 November – 2 December, with pool events held at the State Aquatic and Leisure Centre in Marion. With more than 7,000 registered participants, including 4,400 competing athletes from 45 nations, the LWC2018 was the largest Lifesaving World Championships ever conducted.

LWC2018 also saw a number of firsts for the International Lifesaving Federation.

- It was the first time the event has returned to a city where it has previously been held.
- It was the first time a state association made a successful bid to run a World Championships (previously only national bodies had hosted World Championships).
- It included the running of the first National Youth Teams events and the first National IRB Teams events.
- > It involved the largest number of technical officials attending a World Championships.
- It included the first Nipper carnival within a Lifesaving World Championships, which involved more than 800 local Nippers, demonstrating to the world how healthy lifesaving is in South Australia.



There were 35 world records broken in the pool events, and Australia and New Zealand dominated in the international competition.

On 21 November, the area was hit with a significant weather event which resulted in two storm surges in the morning and afternoon. There was an impressive post-storm effort from Council staff and LWC2018 staff and volunteers to ensure a safe venue for competition to restart on 23 November, resulting in only 1 day of lost competition.

Event media reached in excess of 7 million people in Australia and a live streaming audience of 50,000 viewers around the world.

#### Social Media

Social media and online platforms have become increasingly important communications tools for Council. In 2018-19:

- > Jetty Road Facebook fans increased from 23,283 to 26,208.
- > Jetty Road Twitter followers increased from 5,260 to 5,273.
- > Jetty Road Instagram followers increased from 10,000 to 10,500.
- > City of Holdfast Bay Facebook page fans increased from 4,880 to 7,287.
- > City of Holdfast Bay Twitter followers increased from 3.789 to 4.000.

## Moseley Beach Club

The Moseley Beach Club returned to Glenelg in 2019 after its successful debut in January 2018. Offering sun lounges and beds with table service, it also featured a casual dining area and bar with live acoustic music and DJs. The Moseley Beach Club employed 60 new staff, sourced local produce, welcomed 60,000 visitors, engaged local businesses, was well supported by the local community, and increased patronage to the surrounding retail precinct.

### Tourism Activations and Marketing

Council continued to develop an environment that supports 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.
- > Proactively consulting and communicating with the 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 business and property owners in the Glenelg precinct through the Jetty Road Mainstreet Committee.

### **Bay Discovery Centre**

In 2018–19, the Bay Discovery Centre delivered a comprehensive cultural program, presenting a broad range of projects and exhibitions. The centre recorded a total of 40,806 visitors, including 40 groups who booked in for educational tours through the museum.

The final installment of The Bay to the Battlefield project finished in 2018-19. A World War One commemoration project funded by the Commonwealth Government's ANZAC Centenary Local Grant Program, the project featured large paste-up image installations throughout the City.

The Bay Discovery Centre also hosted the prestigious National Photographic Portrait Prize, an annual event promoting the very best in contemporary photographic portraiture by both professional and aspiring photographers.

## Brighton Caravan Park

Brighton Caravan Park in Kingston Park is a community asset that provides an income to relieve the burden on ratepayers. It remains a popular tourism destination with a record 13,468 guests this year.

In 2018–19, Council supplied Wi-Fi to the park to improve the customer experience. Scoping of works and design for a second stage of redevelopment is underway. It is expected that the replacement of aging cabins and construction of a new administration building will commence in the later part of the 2019-2020 financial year.





## PLACEMAKING

## AN ACCESSIBLE, VIBRANT AND SAFE COASTAL CITY THAT CELEBRATES OUR PAST TO BUILD FOR OUR FUTURE

In 2018–19, Council delivered a broad range of projects and services that supported the goal of enhancing the design and function of our City — creating a place that is well planned, providing choice and enhancing life.

#### Minda Coast Park

During 2018–19, construction took place on a section of Coast Park behind the remnant dunes at Minda, North Brighton. Work was completed in October 2019.

This is the last remaining section of coastal pathway to complete a continuous Coast Park through Holdfast Bay.

The Coast Park Project is a State Government initiative which commenced in 2002. When complete, the project will provide a 70-kilometre stretch of shared use linear pathway for pedestrians and cyclists along Adelaide's metropolitan coastline, from Sellicks Beach to Outer Harbour.

Minda Coast Park boasts a 4m wide paved footpath, boardwalks, a centrally located viewing deck, education zone, plaza, rock wall and beach access ramp in front of the Somerton Surf Life Saving Club. It also includes a new southern plaza adjacent the Gladstone Road carpark, a biodiversity program including planting of 10,000 native plants, public art, interpretive signage as well as new shelters, benches, seating, showers and drinking fountains incorporating dog bowls. It is a significant asset for our region that provides a coastal link between Brighton and Glenelg.

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.

## Chapel Street Plaza and Hindmarsh Lane Upgrades

The role of the Jetty Road Glenelg Masterplan is to drive investment in infrastructure and improve the streetscape in one of our City's most important precincts. It provides an overarching framework to deliver a staged upgrade of Jetty Road Glenelg over the next 10 years.

Following endorsement of the Masterplan in February 2018, Council allocated funding in the 2018–19 budget to commence detailed design of the first stage of the Masterplan, Chapel Street Plaza and Hindmarsh Lane. Detailed designs have progressed throughout 2018–19 and are due for completion by the end of 2019.

In June 2019, Council was awarded a \$1.77 million grant from the Department of Planning, Transport and Infrastructure Places for People fund, matching the funding commitment from Council to complete construction of stage one. Construction of the first of the Jetty Road Glenelg Masterplan projects will commence in early 2020. Once complete, the Chapel Street Plaza and Hindmarsh Lane development will create a new community space and civic heart mid-way along Jetty Road.





### \$10.89m

to manage and maintain community assets. This includes \$2.64m to maintain and upgrade roads, kerbs and footpaths, \$56,100 for signage, and \$30,000 to upgrade bus shelters.

#### PROJECTIONS AND PLANS

Council's projections and plans for the next financial year are outlined in our 2019-20 Annual Business Plan. Some of the strategic activities to be undertaken as part of the 2019 – 20 Annual Business Plan include:

### \$200,000

for a pedestrian



### \$200,000

to accelerate the

### \$2.55m

for the Chapel Street Civic Plaza and Hindmarsh Lane in addition to \$1.08m committed last financial year

### \$15,000

for the design and specification for a replacement of the public toilet and shower facility located

## Strategic Planning

In 2018–19, Council progressed several planning projects that support our City's character and heritage, and enable better, more attractive city design. These include:

- > An Integrated Transport Strategy that will provide: a strategic framework for the efficient and safe movement of people and goods; options for increasing active travel especially those which displace private vehicle travel; and better integration of all modes of transport, access and parking with land use.
- Responding to major State Government initiatives related to the progressive rollout of significant reforms to the State's planning system. This included submitting feedback on planning policies and new regulations for the Planning Development and Infrastructure Act 2016 and commencing a review of Council's contributory heritage properties.
- > Progressing the Seacliff DPA in conjunction with the City of Marion, as a result of agreement being reached between the developer and Boral for the relocation of the existing quarry haul road.

- > Completing an Open Space and Public Realm Strategy, which reassessed Council's priorities for creating, upgrading and developing public open spaces and established a set of guidelines for designing these projects. The strategy received a High Commendation in the Strategic Planning category of the 2019 Parks and Leisure Australia Awards of Excellence SA/NT.
- Development of a Housing Strategy was placed on hold pending State and Local Government elections and anticipated changes to the housing policy framework being produced for the Planning and Design Code associated with the new Planning, Development and Infrastructure Act 2016.

### **Development Services**

Council's 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 1,030 development applications and approved 256 new dwellings with a construction value of \$114 million.

### Shopfront Character and Heritage Grants Scheme

During 2018–19 a grant scheme was introduced 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 them, the grants replaced a previous rates rebate for heritage listed properties.

#### **Asset Management**

Council staff manage, maintain and develop community assets and infrastructure in an environmentally and financially sustainable way. This includes buildings, roads, coastal assets, stormwater assets, open space and general plant and equipment.

Our ongoing services include:

- > Providing traffic management services.
- > Maintaining buildings and facilities.
- > Maintaining the Patawalonga boat lock.
- Inspecting and resolving damages caused by developers and utility companies.
- Participating in emergency management planning with the Local Government Association.

During 2018-19 Council also:

- > Resealed 22,838 m<sup>2</sup> of road.
- > Patched 799 m<sup>2</sup> of road.
- > Replaced 4,414 lm of kerb.
- > Replaced 2,377 m<sup>2</sup> of footpath.
- > Supplied and installed four bus shelters.
- > Replaced a number of welcoming and other signs.
- > Improved fencing at various locations.
- Converted street lights to LED to reduce carbon emissions and save energy.
- > Improved stormwater drainage at a number of flash flood hotspots.
- Supported development of the observation tower for Seacliff Surf Life Saving Club.

#### Field Services

Council prides itself on maintaining a high quality built and natural environment and continually strives to balance the needs of residents, business and visitors; heritage and innovation; development and environment; and visual appeal and practical application.

A vigorous maintenance program is part of our commitment to enhancing the City's image and safety. As well as a scheduled maintenance and cleansing program Council operates a rapid response team to ensure our City remains clean, safe and graffiti free.

During 2018-19 our field services team:

- Attended to 3,412 customer service requests (over and above scheduled maintenance and cleansing services).
- Revised street and footpath sweeping and open space maintenance schedules to better meet community expectations.
- Maintained services and facilities along our premier coastline to improve amenity for residents and visitors.
- Planted 584 trees in Holdfast Bay's streets and open space reserves.
- > Planted 1,750 native trees and shrubs in our gullies, reserves and along our coastline.
- Upgraded irrigation controllers to better monitor and manage irrigation activities.
- Upgraded Council bins and bin enclosures to improve appearance and functionality.
- Delivered the final Green Rooms landscaping project in and along Jetty Road Glenelg.
- Upgraded Colley Reserve signage incorporating its Kaurna name, Ngutinilla meaning 'place of Ngutinai (Kaurna Man)'.
- Implemented a field services leadership program

   recognising the need for a tailored leadership
   development program for depot staff, to enable
   high performance and ensure the depot provides an efficient, customer centred service.

### **Public Safety Infrastructure**

Effective street lighting and a network of strategically placed CCTV cameras improve public confidence in the safety of our public spaces.

#### **Bulk LED replacement**

Street lighting is necessary for public safety and amenity. The bulk LED replacement program replaced 2,439 mercury vapour lights with LED. The transition will significantly reduce Council's energy consumption, carbon emissions and maintenance costs and provide an overall improvement to the City's street lighting network.

Once fully installed the change will result in an expected annual saving of approximately \$220,000 and an anticipated annual reduction of 517 tonnes of greenhouse emissions. Additional infill lighting was also installed in Marlborough Street and Old Beach Road.

#### **Partridge House CCTV and lighting**

An underground conduit and pit network to support five lights poles and light fittings was installed along the driveway and in the grounds of Partridge House. A discrete new CCTV system provides CCTV surveillance around the perimeter of the house and grounds. The upgraded exterior lighting and CCTV installation provide better night security for the building and make it easier for evening users to access the facility.





## **CULTURE**

## AN EFFECTIVE, CUSTOMER-CENTRED ORGANISATION

At all times, the City of Holdfast Bay aims to provide customer-centred services; be financially accountable; enable high performance; and support excellent, efficient operations.

#### **Business Services**

Council staff 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.

Achievements for 2018-19 include:

- Continuing the responsible management of our operational and capital expenditure, allowing us to reduce debt.
- > Facilitating the 2018 Local Government Elections.
- Conducting a full condition audit of Council's building stock.



#### PROJECTIONS AND PLANS

Council's projections and plans for the next financial year are outlined in our 2019-20 Annual Business Plan. Some of the strategic activities to be undertaken as part of the 2019 - 20 Annual Business Plan include:

\$7,500 to support an adult Aboriginal \$56,000 to develop a Customer Service Strategy 2019-21 MARNI NAA PUDNI HOLDFASI BAY

#### **Business Transformation**

Council's business transformation program continued to deliver business and customer benefits throughout the year. The focus has been on communication and our mobile technology initiative allows staff to interact with customers anywhere, anytime. Further development in this area will make the Council systems and information more accessible for rate payers and visitors.

Significant emphasis was placed on security of customer data and risk mitigation for transactional processing ensuring the latest cyber security is protecting our customers at all times.

Street and open space maintenance was fully systemised, allowing visibility and predictability as to when these services are delivered.

During the year the City of Holdfast Bay website was re-launched with richer, more customer focussed content. In particular, the new site enables users to more easily access events and services provided by Council.

Council is working with the State Government and other councils on Smart Cities—involving a range of initiatives that will, over time, provide improved information, safety and security. It will also allow Council to plan activities and change programs in line with customer needs.

#### **Customer Service**

Council operates a face-to-face customer enquiry service between 8.30am and 5.00pm Monday to Friday (excluding public holidays), and a 24 hours/7 day phone service. Surveys found:

Council will contribute

- > 9 out of 10 customers had their enquiry resolved by the first staff member they spoke with when visiting Council.
- > The customer service team scored 9.6 out of 10 for treating customers professionally.
- > The customer service team scored 9.7 out of 10 for the quality of face-to-face service provided.

Data collected by the telephone and customer service management system showed that:

- > Wait times improved 60 per cent of customers did not have to wait in line and a further 36 per cent of customers waited less than 5 minutes to be served.
- > Staff answered 43,200 phone calls with an average of 2 minutes 40 seconds talk time.
- > The grade of service for phone calls was 93 per cent (which includes answering, resolving and wrapping up calls).

### People and Culture

The people and culture team provide an advisory, support and education service for Council's departments to assist them to lead and manage their resources safely and effectively. Areas of support include:

- > Recruitment and selection
- > Workplace relations
- > Professional development
- > Reward and recognition
- Work health and safety (WHS)
- > Return to work.

Highlights for 2018-19 include:

- 100 per cent completion rate for WHS Risk Evaluation Action Plan.
- Submitting successful business cases for the purchase of plant and equipment to reduce injuries from manual handling in the field services team.
- Introduction of early intervention and Warm up for Work programs for field services staff in collaboration with Alwyndor Aged Care.
- > Engaging 12 participants in the field services leadership program.
- Implementation of an internal training calendar (both WHS and general topics available for staff).
- Being a finalist in the Innovative Management and People and Culture categories of the LG Excellence Awards.
- > Implementation of employment branding including development of culture video.
- > Implementation of a new field services career classification structure.

### Leadership Scorecard

In November 2018, a review of Council's leadership capability was undertaken. Individual feedback was provided and leaders were required to submit a personal development plan for the following 12 months.

This process will ensure continued improvement against Council's required leadership capability.

## ASU/Administration Enterprise Agreement

Successful negotiation was undertaken for a 3-year ASU/Administration Enterprise Agreement that takes effect from 1 July 2019.

## Local Government Excellence Awards

The City of Holdfast Bay was selected as a finalist in seven Excellence Award categories and received the top award in two of those categories.

- > Innovative Management Initiatives
- > Excellence in Cross Council Collaboration (winner)
- > Community Partnerships and Collaboration
- > Emerging Leader of the Year
- > Excellence in Local Economic Development
- Excellence in Environmental Leadership and Sustainability (winner)
- > Excellence in People and Culture

### Aboriginal Traineeship

Council provided grant funding to support the Glenelg Visitor Information Centre to host Aboriginal trainees.

## School Based Traineeships

Council continued a community partnership with Minda, Brighton Secondary School and Sacred Heart College to host school-based trainees with a mild disability to undertake Certificate III in Business Administration. Council is proud to lead and participate in this valuable community partnership which assists young people to gain the skills and experience they need to improve their long-term job and socio-economic prospects.



#### **Financial Services**

The financial services team provides services including strategic long term financial planning; annual budgeting compilation and monitoring; rates administration; year-end financial accounting and audit; financial systems and internal control; payroll; and accounts payable/receivable.

Highlights for 2018-19 include:

- A review of the Long Term Financial Plan which provided the basis for preparation of the draft 2019–20 budget and included updated capital scenarios and funding options that were presented to a series of budget workshops throughout the year.
- Implementation of better practice model for internal controls using updated internal control software and included training and education in collaboration with Councils internal auditor – Bentleys. The controls were assessed and reviewed in accordance with business processes.

Other achievements for the year included:

- Budget revisions (2018–19) and budget adoption (2019–20).
- > Rate modelling, notice generation and distribution.
- Annual financial statements, audit finalisation and adoption for 2017–18.
- Updated long term financial plan improved development including capital projects.
- Implementation of new enterprise budgeting software for budget monitoring.
- > Implementation of updated internal control software.
- Review and implementation of improved team structure, enabling resource reallocation to procurement services.
- Implementation of single-touch payroll tax office remission requirements.
- Contribution to organisational management software testing and implementation.





## STRATEGIC MANAGEMENT



## HOW WE MEASURE OUR PERFORMANCE

Council assesses its financial performance against measures established in its 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 the vision for our City, defining five key outcome areas, and providing objectives and strategic measures to track performance.

Strategic measures are used to track our progress towards achieving community objectives and improve our internal services. Information for these reports comes from a range of sources, including a comprehensive community Quality of Life Survey (2019) and Business Confidence Survey (2018).

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
Increase resident wellbeing Using PERMA model (Positive emotion, Engagement, Relationships, Meaning, Accomplishment/Achievement)	5 per cent increase (life of plan)	2018–19 represents baseline	g=0.6 Measured for the first time in 2019
Deliver wellbeing and resilience workshops Number of workshops undertaken annually	≥2 workshops (p/a)	N/A	4 workshops delivered Achieved for 2018–19
Achieve a high level of community satisfaction with playgrounds and open space Quality of Life Survey Results	≥7 (each measure)	N/A	8 out of 10 Achieved for 2018–19
Complete new sporting and community hubs Completion of sporting and community hub Projects Kauri Parade Sporting Complex has been completed	2 (life of plan)	N/A	The Brighton Oval was progressed with \$7.115m external funding secured and construction commended in June.  Preliminary concept plans were completed for Stage 1 of the Glenelg Oval Redevelopment.  Progressing – trend on track
Attract new community initiatives through our Community Donations Program Number of new community initiatives	3 (p/a)	N/A	This year, Council provided a total of \$30,609 in donations to 11 community groups and organisations for new community and wellbeing initiatives.  Achieved for 2018–19
Achieve a high level of community satisfaction with the range and quality of services and programs  Quality of Life Survey Results	≥7 (each measure)	N/A	7.1 out of 10 Achieved for 2018–19
Increase community engagement with culture and heritage and Aboriginal cultural programs through participation in events and activities	200 (p/a)	N/A	Approximately 1000 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.
Number of participants			Achieved for 2018–19

## **Strategic Measures** (continued)

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL
Increase the number of people accessing our community centres and libraries  Number of people accessing facilities	5 per cent increase (p/a)	195,512	The Glenelg and Brighton libraries attracted 213,452 visitors in total. This is a 9 per cent increase from the previous financial year. 3 out of 4 Community Centres have collected data to include 81 active volunteers working 844 hours each month to provide over 70 programmes. This equates to 6,901 centre visits each month across 3 centres which will be our baseline data for future years.  Achieved for 2018–19
Achieve a high level of community satisfaction with community facilities including libraries, services and programs Quality of Life Survey Results	≥7 (each measure)	N/A	7.7 out of 10 Achieved for 2018–19
Increase the number of volunteering opportunities Number of volunteering opportunities	5 per cent increase (p/a)	537	440 volunteers were involved in 545 active roles, with some volunteers filling multiple roles across the community with some volunteers filling more than one role. This represents a 1.5 per cent increase in volunteering opportunities from the previous year.
			Not achieved for 2018–19
Increase our "YourView" (online engagement site) subscription Number of people subscribed	10 per cent sample of population (life of plan)	1,788 (4.9 per cent sample of population)	The number of Your View subscribers has increased to 6,825. This represents 18.43% of the population.  Target exceeded
Increase awareness of volunteering opportunities within our city	Develop successful partnerships with a range of groups/industries (life of plan)		We are working with 20 other organisations in the City who offer volunteering opportunities. We also work closely with Volunteer SA & NT and Southern Volunteering. We have introduced a database to share newsletters & promotions as well as direct communication at a range of events Progressing – trend on track





#### **ENVIRONMENT**

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL
Increase native flora (species and population) in natural areas	10 per cent increase (life of plan)	12.8	We established a baseline for this measure of 12.8 (overall biodiversity Score). This score can be broken down into the
Types of species (flora) and density score using 'Bush Rat' assessment tool	(life of plan)		following areas:
			Coastal Biodiversity – Average 15.63
			Nature Reserve Biodiversity – Good 23.39
			Parks and Ovals Biodiversity – Poor 9.77
			Measured at 5 yearly intervals
Increase native fauna habitats in natural areas Type of species (flora) and density score using 'Bush Rat' assessment tool	10 per cent increase (life of plan)	12.8	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.
score using bush kar assessment tool			Measured at 5 yearly intervals
Increase tree canopy within our city	10 per cent increase	11.6 per cent	Measured at 5 yearly intervals
Per cent of tree canopy cover increase	(life of plan)		
Maintain our dune systems and increase recreational beach widths  Recreational beach width (based on land survey and aerial photography)	10 per cent increase (life of plan)	Not yet available	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.
			Measure not yet available – to be reported at a later date
Reduce heat island areas within our city	10 per cent increase (life of plan)	Not yet available	Heat mapping was undertaken this year for the first time to identify heat islands. This can now be used as a baseline.
Surface temperature (thermal imaging or equivalent) across the city	(life of plan)		Baseline only
Reduce flash flooding within our	0 flash floods less	5 59 events	In 2018 we undertook a range of
city during rain events less than 20mm	than 20mm (life of plan)		works to establish water sensitive urban developments and rain gardens in several locations, and reduce the flash floods at 6
Registered events of flash floods			locations within the City.
			Measure unavailable

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL
Decrease Council's greenhouse emissions  Carbon footprint assessment (only fuel and electricity usage at this time)	12 per cent reduction (life of plan)	Fuel − 352 tonnes CO <sub>2</sub> e Electricity − 1,902 tonnes CO <sub>2</sub> e	CO <sub>2</sub> e emissions from electricity reduced by 259 tonnes per year, a 13.6% reduction, this reduction is largely due to LED streetlighting conversion, CO <sub>2</sub> e emissions from fleet fuel reduced by 8 tonnes per year, a 2.3% reduction largely due to increasing the number of hybrid vehicles in the fleet. Overall 12% reduction.
Increase waste diverted from landfill Tonnage diverted from landfill	10 per cent increase (life of plan)	8,274.6 tonnes	8,001.73 tonnes were sent to landfill (baseline 8,274.6). This is a 3.3 per cent increase in waste diverted from landfill.  Progressing – trend on track
Reduce stormwater discharge Stormwater discharge to sea (M/L)	30 per cent reduction (life of plan)	2,108 ML (p/a)	A baseline was captured of 2,108 ML of stormwater. 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)  Baseline only
Increase number of environmental volunteering opportunities Number of volunteers	50 per cent increase (life of plan)	0	36 volunteers were inducted, 18 events were available with 210 volunteer hours. This is a 12.5% increase on 2016–17.  Progressing – trend on track



#### **ECONOMY**

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL
Increase business satisfaction in Council's support for business	≥7 (each measure)	N/A	The survey is conducted every 2 years. Not available for 2018–19
Business Confidence Survey Results			
Increase business satisfaction in doing business with Council	≥7 (each measure)	N/A	The survey is conducted every 2 years.  Not available for 2018–19
Business Confidence Survey Results			
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. Strategy 3 of the Economic Activation Plan 2018–23 sets eight strategic actions in relation to the digital economy.
			Completed
Increase percentage of properties able to connect to high-speed internet	100 per cent increase (life of plan)	0	Approximately 68% of properties were able to be connected to high-speed internet through the NBN roll-out as of 30 June 2019.
			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	1.4 million visitors came to Holdfast Bay (baseline 1.295). This is a 8.1 per cent increase in visitors.
I ANTIDEL OF AIRIOTS			Progressing – trend on track



#### **PLACEMAKING**

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL
Achieve a high level of community satisfaction with the quality and feel of our major main street precincts	≥7 (each measure)	N/A	7.35 out of 10 Achieved for 2018–19
Quality of Life Survey Results			
Achieve a high level of community satisfaction with walkability and access to local shops, services, public transport and open space  Quality of Life Survey Results	≥7 (each measure)	N/A	8.5 out of 10 Achieved for 2018–19
Increase the number of people travelling to local destinations via active travel options	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 with active travel as a key objective.  Measure not yet available
Achieve a high level of community satisfaction with the design of new buildings and their contribution to local character  Quality of Life Survey Results	≥7 (each measure)	N/A	6 out of 10 Not achieved for 2018–19
Increase the proportion of non-detached dwelling types (the 'missing middle') in our city	10 per cent increase (life of plan)	43.3 per cent	Result, based on trend data, shows a negligible (0.13 per cent) increase to be steady at 43.8 per cent. 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



#### **CULTURE**

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL
Achieve a high level of community satisfaction with Council's services	≥7 (each measure)	N/A	6.8 out of 10 Not achieved for 2018–19
Quality of Life Survey Results			
Increase number of customer services available through a digital platform in additional to other service channels	100 per cent of customer services (life of plan)	N/A	The following services are now available through a digital platform:  Dogs and Cats Online  My Aged Care Portal  Event applications (including sponsorships)  DA tracking  Filming and photography permits  Volunteer applications  Grant applications – smarty grants  Outdoor Fitness applications  Library services  Online payments  Ezybill – electronic rates notices and help your self client details management  Event calendar  Community Directory
			› Your Holdfast engagement portal
Achieve delivery on Annual Business Plan Completion of projects and programs outlined in the Annual Business Plan	100 per cent delivery (p/a)	N/A	81 per cent project/programs completed during the 2018–19 financial year Not achieved for 2018–19
Achieve a high level of satisfaction with our Culture Brand Organisational Culture Survey Results	90 per cent (each measure)	N/A	88 per cent satisfaction rating Nearly achieved for 2018–19
Achieve a high score in our annual leadership survey Organisational Leadership Survey Results	≥8 (each measure)	N/A	7.2 out of 10 Not achieved for 2018–19

INDICATOR	TARGET (TIMEFRAME)	BASELINE (IF APPLICABLE)	ACTUAL
Achieve annual financial targets Performance of annual financial targets	100 per cent achievement (p/a)	N/A	100 per cent of financial targets achieved Operating Result Target: >0 Actual: \$1.9m surplus
			Operating Ratio Target: >0% Actual: 4%
			Net Financial Liabilities Ratio Target: ≤75% Actual: 21%
			Interest Cover Ratio Target: ≤5% Actual: 1%
			Asset Sustainability Ratio Target: 90–110% Actual: 107%
			Achieved for 2018–19
Achieve high level of community satisfaction with Council's provision of good financial management and value for the rate dollar	≥7 (each measure)	N/A	6.7 out of 10 Not achieved for 2018–19
Quality of Life Survey Results			
Reduce reliance on rate revenue Percentage of total revenue	<70 per cent (life of plan)	2016/17 – 71 per cent (excluding separate rates)	71 per cent (excluding separate rates) Achieved for 2018–19
Achieve recognition in operating efficiency: target – benchmarked as top 5 metropolitan councils	benchmark as top 5 (life of plan)	Not yet available	Measure not yet available – to be reported at a later date
	≥7 (each	N/A	6.8 out of 10
Achieve high level of community satisfaction on Council's performance	measure)		Nearly achieved for 2018–19



INDICATOR TARGET BASELINE (TIMEFRAME) (IF APPLICABLE)

Achieve recognition for work undertaken across our organisation

Number of awards received

3 awards of excellence (p/a)

N/A

#### 6 awards won:

- Angus Neill Playspace won the Parks and Leisure Australia SA/NT Playspace Award (<\$0.5m)</li>
- 2018–2019 Green Industries SA Women in Waste Award
- 2018 Local Government Award for Tourism at the South Australian Tourism Awards

Local Government Excellence Awards:

- Excellence in Cross Council Collaboration (Winner)
- Excellence in Environmental Leadership
   Sustainability (Winner)
- Local Government IT South Australia, Award for Information Management Excellence

Achieved for 2018-19





#### ANNUAL PERFORMANCE: COMPLETED PROGRAMS

Each year Council prepares an Annual Business Plan that describes the programs, projects and outcomes that support our City's strategic vision of building a welcoming, safe and active community where resident, visitor and business prosperity meet.

We completed approximately 82 per cent of the programs and projects identified in the 2018–19 Annual Business Plan. Highlights are presented on page 46.

The remaining 18 per cent of projects identified in the 2018–19 Annual Business Plan are either underway, staged over several years, not pursued or delayed because of circumstances beyond our control. These include:

- Glenelg Town Hall Restoration Assessment and Remedial Works
  - An extensive and important project this project will run over multiple financial years. Stakeholder and community engagement is scheduled for completion in late 2019.
- Kingston Park Coastal Reserve Masterplan The masterplan for Kingston Park Coastal Reserve has been reviewed and recommendations endorsed by Council. A brief is currently being developed to commence the tender process for the amendment of the masterplan.
- Minda Coast Park
  The opening of Minda Coast Park is in October 2019.

Jetty Road Glenelg Masterplan
 Detailed designs for stage one of the Jetty Road
 Glonela Masterplan (Chanal Street Plaza and

Glenelg Masterplan (Chapel Street Plaza and Hindmarsh Lane) are 70 per cent complete. On 21 June it was announced that Chapel Street Plaza was awarded \$1.77 million from the Places for People Grant fund for construction. Construction is anticipated to commence in 2020.

Integrated Transport Strategy

Community engagement took place on the topic of transport and movement in the City of Holdfast Bay, generating a range of ideas and a vision for the next 10–20 years. This will inform the drafting of an integrated transport strategy. An origin destination study will also be undertaken to better inform management of key issues.

 Brighton Caravan Park – Stage Two Investigation and Design

Stage two – investigation for the redevelopment of Brighton Caravan Park is underway.



> Stormwater Management Plan Implementation The implementation of the Stormwater Management Plan depends on financial support from the Stormwater Management Authority. After several meetings and correspondences, the Stormwater Management Authority has not supported the grant application. Council staff are now liaising with the City of Marion to identify a way forward.

#### > Access and Inclusion Strategy and Five-Year **Action Plan**

This important project has commenced. Phase one - staff internal engagement was completed in the last quarter of 2018-19. A consultant specialising in legislative requirements will be engaged in the first quarter of 2019–20 to undertake phase two. Phase three, which comprises broader community engagement, is scheduled for the second quarter of 2019-20.

> Holdfast Bay Community Centre Masterplan A masterplan for Holdfast Bay Community Centre is under development.

#### > Brighton Oval Masterplan Stage One **Implementation**

Construction has started on the Brighton Oval redevelopment, with the Brighton Rugby Club building underway. This building is scheduled for completion in late 2019 with the football /cricket club rooms and lacrosse clubrooms scheduled for completion in mid 2020. Council staff are finalising detailed plans and budgets for the remaining site upgrades. These works will take place towards the end of the building construction program.

#### > Cemetery Improvements

The final stages of the cemetery improvements will be completed in 2019-20.

#### > Dulcie Perry Park Playground

The scope for redevelopment of Dulcie Perry Playground was increased in 2019-20 and is due for completion December 2019.

#### > Lockers for the Homeless

Council resolved to divert funds from the Lockers for the Homeless project to an alternative program for the homeless.

> Kauri Parade Sport Complex Management A contractor has been appointed to manage the Kauri Parade Sport Complex, following a tender process.

#### > Glenela Oval Masterplan Stage One

Council was unsuccessful in securing grant funding for the Glenelg Oval Masterplan. The project is fully funded in the 2019-20 budget.

#### > Wigley Reserve Playspace and Fitness Hub Redevelopment

Council was unsuccessful in securing grant funding for the Wigley Reserve Playspace and Fitness Hub Redevelopment. Council will consider options to redevelop the playspace in 2019-20.



Commenced the

**BRIGHTON OVAL** 

Redevelopment



Established a

**BIODIVERSITY CORRIDOR** 

along the Sturt River

**REALM** 

Strategy for our City

Extended Brighton Library opening hours to six days a week, increasing patronage by

**OVER 16,500 VISITORS** 



Supported local business start-ups with

\$50,000

in small business development grants For a full list of achievements, please visit holdfast.sa.gov.au/achievements.

# COUNCIL OF THE CITY OF HOLDFAST BAY

#### **COMPOSITION OF COUNCIL**

Our Council consists of the Principal Member (Mayor) and twelve 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 2022.

#### Local Government Elections 2018

The South Australian 2018 Local Government elections were held from September to November 2018. The City of Holdfast Bay administration managed the key stages of our election from nomination to close of voting. The scrutiny and count was conducted by the Electoral Commission of South Australia on 10–11 November 2018 at the Brighton Civic Centre.

City of Holdfast Bay had the highest participation rate in the metropolitan area with 34.05 per cent of electors returning their ballot material. There was a moderate increase in participation rates across the state with 32.66 per cent of ballot packs returned.

All wards within the City of Holdfast Bay were highly contested:

- > Three candidates stood for the position of Mayor (one position available).
- > Five for Brighton Ward (three positions available).
- > Ten for Glenelg Ward (three positions available).
- > Five for Seacliff Ward (three positions available).
- > Seven for Somerton Ward (three positions available).

Seven members of the former Council were re-elected and five new members were elected. Notably, Holdfast Bay's Mayor and seven of our twelve elected members are women.

#### **ELECTED MEMBERS**

#### November 2014 to November 2018



Acting Mayor (July 2018–November 2018) Amanda Wilson

Seacliff Ward

Susan Lonie



Rosemary Clancy



Brighton Ward Somerton Ward

Mikki Bouchee



Glenelg Ward

Samuel Charlick



Lynda Yates



Karen Donaldson



John Smedley



Rosie Aust



Annette Bradshaw (Deputy Mayor July 2018 - November 2018)



Robert Snewin



**Bob Patton** 

#### **ELECTED MEMBERS**

#### Elected in the November 2018 election



Mayor Amanda Wilson

Seacliff Ward

Brighton Ward

Somerton Ward

Glenelg Ward

Annette Bradshaw

Robert Snewin

Somerton Ward

Glenelg Ward

Bob Patton

Robert Snewin

John Smedley

Rebecca Abley

William Miller

Jane Fleming

Phillip Chabrel

Clare Lindop

#### **ELECTED MEMBER ATTENDANCE AT COUNCIL MEETINGS**

	Previous Term Meetings July 2018 – 23 October 2018 (election)	<b>New Term</b> Meetings 27 November 2018 – June 2019	
Number of Meetings held	8	13	
Meeting Attendance	Number of Council meetings attended July 2018 – October 2018	Number of Council meetings attended November 2018 – June 2019	Notes
Acting Mayor			
Amanda Wilson <sup>2</sup>	7	13	Re-elected November 2018
Brighton Ward			
Rosemary Clancy	7	13	Re-elected November 2018
Robert Snewin	5	13	Re-elected November 2018
Jane Fleming	N/A	12	Elected November 2018
Karen Donaldson (previous term to November 2018)	5	N/A	Until November 2018
Glenelg Ward			
Bob Patton <sup>3</sup>	8	13	Re-elected November 2018
Rebecca Abley	N/A	11	Elected November 2018
Phillip Chabrel	N/A	13	Elected November 2018
Samuel Charlick	8	N/A	Until November 2018
Rosie Aust	8	N/A	Until November 2018
Seacliff Ward			
Susan Lonie	7	12	Re-elected November 2018
Clare Lindop	N/A	13	Elected November 2018
Annette Bradshaw <sup>1</sup>	8	13	Re-elected November 2018
Lynda Yates	8	N/A	Until November 2018
Somerton Ward			
Mikki Bouchee	8	12	Re-elected November 2018
John Smedley	8	12	Re-elected November 2018
William Miller	N/A	13	Elected November 2018
Amanda Wilson	See above	See above	See above

<sup>&</sup>lt;sup>1</sup> Deputy Mayor July 2018 – November 2018. <sup>2</sup> Acting Mayor July 2018 – November 2018, then Mayor November 2018 – June 2019.

<sup>&</sup>lt;sup>3.</sup> Deputy Mayor November 2018 – current.

#### **ALLOWANCES**

	Allowances Previous Term July 2018—November 2018	<b>Allowances New Term</b> November 2018–June 2019	Total per member
Mayor	\$28,001.00	\$42,858.00	\$70,859.00
Deputy Mayor	\$8,748.00	\$14,490.00	\$23,238.00
Councillors	\$6,999.00	\$14,664.00	\$21,633.00
Audit Committee Chair	\$1,667.00	\$1,974.00	\$3,641.00
IT Allowance (Total all members)	\$4,789.74	\$12,764.93	\$17,554.67
Vehicle Allowance – Mayor	\$837.61	\$814.41	\$1,652.02
Legal Fees – Elected Members	Nil	Nil	Nil

#### TRAINING AND DEVELOPMENT EXPENDITURE FOR 2018-19

	All Elected Members				Total
All of Council					
Post Election Training by Kelledy Jones Lawyers – Social Media Training	\$750.00				\$750.00
Post Election Training by Kelledy Jones Lawyers – Legal Information and the Local Government Act 1999	\$4,950.00				\$4,950.00
Kaurna Welcome to Country for Cultural Awareness Training	\$772.00				\$772.00
Council Delegate Activities		Mayor Wilson	Councillor Bouchee	Councillor Chabrel	Total
Australian Local Government Association Conference 2019			\$2,989.00	\$2,967.00	\$5,956.001
Local Government Association Conference		\$190.00			\$190.00
Total training and development expenditure					\$12,618.00

 $<sup>^{\</sup>rm 1.}$  Including Travel and Accommodation.

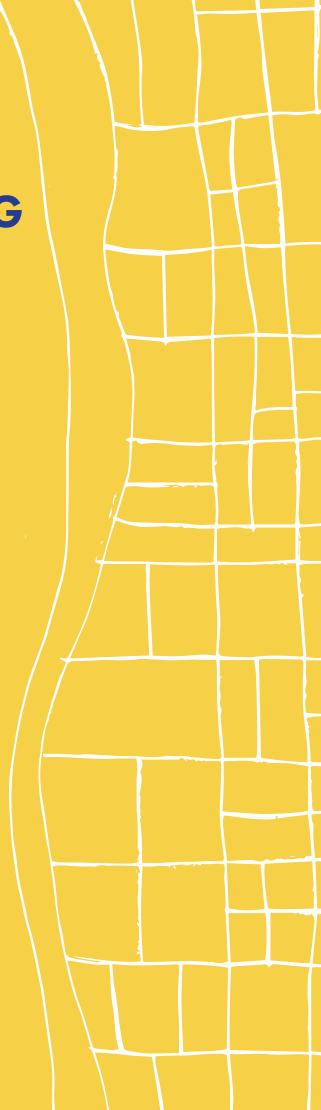
# DECISION-MAKING STRUCTURE

# 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 Council Assessment Panel are convened under the Planning, Development and Infrastructure Act 2016.







#### **COMMITTEES**

Throughout 2018–19 our Council met twice a month (on the second and fourth Tuesdays of the month). Due to the 2018 Election, only one General Council meeting was held in December 2018 and January 2019.

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.

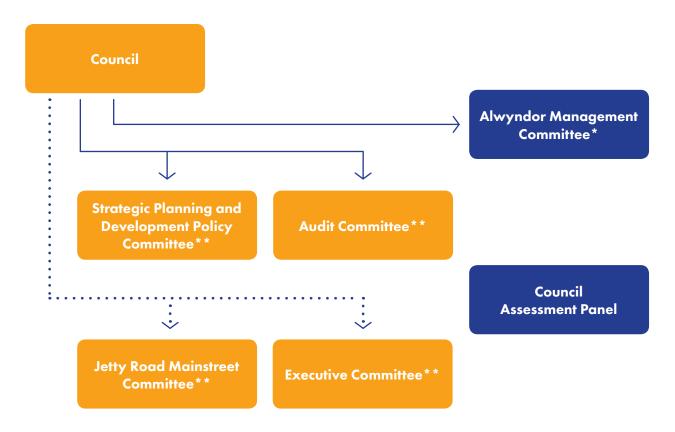
#### 3. Two advisory committees:

- > Jetty Road Mainstreet Committee
- > Executive Committee.

The Council Assessment Panel (CAP) met on the fourth Wednesday of the month as required. Due to the 2018 Local Government Election there were no meetings held in November and December 2018.

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, for both the City of Holdfast Bay and Alwyndor, is shown below:



<sup>\*</sup> delegated authority from Council to make decisions within budget and terms of reference.

<sup>\*\*</sup> 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

The committee comprises of 2 Elected Members including the Presiding Member plus 3 independent members. The independent members each received an allowance of \$417.00 per meeting (July 2018 – November 2018) and then \$425.00 per meeting (November 2018–June 2019).

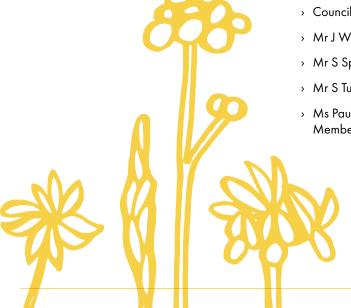
The Committee Members are as follows:

#### **July 2018 - November 2018**

- > Councillor Smedley Presiding Member
- > Councillor Charlick
- > Mr J Wood Independent Member
- > Mr S Spadavecchia Independent Member
- > Mr S Tu Independent Member.

#### November 2018 - June 2019

- > Councillor Smedley Chair Person
- > Councillor Snewin
- > Mr J Wood Independent Member (to March 2019)
- > Mr S Spadavecchia Independent Member
- > Mr S Tu Independent Member
- Ms Paula Davies Independent Member (from March 2019).





#### 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 2018-19 committee comprised two elected members and eight independent members who represent traders in the precinct, with no allowances paid. The Committee Members were as follows:

#### **July 2018 - November 2018** (prior to election)

- > Mark Faulkner, Fawkes and Co Chair Person
- > Con Maios, Maios Investments Deputy Chairperson
- > Eve Leenearts, Elite Choice Home Improvements
- > Simon Robinson, GU Filmhouse
- > Elise Fassina, Fassina Family Liquor
- > Angus Warren, Beach Burrito
- > Tony Beatrice, Cibo Espresso
- > Rocco Caruso, Caruso's Fresh Foods
- > Adoni Fotopoulos, Ikos Holdings Trust
- Councillor Annette Bradshaw
- > Councillor Sam Charlick

#### November 2018 - June 2019 (post election)

- > Mark Faulkner, Fawkes and Co Previous Chairperson (to March 2019)
- > Con Maios, Maios Investments Deputy Chairperson to April 2019 (Chairperson from May 2019)
- > Eve Leenearts, Elite Choice Home Improvements -(Deputy Chairperson from May 2019)
- > Simon Robinson, GU Filmhouse
- > Elise Fassina, Fassina Family Liquor (to March 2019)
- > Angus Warren, Beach Burrito

- > Tony Beatrice, Cibo Espresso
- > Rocco Caruso, Caruso's Fresh Foods (to March 2019)
- > Adoni Fotopoulos, Ikos Holdings Trust
- > Councillor William Miller (from Nov 2018)
- > Councillor Rebecca Abley (from Nov 2018)
- > Ms Lee Boys (from April 2019)
- > Ms Gilia Martin (from April 2019)
- > Mr Nathan Hughes (from April 2019).

#### COUNCIL ASSESSMENT PANEL

The Council Assessment Panel (CAP) is an autonomous authority that considers development applications and makes development decisions. It was established in accordance with the Planning, Development and Infrastructure Act 2016 and has delegated powers that are administered in accordance with the Act's statutory requirements. It consists of one elected member who is appointed by the Council and four independent members.

The Presiding Member received \$500 per meeting (July - October 2018) and \$522 per meeting (November 2018 - June 2019) and other panel members received \$400 per meeting (July - October 2018) and \$417 per meeting (November 2018 - June 2019). In 2018-19 the panel comprised:

- > Ms Jenny Newman, Presiding Member
- > Mr Jim Gronthos (from May 2019)
- > Ms Alison Vine (to April 2019)
- > Mr Graham Goss
- > Mr David Bailey
- > Councillor Rosemary Clancy.

#### ALWYNDOR MANAGEMENT COMMITTEE

The Alwyndor Management Committee oversees the management of the Alwyndor, which provides a range of care and accommodation options for elderly people. The 2018-19 committee consisted of two Elected Members and eight independent members, as follows:

#### **July 2018 - November 2018** (prior to election)

- > Dr Ollie Peters (Deputy Chair to September 2018, Member to November 2018)
- > Ms Leah Wills (to August 2018)
- > Councillor Rosie Aust (to October 2018)
- > Councillor Susan Lonie
- > Mr Todd Bamford
- > Ms Julie Bonnici
- > Ms Julia Cudsi
- > Ms Trish Aukett (Chair from October 2018)
- > Mr Kim Cheater (from 21 August 2018)
- > Mr Kevin Whitford (from 17 July 2018).

#### November 2018 - June 2019 (post election)

- > Councillor Susan Lonie
- > Councillor Philip Chabrel (from November 2018)
- > Dr Ollie Peters (to November 2018)
- > Mr Todd Bamford
- > Ms Julie Bonnici
- > Ms Julia Cudsi
- > Ms Trish Aukett (Chair to February 2019)
- > Mr Kim Cheater (Chair from March 2019)
- > Mr Kevin Whitford.

The Independent Chairperson of the Alwyndor Management Committee received the following payments:

- > \$500.00 per meeting (July 2018 October 2018)
- > \$531.00 per meeting (November 2018 June 2019).

The Independent members of the Alwyndor Management Committee received the following payments:

- > \$400 each, per meeting (July 2018 October 2018)
- > \$425 per meeting (November 2019 June 2019).

#### **ORGANISATIONAL STRUCTURE**

As at 30 June 2019 our organisation structure was:



Roberto Bria CHIEF EXECUTIVE OFFICER (ACTING)<sup>1</sup>





**GENERAL MANAGER ALWYNDOR** (ACTING)



**Howard Lacy** GENERAL MANAGER CITY ASSETS AND **SERVICES** 



Rajiv Mouveri MANAGER ASSETS & **FACILITIES** 



**Adrian Hill** MANAGER REGULATORY SERVICES



**Ross Whitfield** MANAGER FIELD SERVICES



**Anthony** Marroncelli MANAGER DEVELOPMENT **SERVICES** 



**Marnie Lock** GENERAL MANAGER COMMUNITY **SERVICES** 



**Sally Heading** MANAGER CITY ACTIVATION



MANAGER ACTIVE COMMUNITIES



Matthew Rechner Monica Du Plessis MANAGER COMMUNITY

WELLBEING



**David Lambert** MANAGER LIBRARY SERVICES



Jo Miller-Robinson MANAGER **CUSTOMER EXPERIENCE** 



Pamela Jackson **GENERAL** MANAGER **BUSINESS SERVICES** (ACTING)2



John Newton MANAGER FINANCE



Sharon Somerville MANAGER PEOPLE & **CULTURE** 



Vacant MANAGER STRATEGY &  $\mathsf{INNOVATION}^3$ 

<sup>1.</sup> Justin Lynch was CEO until March 2019. 2. Roberto Bria was GM until March 2019. 3. Pamela Jackson was Manager until Feb 2019.



# CORPORATION OF THE CITY OF HOLDFAST BAY



#### **OUR VALUES**

Our ARISE values are the way we achieve our vision.

#### **Achievement**

Deliver agreed outcomes for our community.

#### Respect

Act with honesty and integrity.

#### **Innovation**

Seek better ways.

#### **Simplicity**

Easy to do business with.

#### **Engagement**

Provide opportunities for all to participate.

#### SENIOR LEADERSHIP TEAM

Council is supported in its decision making by a senior leadership team, which comprises:

- > Chief Executive Officer, Mr Justin Lynch (to March 2018).
- > Acting Chief Executive Officer, Mr Roberto Bria (from March 2018).
- > General Manager Alwyndor Aged Care, Mr Rick Kluge (to December 2018).
- > Acting General Manager Alwyndor Aged Care, Mr Brett Capes (from December 2018).
- > General Manager City Assets and Services, Howard Lacy.
- > General Manager Community Services, Ms Trish Aukett (to July 2018).
- > General Manager Community Services, Ms Marnie Lock (from July 2018).
- > General Manager Business Services, Mr Roberto Bria (to March 2018).
- > Acting General Manager Business Services, Pam Jackson (from March 2018).

Senior executive salary packages include the following benefits:

- > A competitive salary.
- > A fully maintained vehicle or novated vehicle lease.
- > Employer-sponsored superannuation contributions.

### **REMUNERATION PROFILE**

	COL	COUNCIL		ALWYNDOR		TOTAL	
Total remuneration (excluding superannuation)	Male	Female	Male	Female	Male	Female	
< \$25,000	4	7	20	44	24	51	
\$25,000 – \$35,000	3	5	2	43	5	48	
\$35,001 - \$45,000	2	12	4	28	6	40	
\$45,001 – \$55,000	3	9	8	29	11	38	
\$55,001 – \$65,000	30	11	4	21	34	32	
\$65,001 – \$75,000	22	21	1	9	23	30	
\$75,001 – \$85,000	7	9	0	17	7	26	
\$85,001 – \$95,000	12	15	1	2	13	17	
\$95,001 – \$105,000	2	6	0	3	2	9	
\$105,001 - \$115,000	4	5	0	1	4	6	
\$115,001 - \$125,000	4	2	1	0	5	2	
\$125,001 - \$150,000	2	1	1	O	3	1	
>\$150,000	2	1	0	0	2	1	
Total	97	104	42	197	139	301	







#### **WORK HEALTH AND SAFETY**

Total Hazards	23
Total Incidents	122
Total Injuries	50

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.

#### **WORKFORCE PLANNING**

Work continues on building skills and capability across our workforce to provide excellent customer experience and provide flexibility in times of changing service demands and technology. Recruitment focuses not only on required experience and skills, but also on behaviours in line with our organisational values and customer experience requirements. Staff benefits, including flexible working arrangements continue to be developed to ensure the attraction of high quality candidates and retention of staff.

Voluntary employee turnover for Council was 9.71 per cent. Alwyndor Aged Care's turnover was 29.11 per cent.

#### TRAINING AND **DEVELOPMENT**

Approximately \$169,000 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 has been undertaken to determine the capabilities and key behaviour indicators required to be a leader within Council. Strategies will be implemented to measure and build capability across Council.





#### COMMUNITY ENGAGEMENT

Council regularly sources community views about local issues, plans, events and activities through its online hub (yourholdfast.com), customer service points and 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 responses to between two and five 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 2018–19 financial year no properties were purchased or sold by the City of Holdfast Bay.

#### **REGISTERS AND CODES**

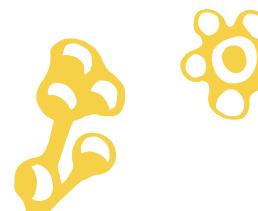
The following documents are available to the public:

#### **Registers**

- Register of Interests (Elected Members)
- > Register of Gifts and Benefits (Elected Members)
- > Register of Allowances and Benefits (Elected Members)
- > Register of Remuneration, Salaries and Benefits (Staff)
- > Register of Interests (Staff)
- > Register of Community Land
- > Register of Public Roads
- > Register of By-Laws
- > Register of Fees and Charges
- > Register of Building Upgrade Agreements.

#### **Codes**

- > Code of Conduct for Council Members
- > Code of Practice for Access to Meetings and **Documents**
- > Employee Code of Conduct
- > Code of Practice Meeting Procedures.



#### 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 four requests in 2018–19 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
2018–19	4
2017–18	5
2016–17	1
2015–16	3
2014–15	3

The details of the 2018–19 reviews are as follows:

Memorial Seat: Decision upheld

> Property wall: Decision upheld

Re-numbering of a property (2 applications): Decision upheld

# FREEDOM OF INFORMATION APPLICATIONS

In 2018–19, 8 requests were received to release information under Freedom of Information Act 1991. All requests were resolved:

- > 3 granted in full
- > 3 granted in part and;
- > 2 where there was no information available.

#### 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. On the recommendation of the Audit Committee, Council accepted the option to extend for a period effective from 1 July 2019 until completion of the 2019–20 financial year audit. In 2018–19, BDO were paid \$40,430 (excluding GST) for external auditing services for both Municipal operations and Alwyndor.



#### **LOCAL NUISANCE AND** LITTER CONTROL

In 2018–19, in accordance to the Local Nuisance and Litter Control Act 2017, 134 complaints were registered, 4 abatement notices were provided and 9 expiation notices were issued.

	Dust	Noise	Odour	Animals	Litter	Insanitary Conditions	Unsightly	Total
Complaints	4	33	15	9	57	8	8	134
Abatement Notices		1			2		1	4
Expiations					8		1	9

#### 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 Two (annual gross operating income less than \$2 million per year).

In 2018–19 we continued to maintain the following significant business activities:

- Alwyndor Aged Care Facility
- > Brighton Caravan Park
- > Partridge House
- > Kauri Parade Sporting Complex
- > The Glenela Visitor Information Centre.

#### 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:

- > Value for money.
- > Transparent, accountable, fair and ethical.
- > Social and environmental sustainability.
- > Supports local economic development.
- > 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	31,453	1:2419
Campbelltown	11	35,020	1:3183
Holdfast Bay	13	27,660	1:2127
Mitcham	14	48,161	1:3440
Norwood, Payneham and St Peters	14	25,108	1:1793
Unley	13	27,389	1:2106
West Torrens	15	41,058	1:2737
Average			1:2543





#### **NUMBER OF ITEMS DISCUSSED IN CONFIDENCE**

There were 20 Confidential Orders made in 2018–19 under s90(2), Local Government Act 1999.

The grounds of each Confidential Order are reflected in the table below. There can be multiple grounds under each Order.

Grounds of Confidential Orders		Grounds for Confidential Orders	Orders Expired	Ceased to Apply	Revoked	Remained Operative	Partially Released
Α	Personal affairs	2				2	
В	Commercial advantage	16				16	
С	Trade secret						
D	Commercial information not a trade secret	15				15	
Е	Security/safety						
F	Maintenance of law						
G	Breach of law						
Н	Legal advice	7				7	
1	Litigation						
J	Minister of the Crown						
K	Tenders for the supply of goods						
М	Amendment to the Development plan						
Ν	Freedom of Information Act 1982						

# CONFIDENTIAL ORDERS RELEASED FROM PREVIOUS YEARS FOR 2018

The grounds of each Confidential Order are reflected in the table below. There can be multiple grounds under each Order that were released.

Gr	ounds of Confidential Orders	<b>Grounds for Confidential Orders</b>					
Α	Personal affairs						
В	Commercial advantage	2					
С	Trade secret						
D	Commercial information not a trade secret	2					
Е	Security/safety						
F	Maintenance of law						
G	Breach of law						
Н	Legal advice						
I	Litigation						
J	Minister of the Crown						
K	Tenders for the supply of goods	1					
M	Amendment to the Development plan						
Ν	Freedom of Information Act 1982						

#### **ITEMS RETAINED IN CONFIDENCE**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Number of Items	1	1	0	0	9	2	0	1	2	1	0	0	4	17	31	20





General Purpose Financial Statements for the year ended 30 June 2019

## 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 2019 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.

R. Bria

CHIEF EXECUTIVE OFFICER

Date: 21/10/14

A. Wilson MAYOR

## Statement of Comprehensive Income for the year ended 30 June 2019

\$ '000	Notes	2019	2018
Income			
Income	_	00.000	0.4.000
Rates Revenues	2a	36,020	34,886
Statutory Charges	2b	2,282	2,224
User Charges	2c	7,698	7,034
Grants, Subsidies and Contributions	2g	13,896	13,739
Investment Income	2d	687	562
Reimbursements	2e	2,632	2,697
Other Income	2f	4,042 76	3,915
Net Gain - Equity Accounted Council Businesses	19 _	70	267
Total Income	_	67,333	65,324
Expenses			
Employee Costs	3a	29,316	29,316
Materials, Contracts & Other Expenses	3b	25,605	24,048
Depreciation, Amortisation & Impairment	3c	10,150	9,806
Finance Costs	3d	778	856
Total Expenses		65,849	64,026
Operating Surplus / (Deficit)		1,484	1,298
Asset Disposal & Fair Value Adjustments	4	(243)	(142)
Amounts Received Specifically for New or Upgraded Assets	2g	3,460	1,832
Net Surplus / (Deficit) 1		4,701	2,988
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	(11,523)	(9,203)
Total Other Comprehensive Income		(11,523)	(9,203)
Total Comprehensive Income	_	(6,822)	(6,215)

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

## Statement of Financial Position

as at 30 June 2019

\$ '000	Notes	2019	2018
ASSETS			
<b>Current Assets</b>			
Cash and Cash Equivalents	5a	25,559	27,092
Trade & Other Receivables	5b	3,244	3,062
Inventories	5c	9	10
Total Current Assets		28,812	30,164
Non-Current Assets			
Financial Assets	6a	1,301	1,496
Equity Accounted Investments in Council Businesses	6b	2,945	2,869
Infrastructure, Property, Plant & Equipment	7a	712,513	727,944
Other Non-Current Assets	6c	5,053	520
Total Non-Current Assets		721,812	732,829
TOTAL ASSETS		750,624	762,993
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	41,053	45,228
Borrowings	8b	1,000	1,130
Provisions	8c	4,068	4,303
Total Current Liabilities		46,121	50,661
Non-Current Liabilities			
Borrowings	8b	11,460	12,460
Provisions	8c	432	439
Total Non-Current Liabilities		11,892	12,899
TOTAL LIABILITIES		58,013	63,560
Net Assets		692,611	699,433
EQUITY			
Accumulated Surplus		179,160	174,459
Asset Revaluation Reserves	9a	507,036	518,559
Other Reserves	9a 9b	6,415	6,415
	30		
Total Council Equity		692,611	699,433

## Statement of Changes in Equity for the year ended 30 June 2019

			Asset		
	Ad	ccumulated	Revaluation	Other	Total
\$ '000	Notes	Surplus	Reserve	Reserves	Equity
2019					
Balance at the end of previous reporting period		174,459	518,559	6,415	699,433
a. Net Surplus / (Deficit) for Year		4,701	-	-	4,701
<b>b.</b> Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	_	(11,523)	-	(11,523
Other Comprehensive Income		-	(11,523)	-	(11,523
Total Comprehensive Income		4,701	(11,523)	-	(6,822
Balance at the end of period	-	179,160	507,036	6,415	692,611
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>b.</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

## Statement of Cash Flows

for the year ended 30 June 2019

\$ '000	Notes	2019	2018
Cash Flows from Operating Activities			
Receipts			
Rates Receipts		35,907	34,812
Statutory Charges		2,332	2,444
User Charges		10,097	7,452
Grants, Subsidies and Contributions (operating purpose)		14,066	14,052
Investment Receipts		687	562
Reimbursements		2,642	2,783
Other Receipts		13,146	12,524
<u>Payments</u>			
Payments to Employees		(29,367)	(29,345)
Payments for Materials, Contracts & Other Expenses		(34,849)	(26,364)
Finance Payments		(778)	(856)
Net Cash provided by (or used in) Operating Activities	11b	13,883	18,064
Cash Flows from Investing Activities			
Receipts			
Amounts Received Specifically for New/Upgraded Assets		(2,886)	1,832
Sale of Replaced Assets		390	227
Sale of Surplus Assets		22	17
Repayments of Loans by Community Groups		208	260
Distributions Received from Equity Accounted Council Businesses		-	383
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(4,268)	(5,208)
Expenditure on New/Upgraded Assets		(7,162)	(8,142)
Loans Made to Community Groups		-	(50)
Net Cash provided by (or used in) Investing Activities	_	(13,696)	(10,680)
Cash Flows from Financing Activities			
Receipts			
Proceeds from Bonds & Deposits		4	18
Proceeds from Aged Care Facility Deposits  Payments		8,640	9,416
Repayments of Borrowings		(1,130)	(2,617)
Repayment of Aged Care Facility Deposits		(9,234)	(8,471)
		(1,720)	
Net Cash provided by (or used in) Financing Activities		(1,720)	(1,654)
Net Increase (Decrease) in Cash Held		(1,533)	5,730
plus: Cash & Cash Equivalents at beginning of period	11	27,092	21,362
Cash & Cash Equivalents at end of period	11	25,559	27,092
The same Equitation to at one of poriou	-	20,000	21,002

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Contents of the Notes accompanying the Financial Statements

Note	Details
1	Significant Accounting Policies
2	Income
3	Expenses
4	Asset Disposal & Fair Value Adjustments
	Current Assets
5a	Cash & Cash Equivalents
5b	Trade & Other Receivables
5c	Inventories
	Non-Current Assets
6a	Financial Assets
6b	Equity Accounted Investments in Council's Businesses
6c	Other Non-Current Assets
	Fixed Assets
7a (i)	Infrastructure, Property, Plant & Equipment
7a (ii)	Investment Property
7b	Valuation of Infrastructure, Property, Plant & Equipment
	Liabilities
8a	Trade & Other Payables
8b	Borrowings
8c	Provisions
	Reserves
9a	Asset Revaluation Reserve
9b	Other Reserves
10	Assets Subject to Restrictions
11	Reconciliation to Statement of Cashflows
12a	Functions
12b	Components of Functions
13	Financial Instruments
14	Commitments for Expenditure Financial Indicators
15 40	
16	Uniform Presentation of Finances
17 18	Operating Leases Superannuation
19	Interests in Other Entities
20	
20 21	Non Current Assets Held for Sale & Discontinued Operations Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet
22	Events After the Balance Sheet Date
23	Related Party Transactions
20	Tolated Faity Transactions



n/a - not applicable

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## 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, authoritative other 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 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
2016/17	\$1,676,106	\$1,106,206	+ \$599,900
2017/18	\$1,185,644	\$1,136,934	+ \$48,710
2018/19	\$1,676,394	\$1,324,637	+ \$351,757

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 2019

## 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 2019

## 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	100 years
Paving & Footpaths	10 to 50 years
Drains / Culverts	15 to 150 years
Playground Equipment	10 to 20 years
Benches, seats, etc	7 to 25 years

## Other Assets

Library Lending Materials 7 years

## 6.5 Impairment

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

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

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

## 7 Payables

## 7.1 Goods & Services

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

## 7.2 Payments Received in Advance & Deposits

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

## 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

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## 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.

## 14 Disclaimer

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



## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 2. Income

\$ '000	Notes	2019	2018
(a). Rates Revenues			
General Rates			
General Rates		34,662	33,592
Less: Mandatory Rebates		(445)	(409)
Less: Discretionary Rebates, Remissions & Write Offs		(178)	(200)
Total General Rates	-	34,039	32,983
Other Rates (Including Service Charges)			
Natural Resource Management Levy		1,254	1,173
Separate & Special Rates		635	633
Total Other Rates	-	1,889	1,806
Other Charges			
Penalties for Late Payment		76	66
Legal & Other Costs Recovered		16	31
Total Other Charges	-	92	97
Total Rates Revenues		36,020	34,886
(b). Statutory Charges			
Development Act Fees		375	447
Animal Registration Fees & Fines		157	185
Parking Fines / Expiation Fees		1,140	1,015
Other Licences, Fees & Fines		610	577
Total Statutory Charges	-	2,282	2,224
(c). User Charges			
Cemetery/Crematoria Fees		154	159
Community Centres		-	1
Parking Fees		1,013	862
Sundry		90	111
Commercial Leases/Caravan Park		2,743	2,791
Aged Care Residential Fees and Rentals		3,515	2,912
Major Community Event		177	191
Other Total Hear Charges		7 609	7 024
Total User Charges	-	7,698	7,034

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 2. Income (continued)

\$ '000 No	otes 2019	2018
(d). Investment Income		
Interest on Investments		
- Local Government Finance Authority	349	160
- Banks & Other	338	402
Total Investment Income	687	562
(e). Reimbursements		
Private Works	73	149
Aged Care Facility - home care	2,308	2,201
Other	251	347
Total Reimbursements	2,632	2,697
(f). Other Income		
Rebates Received	428	439
Sundry	369	338
Aged Care Facility	979	973
Aged Care Facility - Home Care	2,132	1,786
Other	134	379
Total Other Income	4,042	3,915
(g). Grants, Subsidies, Contributions		
Amounts Received Specifically for New or Upgraded Assets	3,460	1,832
Total Amounts Received Specifically for New or Upgraded Assets	3,460	1,832
Other Grants, Subsidies and Contributions	10,954	10,923
Untied - Financial Assistance Grant	1,325	1,325
Roads to Recovery	300	537
Home and Community Care Grant	965	905
Individually Significant Item - Additional Grants Commission Payment (Refer Note Total Other Grants, Subsidies and Contributions	352 13,896	49 <b>13,739</b>
Total Grants, Subsidies, Contributions	17,356	15,571
The functions to which these grants relate are shown in Note 12.		10,071
(i) Sources of grants		
Commonwealth Government	11,506	3,419
State Government	5,802	1,571
Other	48	10,581
Total	17,356_	15,571

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 3. Expenses

\$ '000	Notes	2019	2018
(a). Employee Costs			
Salaries and Wages		24,136	24,591
Employee Leave Expense		2,312	2,059
Superannuation - Defined Contribution Plan Contributions	18	2,359	2,083
Superannuation - Defined Benefit Plan Contributions	18	277	303
Workers' Compensation Insurance		1,048	1,076
Less: Capitalised and Distributed Costs		(816)	(796)
Total Operating Employee Costs	_	29,316	29,316
Total Number of Employees (full time equivalent at end of reporting period)		332.6	335.1
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		41	35
Elected Members' Expenses		343	310
Election Expenses		214	14
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		47	36
Subtotal - Prescribed Expenses	_	645	395

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 3. Expenses (continued)

\$ '000	Notes	2019	2018
(b). Materials, Contracts and Other Expenses (continued)			
(ii) Other Materials, Contracts and Expenses			
Contractors		7,728	7,903
Energy		619	729
Maintenance		2,467	2,173
Legal Expenses		247	293
Levies Paid to Government - NRM levy		1,234	1,152
Levies - Other		1	35
Professional Services		2,464	2,792
Sundry		2,423	1,527
Water		763	638
Materials		2,595	2,547
Insurances		565	481
Waste Management		3,770	3,305
Other		84	78
Subtotal - Other Material, Contracts & Expenses		24,960	23,653
Total Materials, Contracts and Other Expenses		25,605	24,048
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Buildings & Other Structures		2,820	2,787
Infrastructure			
- Stormwater Drainage		492	459
- Roads		1,361	1,331
- Footpaths		929	926
- Kerb & Guttering		726	721
- Other Transport		442	426
- Open Space & Coastal		1,698	1,763
Plant & Equipment		1,013	918
Furniture & Fittings, Office Equipment		519	325
Library Lending Materials		150	150
Subtotal		10,150	9,806
(ii) Impairment Nil			
Total Depreciation, Amortisation and Impairment		10,150	9,806
(d). Finance Costs	_		
Interest on Loans		630	722
Interest on Accommodation Bonds		148	134
Total Finance Costs		778	856
Total Fillance Costs	_	110	000

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	Notes	2019	2018
Infrastructure, Property, Plant & Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		390	227
Less: Carrying Amount of Assets Sold		(631)	(357)
Gain (Loss) on Disposal		(241)	(130)
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		22	18
Less: Carrying Amount of Assets Sold		(24)	(30)
Gain (Loss) on Disposal		(2)	(12)
Net Gain (Loss) on Disposal or Revaluation of Assets		(243)	(142)
Note 5. Current Assets			
(a). Cash & Cash Equivalents			
Cash on Hand at Bank		294	1,423
Deposits at Call		8,523	6,445
Short Term Deposits & Bills, etc.		16,742	19,224
Total Cash & Cash Equivalents	-	25,559	27,092
(b). Trade & Other Receivables			
Rates - General & Other		574	471
Council Rates Postponement Scheme		40	30
Accrued Revenues		168	186
Debtors - General		1,436	1,276
GST Recoupment		196	95
Prepayments		298	632
Loans to Community Organisations  Aged Care Facility Deposits		195 525	208 352
Subtotal		3,432	3,250
Less: Allowance for Doubtful Debts		(188)	(188)
Total Trade & Other Receivables		3,244	3,062
(c). Inventories			
Stores & Materials		9	10
Total Inventories		9	10
	_		

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 6. Non-Current Assets

\$ '000	Notes	2019	2018
(a). Financial Assets			
Receivables			
Loans to Community Organisations		1,819	2,014
Provision for Impairment on Loans to Community Organisations	_	(518)	(518)
Total Receivables	_	1,301	1,496
Total Financial Assets		1,301	1,496
(b). Equity Accounted Investments in Council Businesses			
Southern Region Waste Resource Authority	19	2,945	2,869
Total Equity Accounted Investments in Council Businesses	_ 19	2,945	2,869
(c). Other Non-Current Assets			
Capital Works-in-Progress		5,053	520
Total Other Non-Current Assets	_	5,053	520

City of Holdfast Bay

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

								Asset Move	Asset Movements during the Reporting	g the Report	ing Period						
			a	as at 30/6/2018	8		Asset Additions	ditions			_	Revaluation		a	as at 30/6/2019	9	
	Fair Value	At	At .	Accumulated	ulated	Carrying	New /	-	of Asset	Expense to Equity (Note 3c) (ABB)		to Equity	At .	At	Accumulated	ulated	Carrying
\$ 000	Level	Fair Value	Cost	Dep'n	Impairment	Value	Upgrade	Circumotic			(Note 9)	(Note 9)	Fair Value	Cost	Dep'n	Impairment	Value
Land	2	28,062				28,062							28,062				28,062
Land	ω	330,274	200			330,474	147						330,621			1	330,621
Buildings & Other Structures	ω	129,626	1,452	38,155		92,923	411	64	(20)	(2,782)			139,452		48,856	1	90,596
Buildings & Other Structures	2	3,539		2,516		1,023				(38)			3,539		2,554		985
Infrastructure																	
- Stormwater Drainage	ω	54,799	3,130	19,337		38,592	284	268	(4)	(492)			58,473		19,825	1	38,648
- Roads	ω	119,402	3,414	25,241		97,575		786	(137)	(1,361)	(13,585)		125,769		42,491		83,278
- Footpaths	ω	43,960	208	16,421		27,747		248	(68)	(929)			44,283		17,285		26,998
- Kerb & Guttering	ω	70,332	2,186	26,574		45,944		613	(61)	(726)		2,051	66,982		19,161		47,821
- Other Transport	ω	23,593	1,276	4,452		20,417	159	110		(442)			25,137		4,893	_	20,244
- Open Space & Coastal	ω	53,961		17,787	1	36,174	1,205	653	(79)	(1,698)			55,684		19,429		36,255
Plant & Equipment	ω		8,423	2,936		5,487	343	795	(286)	(1,013)			7,029	2,905	4,600		5,334
Furniture & Fittings, Office Equipment	ω	(1,281)	4,817	786		2,750	457	165		(519)				4,708	1,863		2,845
Library Lending Materials	ω		1,253	477		776		189		(150)		=	1,384		558		826
Total Infrastructure, Property,																	
Plant & Equipment		856,267	26,359	154,682		727,944	3,006	3,891	(655)	(10,150)	(13,585)	2,062	886,415	7,613	181,515		712,513
Comparatives		855,290	43,875	165,674		733,491	7,585	6,263	(386)	(9,806)	(9,203)		856,267	26,359	154,682		727,944
Companian	L	000,	10,010	100,07		100,701	,,,,,,	0,100	(000)	(0,000)	(0,400)		000,000	10,000	1	101,001	ŀ

Note 7a (ii). Investment Property Nii

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## 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.

## **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.



## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

\$ '000

## Valuation of Assets (continued)

## Other Information (continued)

Upon revaluation, the current new replacement cost and accumulated depreciation are re stated such that the difference represents the fair value of the asset deter mined 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

## Infrastructure

Infrastructure assets have been valued as follows:

## Roads, Kerb and Gutter

- Basis of valuation: Written down current replacement cost
- Date of valuation: 30 June 2019
- Valuer: Public Private Property

## Footpaths

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

\$ '000

## Valuation of Assets (continued)

## Infrastructure (continued)

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 & Equipment**

These assets are recognised at cost.

## **Library Lending Materials**

Library Lending Materials were valued as at 30 June 2019 by Council senior library officers.

## Note 8. Liabilities

A 1000		2019	2019	2018	2018
\$ '000	Notes	Current	Non Current	Current	Non Current
(a). Trade and Other Payables					
Goods & Services		3,302	-	4,457	-
Payments Received in Advance		3,481	-	6,677	-
Accrued Expenses - Employee Entitlements		468	-	176	-
Accrued Expenses - Other		346	-	284	-
Aged Care Facility Deposits		31,970	-	32,564	-
Deposits, Retentions & Bonds		34	-	30	-
Other	_	1,452		1,040	
Total Trade and Other Payables		41,053	-	45,228	-
(b). Borrowings					
Loans		1,000	11,460	1,130	12,460
Total Borrowings		1,000	11,460	1,130	12,460

All interest bearing liabilities are secured over the future revenues of the Council



## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 8. Liabilities (continued)

		2019		2019	2018	2018
\$ '000	Notes	Current	Non C	urrent	Current	Non Current
(c). Provisions						
Employee Entitlements		4,068		432	4,303	439
Total Provisions		4,068		432	4,303	439
Note 9. Reserves						
\$ '000	1/7/2018	Increr (Decre		Transfers	Impairments	30/6/2019
(a). Asset Revaluation Reserve						
Land	310,456	1	_	-	-	310,456
Buildings & Other Structures	40,198		-	-	-	40,198
Infrastructure						
- Stormwater Drainage	22,004		-	-	-	22,004
- Roads	80,851	•	,585)	-	-	67,266
- Footpaths	14,055		-	-	-	14,055
- Kerb & Guttering	39,538		,051	-	-	41,589
- Other Transport	2,727		-	-	-	2,727
- Open Space & Coastal	8,309		-	-	-	8,309
Library Lending Materials	421		11	-	-	432
Total Asset Revaluation Reserve	518,559	(11,	523)	_		507,036
Comparatives	527,762	(9	,203)	-	-	518,559
	1/7/2018	Tfrs		Tfrs from	Other	30/6/2019
\$ '000	1/1/2010	Rese	erve	Reserve	Movements	00/0/2019
(b). Other Reserves						
Alwyndor General Reserve	6,414		-	_	-	6,414
Total Other Reserves	6,414		-	-	-	6,414
Comparatives	6,347		103	(36)	-	6,414

## **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).

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 10. Assets Subject to Restrictions

\$ '000	Notes	2019	2018
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		525	352
Total Receivables		525	352
Total Assets Subject to Externally Imposed Restrictions		525	352

## Note 11. Reconciliation to Statement of Cash Flows

## (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	25,559	27,092
Balances per Statement of Cash Flows		25,559	27,092

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

\$ '000	Notes	2019	2018
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit) Non-Cash Items in Income Statements		4,701	2,988
Depreciation, Amortisation & Impairment		10,150	9,806
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(76)	(267)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		2,886	(1,832)
Net (Gain) Loss on Disposals		243	142
		17,904	10,837
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(195)	260
Net (Increase)/Decrease in Inventories		1	(1)
Net Increase/(Decrease) in Trade & Other Payables		(3,585)	6,962
Net Increase/(Decrease) in Unpaid Employee Benefits		(242)	6
Net Cash provided by (or used in) operations	_	13,883	18,064
(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	14,358

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

# Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 12a. Functions

		lncc	ome, Expenses D	and Assets have etails of these l	Income, Expenses and Assets have been directly attributed to the following Functions / Activities.  Details of these Functions/Activities are provided in Note 12(b).	attributed to the	following Funced in Note 12(b).	ctions / Activitie	Š.	
Functions/Activities	INCOME	WE	EXPENSES	ISES	OPERATING SURPLUS (DEFICIT)	TING DEFICIT)	GRANTS INCLUDED IN INCOME	OME	TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	ETS HELD ENT & RRENT)
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
\$ '000	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Business Undertakings	3,700	3,625	2,308	2,384	1,392	1,241	_	-	79,379	18,774
Community Services	21,249	20,293	26,741	26,436	(5,492)	(6,143)	11,553	11,397	94,663	157,409
Culture	641	614	5,058	4,997	(4,417)	(4,383)	259	270	17,366	17,200
Economic Development	598	634	1,276	1,294	(678)	(660)	_	ı	347	338
Environment	288	339	7,601	7,000	(7,313)	(6,661)	106	40	42,939	41,423
Recreation	317	310	6,620	6,500	(6,303)	(6,190)		ı	316,276	315,262
Regulatory Services	1,968	1,957	5,656	5,089	(3,688)	(3,132)		1	546	495
Transport & Communication	26	27	7,825	7,677	(7,799)	(7,650)	_	121	176,997	189,223
Unclassified Activities		ı		ı		ı		ı	3,322	3,365
Council Administration	38,546	37,258	2,764	2,649	35,782	34,609	1,978	1,911	18,789	19,504
Total Functions/Activities	67,333	65,057	65,849	64,026	1,484	1,031	13,896	13,739	750,624	762,993

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



## Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

## 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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## 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 1.25% and 2.78% (2018: 1.5% and 2.77%). Short term deposits have an average interest rate of 1.37% (2018: 1.96%).

## **Carrying Amount:**

Approximates fair value due to the short term to maturity.

## Receivables

## **Rates & Associated Charges**

(including legals & penalties for late payment)

## **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 0.55% (2018: 0.56% per month). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

## **Carrying Amount:**

Approximates fair value (after deduction of any allowance).

## **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).

## Receivables

Fees & Other Charges



## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 13. Financial Instruments (continued)

\$ '000

## **Recognised Financial Instruments**

## Receivables

Other Levels of Government

## Receivables

**Retirement Home Contributions** 

## Liabilities

**Creditors and Accruals** 

## **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.

## **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).

## **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.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 13. Financial Instruments (continued)

\$ '000

## **Recognised Financial Instruments**

## Liabilities

## **Retirement Home Contributions**

## Liabilities

## **Interest Bearing Borrowings**

## Liabilities

**Finance Leases** 

## **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.

## **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% (2018: 3.75% and 7.05%).

## **Carrying Amount:**

Approximates fair value.

## **Accounting Policy:**

Accounted for in accordance with AASB 117.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 13. Financial Instruments (continued)

	Due	Due > 1 year	Due	Total Contractual	Carrying
\$ '000	< 1 year	& ≤ 5 years	> 5 years	Cash Flows	Values
2019					
Financial Assets					
Cash & Equivalents	25,559	-	-	25,559	25,559
Receivables	3,553	990	936	5,479	4,497
<b>Total Financial Assets</b>	29,112	990	936	31,038	30,056
Financial Liabilities					
Payables	40,707	-	_	40,707	40,707
Current Borrowings	1,529	-	_	1,529	1,000
Non-Current Borrowings	<u>-</u>	5,248	10,287	15,535	11,460
Total Financial Liabilities	42,236	5,248	10,287	57,771	53,167
	Due	Due > 1 year	Due	Total Contractual	Carrying
\$ '000	< 1 year	& ≤ 5 years	> 5 years	Cash Flows	Values
2018					
Financial Assets					
Cash & Equivalents	27,092	_	_	27,092	27,092
Receivables	2,498	429	2,762	5,689	4,621
Total Financial Assets	29,590	429	2,762	32,781	31,713
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
•	· · · · · · · · · · · · · · · · · · ·		· · ·		,
The following interest rates were a	applicable	30 Jun	e 2019	30 June	2018
to Council's Borrowings at balance		Weighted Avg	Carrying	Weighted Avg	Carrying
Ç		Interest Rate	Value		Value
Fixed Interest Rates		4.73%	12,460	4.81%	13,590
			12,460		13,590

## **Net Fair Value**

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

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 13. Financial Instruments (continued)

\$ '000

## Risk Exposures

<u>Credit Risk</u> 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.

<u>Market Risk</u> 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 <u>currency risk</u> apply.

<u>Liquidity Risk</u> is the risk that Council will encounter difficulty in meeting obligations with financial liabilities.

In accordance with the model Treasury Mangement 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.

<u>Interest Rate Risk</u> 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.

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 14. Commitments for Expenditure

\$ '000	Notes	2019	2018
(a). Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Land		43	122
Buildings		6,815	-
Infrastructure		212	239
Reserves		2,914	94
Plant & Equipment	_	152	309
	_	10,136	764
These expenditures are payable:		10.100	704
Not later than one year		10,136	764
Later than 5 years		-	-
Later than 5 years	_	10,136	764
	_	10,100	704
(b). Other Expenditure Commitments			
Other expenditure committed for (excluding inventories) at the repodate but not recognised in the financial statements as liabilities:	orting		
Audit Services		32	31
Waste Management Services		5,592	8,861
Employee Remuneration Contracts		3,385	3,045
Other Maintenance Contracts		1,041	1,975
Other			52
		10,050	13,964
These expenditures are payable:			
Not later than one year		5,843	6,276
Later than one year and not later than 5 years		4,207	7,683
Later than 5 years		10,050	13,964
	_	10,000	13,304

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 15. Financial Indicators

the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

	Amounts	Indicator	Prior F	Periods
\$ '000	2019	2019	2018	2017
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.				
Operating Surplus Ratio     Operating Surplus     Total Operating Income  This ratio expresses the operating surplus as a percentage of total	1,484 67,333	2%	2%	3%
operating revenue.				
2. Net Financial Liabilities Ratio Net Financial Liabilities	27,909	41%	49%	51%
Total Operating Income	67,333			
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%
Adjusted Net Financial Liabilities Ratio		41%	49%	51%
3. Asset Renewal Funding Ratio				
Net Asset Renewals	3,878	112%	51%	73%
Infrastructure & Asset Management Plan required expenditure	3,465	114/0	J 1 /0	13/0
Net asset renewals expenditure is defined as net capital expenditure on				

## Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 16. Uniform Presentation of Finances

\$ '000	2019	2018

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.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

Income  less Expenses Operating Surplus / (Deficit)	67,333 (65,849) 1,484	65,324 (64,026) 1,298
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(4,268)	(5,208)
add back Depreciation, Amortisation and Impairment	10,150	9,806
add back Proceeds from Sale of Replaced Assets	390	227
Subtotal	6,272	4,825
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(7,162)	(8,142)
add back Amounts Received Specifically for New and Upgraded Assets	(2,886)	1,832
add back Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments and Non-Current Assets Held for Resale)	22	17
Subtotal	(10,026)	(6,292)
Net Lending / (Borrowing) for Financial Year	(2,270)	(169)

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## Note 17. Operating Leases

\$ '000	2019	2018
Leases commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:		
Not later than one year	511	501
Later than one year and not later than 5 years	1,912	1,898
Later than 5 years	2,130	2,862
	4,553	5,261

## **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	41	45
Later than one year and not later than 5 years	38	60
Later than 5 years		5
	78	110

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## 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 2018/19; 9.50% in 2017/18). 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 2017/18) 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.

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

## 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	
	2019	2018	2019	2018
Joint Ventures	76	267	2,945	2,869
Total	76	267	2,945	2,869
(i) JOINT VENTURES, ASSOCIATES Al (a) Carrying Amounts	ND JOINT OPERATIONS			
Name of Entity	Principal Activity		2019	2018
Southern Region Waste Resource Authority	Management of waste and w facilities	aste	2,945	2,869
<b>Total Carrying Amounts - Joint Ventur</b>	es & Associates		2,945	2,869

## **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.

(b) Relevant Interests	Interest in	Ownership	
	Operating	Share of	Proportion of
	Result	Equity	Voting Power
Name of Entity	2019 2018	2019 2018	2019 2018
Southern Region Waste Resource Authority	15% 15%	15% 15%	33% 33%

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

	Resource Authority	
	2019	2018
Opening Balance	2,869	2,986
Share in Operating Result	76	267
Distributions Received		(384)
Council's Equity Share in the Joint Venture or Associate	2,945	2,869

Southern Region Waste

## 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

# City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

# 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 deductable "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.

# 3. 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 10 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 2019.

# Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2019, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

Accordingly, the "authorised for issue" date is 22/10/19.

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

# City of Holdfast Bay

Notes to and forming part of the Financial Statements for the year ended 30 June 2019

# Note 23. Related Party Transactions

\$ '000	2019	2018

# **Key Management Personnel**

# **Transactions with Key Management Personel**

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, 30 persons were paid the following total compensation:

# The compensation paid to Key Management Personnel comprises:

Short-Term Employee Benefits	1,121	1,010
Leave Entitlements on Termination	223	-
Payments to Mayor and Elected Members	364	317
Development Assessment Panel Independent Members, Alwyndor Management Committee	48	56
Total	1,756	1,383

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



Tel: +61 8 7324 6000 Fax: +61 8 7324 6111 www.bdo.com.au

Level 7, BDO Centre 420 King William St Adelaide SA 5000 GPO Box 2018, Adelaide SA 5001 **AUSTRALIA** 

# 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 2019, 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 2019 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 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 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 Management) 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 (<a href="http://www.auasb.gov.au/Home.aspx">http://www.auasb.gov.au/Home.aspx</a>) at: <a href="http://www.auasb.gov.au/auditors\_files/ar3.pdf">http://www.auasb.gov.au/auditors\_files/ar3.pdf</a>.

This description forms part of our auditor's report.

BDO Audit (SA) Pty Ltd

G K Edwards Director

Adelaide, 24 October 2019



Tel: +61 8 7324 6000 Fax: +61 8 7324 6111 www.bdo.com.au

Level 7, BDO Centre 420 King William St Adelaide SA 5000 GPO Box 2018, Adelaide SA 5001 **AUSTRALIA** 

# 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 2018 to 30 June 2019 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 2018 to 30 June 2019.

# 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.

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# 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.

DNO

BDO Audit (SA) Pty Ltd

G K Edwards Director

Adelaide, 24 October 2019

# City of Holdfast Bay

# General Purpose Financial Statements for the year ended 30 June 2019

# 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 2019, 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.

CHIEF EXECUTIVE OFFICER

Date: 9/0/2019

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PRESIDING MEMBER, AUDIT COMMITTEE



Tel: +61 8 7324 6000 Fax: +61 8 7324 6111 www.bdo.com.au Level 7, BDO Centre 420 King William Street Adelaide SA 5000 GPO Box 2018, Adelaide SA 5001 AUSTRALIA

# 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 2019, 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 2019





# FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

# ANNUAL FINANCIAL STATEMENTS for the year ended 30 June 2019

# CERTIFICATION OF FINANCIAL STATEMENTS.

We have been authorised by the Southern Region Waste Resource Authority Board to certify the financial statements in their final form. In our opinion

- The accompanying financial statements comply with the Each Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2019 and the
  results of its operations and cashflows for the financial year.
- Internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable throughout the financial year.

The financial Watpments accurately reflect the Authority's accounting and other records.

Mark Booth Chairman

day of Parky

Chr-s Adams

Chief Executive Officer

# STATEMENT OF COMPREHENSIVE INCOME for the financial year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
INCOME			
User charges	2	10,578	11,713
Investment income	2	647	620
Other Income	2	464	1,201
Net gain - equity accounted Joint Venture	15	437	176
Total Income	_	12,126	13,710
EXPENSES			
Employee costs	3	1,301	1,189
Materials, contracts & other expenses	3	9,445	9,777
Depreciation, amortisation & impairment	3	868	908
Other Expenses	3	-	80
Net loss - equity accounted Joint Venture	15		
Total Expenses	_	11,614	11,954
OPERATING SURPLUS / (DEFICIT)		512	1,756
Net gain (loss) on disposal or revaluation of assets	4	(9)	21
Amounts received specifically for new or upgraded assets		-	-
NET SURPLUS / (DEFICIT)	-	503	1,777
transfer to Equity Statement	_		
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment	_	-	
Total Other Comprehensive Income	_	-	-
TOTAL COMPREHENSIVE INCOME	- -	503	1,777

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

# STATEMENT OF FINANCIAL POSITION as at 30 June 2019

			2019	2018
ASSETS		Notes	\$'000	\$'000
<b>Current Assets</b>				
Cash and cash equivalents		5	17,497	16,343
Trade & other receivables		5	1,666	1,839
Inventories		5		
		_	19,163	18,182
	Total Current Assets	_	19,163	18,182
Non-current Assets				
<b>Equity Accounted Joint Venture</b>		15	832	885
Property, Plant & Equipment		6	15,440	15,580
	<b>Total Non-current Assets</b>		16,272	16,465
Total Assets		-	35,435	34,647
LIABILITIES				
<b>Current Liabilities</b>				
Trade & Other Payables		7	2,201	2,436
Provisions		7	126	101
	<b>Total Current Liabilities</b>	_	2,327	2,537
Non-current Liabilities				
Provisions		7	13,475	12,980
	<b>Total Non-current Liabilities</b>	_	13,475	12,980
Total Liabilities		_	15,802	15,517
NET ASSETS		- =	19,633	19,130
EQUITY				
Accumulated Surplus			19,633	19,130
TOTAL EQUITY		_	19,633	19,130
		=		

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

# STATEMENT OF CHANGES IN EQUITY for the financial year ended 30 June 2019

2019	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period		19,130	-	-	19,130
Adjustments due to compliance with revised		-	-	-	-
Accounting Standards Adjustments to give effect to changed accounting		-	-	-	-
policies Restated Opening Balance	-	19,130			19,130
Net Surplus/ (Deficit) for Year		503			503
Other Comprehensive Income					
Gain on revaluation of infrastructure, property,		-	-	-	-
plant & equipment Transfers between reserves		-	-	-	-
Distributions to Member Councils		-	-	-	-
Balance at end of period		19,633	-	-	19,633
			Asset		
2018	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
<b>2018</b> Balance at end of previous reporting period	Notes		Revaluation		
Balance at end of previous reporting period Adjustments due to compliance with revised	Notes	Surplus	Revaluation		EQUITY
Balance at end of previous reporting period Adjustments due to compliance with revised Accounting Standards	Notes	Surplus	Revaluation		EQUITY
Balance at end of previous reporting period Adjustments due to compliance with revised	Notes	Surplus	Revaluation		EQUITY
Balance at end of previous reporting period Adjustments due to compliance with revised Accounting Standards Adjustments to give effect to changed accounting policies Restated Opening Balance	Notes	19,903 - - 19,903	Revaluation		19,903 - - 19,903
Balance at end of previous reporting period Adjustments due to compliance with revised Accounting Standards Adjustments to give effect to changed accounting policies Restated Opening Balance Net Surplus/ (Deficit) for Year	Notes -	Surplus 19,903 - -	Revaluation		19,903 - -
Balance at end of previous reporting period Adjustments due to compliance with revised Accounting Standards Adjustments to give effect to changed accounting policies Restated Opening Balance	Notes -	19,903 - - 19,903	Revaluation		19,903 - - 19,903
Balance at end of previous reporting period Adjustments due to compliance with revised Accounting Standards Adjustments to give effect to changed accounting policies Restated Opening Balance Net Surplus/ (Deficit) for Year Other Comprehensive Income Gain on revaluation of infrastructure, property, plant & equipment	Notes	19,903 - - 19,903	Revaluation		19,903 - - 19,903
Balance at end of previous reporting period Adjustments due to compliance with revised Accounting Standards Adjustments to give effect to changed accounting policies Restated Opening Balance Net Surplus/ (Deficit) for Year Other Comprehensive Income Gain on revaluation of infrastructure, property, plant & equipment Transfers between reserves	Notes -	19,903 - - 19,903 1,777 - -	Revaluation		19,903 - - 19,903 1,777
Balance at end of previous reporting period Adjustments due to compliance with revised Accounting Standards Adjustments to give effect to changed accounting policies Restated Opening Balance Net Surplus/ (Deficit) for Year Other Comprehensive Income Gain on revaluation of infrastructure, property, plant & equipment	Notes .	19,903 - - 19,903	Revaluation		19,903 - - 19,903

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

# **STATEMENT OF CASH FLOWS**

for the year ended 30 June 2019

		2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$'000	\$'000
Receipts			
Operating receipts		12,337	13,439
Investment receipts		647	623
<u>Payments</u>			
Operating payments to suppliers & employees	_	(11,965)	(12,322)
Net Cash provided by (or used in) Operating Activities	8 (b)	1,019	1,740
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets		-	-
Sale of surplus assets		21	33
Distributions received from equity accounted Joint Venture	15	490	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(256)	(341)
Expenditure on new/upgraded assets		(120)	(2,479)
Capital contributed to equity accounted Joint Venture	15		
Net Cash provided by (or used in) Investing Activities	_	135	(2,787)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Payments</u>			
Distribution to Member Councils	_	<u>-</u> _	(2,550)
Net Cash provided by (or used in) Financing Activities	_		(2,550)
Net Increase (Decrease) in cash held		1,154	(3,597)
Cash & cash equivalents at beginning of period		16,343	19,940
Cash & cash equivalents at end of period	8 (a)	17,497	16,343

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

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# **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 (UIGs) 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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 1 - Significant Accounting Policies (cont)

# 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

# **Payables**

#### **Goods & Services** 6.1

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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

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 2018/19 (9.5% in 2017/18). 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, 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 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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

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 2019 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 2018/19 financial year, the Authority undertook a review of all the key assumptions and estimates in relation to the measurement of landfill cell capping liabilities 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 by Golder Associates, the estimated capping liability has been increased to \$7.823 million as at 30 June 2019. This represented in an increase of \$0.382m to capping liability estimates be recognised in 2018/19.

The Authority as at 30 June 2019 has consolidated all capping liability obligations as a single activity given that landfill operations have consolidated into a single cell operation. A new capping liability disclosed as 'Super Cell Capping' has been recognised in Note 7.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# Note 2 - INCOME

Notes   \$'000   \$'00		2019	2018
Note 3 - EXPENSES   1,146   1,092   1,000	LICED CHARCES	Notes <b>\$'000</b>	\$'000
Note 3 - EXPENSES		10 570	11 712
Interest on investments	Landini Operations		
Interest on investments		10,378	11,/13
Local Government Finance Authority         421         444           Banks & other         18         24           Investment property rental income         208         152           Investment property rental income         647         620           OTHER INCOME         886         48           Movement in Landfill Liabilities         -         886           Other Income         63         48           Southern Recycling Centre         401         267           464         1,201         464         1,201           Note 3 - EXPENSES           EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditor's Remuneration         - <td>INVESTMENT INCOME</td> <td></td> <td></td>	INVESTMENT INCOME		
Banks & other         18         24           Investment property rental income         208         152           OTHER INCOME         Contractors         367         620           Movement in Landfill Liabilities         -         886         663         48         886         60         633         48         886         60         464         1,201         267         464         1,201         267         464         1,201         267         464         1,201         267         464         1,201         267         464         1,201         267         464         1,201         267         464         1,201         267         464         1,201         267         462         1,201         267         462         1,201         267         462         462         1,201         267         462         462         1,201         267         462         462         462         262	Interest on investments		
Investment property rental income         208         152           OTHER INCOME         Contract in Landfill Liabilities         -         886           Other Income         63         486           Southern Recycling Centre         401         267           ***********************************		421	
COTHER INCOME           Movement in Landfill Liabilities         -         886           Other Income         63         48           Southern Recycling Centre         401         267           Note 3 - EXPENSES           EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditor's Remuneration         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         41         38           Equipment Hire         2         68           Mainten			
OTHER INCOME           Movement in Landfill Liabilities         -         886           Other Income         63         48           Southern Recycling Centre         401         267           464         1,201           Note 3 - EXPENSES           EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditor's Remuneration         -         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         41         38           Fuel	Investment property rental income		
Movement in Landfill Liabilities         -         886           Other Income         63         48           Southern Recycling Centre         401         267           Note 3 - EXPENSES           EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         41         38           Contractors         418         143           Fuel         132         113           Equipment Hire         2         68           Ma		647	620
Movement in Landfill Liabilities         -         886           Other Income         63         48           Southern Recycling Centre         401         267           Note 3 - EXPENSES           EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         41         38           Contractors         418         143           Fuel         132         113           Equipment Hire         2         68           Ma	OTHER INCOME		
Southern Recycling Centre         401         267           Note 3 - EXPENSES           EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         3         11           Auditor's Remuneration         19         18           - Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           P		_	886
Southern Recycling Centre         401         267           Mote 3 - EXPENSES           EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditor's Remuneration         19         18           - Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547	Other Income	63	48
Note 3 - EXPENSES           EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547	Southern Recycling Centre	401	
EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditor's Remuneration         19         18           - Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         132         113           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187	, 3	464	1,201
EMPLOYEE COSTS           Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         41         38           Auditor's Remuneration         19         18           - Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         132         113           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187	Note 2 EVDE	NCCC	
Salaries and Wages         1,146         1,092           Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -         -           Total Operating Employee Costs         1,301         1,189           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         31         11           Auditor's Remuneration         -         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         60         56           Other Materials, Contracts & Expenses         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187           Sundry         248         315		NSES	
Employee leave expense         12         (42)           Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         4         38           Auditor's Remuneration         -         41         38           - Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses           Contractors         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36 <td></td> <td>1 146</td> <td>1 002</td>		1 146	1 002
Superannuation         95         87           Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         -         -           Auditor's Remuneration         -         -           - Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         41         38           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187           Sundry         248	_	•	· ·
Workers' Compensation Insurance         48         52           Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         3         19         18           Auditior's Remuneration         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187           Sundry         248         315           Subtotal - Other Materials, Contracts & Expenses         9,385         9,721 <td></td> <td><del></del></td> <td></td>		<del></del>	
Less: Capitalised and distributed costs         -         -           Total Operating Employee Costs         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         Secondary         19         18           Auditior's Remuneration         19         18           Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187           Sundry         248         315           Subtotal - Other Materials, Contracts & Expenses         9,385         9,721	•		_
Total Number of Employees         1,301         1,189           Total Number of Employees         13         11           (Full time equivalent at end of reporting period)           MATERIALS, CONTRACTS & OTHER EXPENSES           Prescribed Expenses         Semuneration           - Auditing the financial reports         19         18           Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187           Sundry         248         315           Subtotal - Other Materials, Contracts & Expenses         9,385         9,721		-	-
Total Number of Employees (Full time equivalent at end of reporting period)  MATERIALS, CONTRACTS & OTHER EXPENSES  Prescribed Expenses Auditor's Remuneration - Auditing the financial reports Board Expenses Subtotal - Prescribed Expenses Contractors Fuel 132 113 Equipment Hire - 68 Maintenance Legal Expenses 16 21 Levies paid- EPA Levy Professional services Southern Recycling Centre Subtotal - Other Materials, Contracts & Expenses Subtotal - Prescribed Expenses Contractors 418 143 143 143 143 144 145 146 147 148 149 149 149 149 149 149 149 149 149 149		1.301	1.189
MATERIALS, CONTRACTS & OTHER EXPENSES  Prescribed Expenses Auditor's Remuneration - Auditing the financial reports 19 18 Board Expenses 41 38 Subtotal - Prescribed Expenses 60 56  Other Materials, Contracts & Expenses Contractors 418 143 Fuel 132 113 Equipment Hire - 68 Maintenance 270 299 Legal Expenses 16 21 Levies paid- EPA Levy 8,010 8,547 Professional services 36 Subtotal - Other Materials, Contracts & Expenses 255 187 Sundry 248 315 Subtotal - Other Materials, Contracts & Expenses 9,385 9,721			
MATERIALS, CONTRACTS & OTHER EXPENSESPrescribed Expenses4Auditor's Remuneration1918Board Expenses4138Subtotal - Prescribed Expenses6056Other Materials, Contracts & Expenses5056Contractors418143Fuel132113Equipment Hire-68Maintenance270299Legal Expenses1621Levies paid- EPA Levy8,0108,547Professional services3628Southern Recycling Centre255187Sundry248315Subtotal - Other Materials, Contracts & Expenses9,3859,721		13	11
Prescribed Expenses         Auditor's Remuneration       19       18         Board Expenses       41       38         Subtotal - Prescribed Expenses       60       56         Other Materials, Contracts & Expenses       8       143         Contractors       418       143         Fuel       132       113         Equipment Hire       -       68         Maintenance       270       299         Legal Expenses       16       21         Levies paid- EPA Levy       8,010       8,547         Professional services       36       28         Southern Recycling Centre       255       187         Sundry       248       315         Subtotal - Other Materials, Contracts & Expenses       9,385       9,721	(Full time equivalent at end of reporting period)		
Auditor's Remuneration - Auditing the financial reports Board Expenses 41 38 Subtotal - Prescribed Expenses 60 56  Other Materials, Contracts & Expenses  Contractors 418 Fuel 132 113 Equipment Hire - 68 Maintenance 170 299 Legal Expenses 16 21 Levies paid- EPA Levy 8,010 8,547 Professional services Southern Recycling Centre Sundry Subtotal - Other Materials, Contracts & Expenses 9,385 9,721			
- Auditing the financial reports       19       18         Board Expenses       41       38         Subtotal - Prescribed Expenses       60       56         Other Materials, Contracts & Expenses       8         Contractors       418       143         Fuel       132       113         Equipment Hire       -       68         Maintenance       270       299         Legal Expenses       16       21         Levies paid- EPA Levy       8,010       8,547         Professional services       36       28         Southern Recycling Centre       255       187         Sundry       248       315         Subtotal - Other Materials, Contracts & Expenses       9,385       9,721	•		
Board Expenses         41         38           Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         8           Contractors         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187           Sundry         248         315           Subtotal - Other Materials, Contracts & Expenses         9,385         9,721			
Subtotal - Prescribed Expenses         60         56           Other Materials, Contracts & Expenses         8           Contractors         418         143           Fuel         132         113           Equipment Hire         -         68           Maintenance         270         299           Legal Expenses         16         21           Levies paid- EPA Levy         8,010         8,547           Professional services         36         28           Southern Recycling Centre         255         187           Sundry         248         315           Subtotal - Other Materials, Contracts & Expenses         9,385         9,721		_	_
Other Materials, Contracts & Expenses         Contractors       418       143         Fuel       132       113         Equipment Hire       -       68         Maintenance       270       299         Legal Expenses       16       21         Levies paid- EPA Levy       8,010       8,547         Professional services       36       28         Southern Recycling Centre       255       187         Sundry       248       315         Subtotal - Other Materials, Contracts & Expenses       9,385       9,721	·		
Contractors       418       143         Fuel       132       113         Equipment Hire       -       68         Maintenance       270       299         Legal Expenses       16       21         Levies paid- EPA Levy       8,010       8,547         Professional services       36       28         Southern Recycling Centre       255       187         Sundry       248       315         Subtotal - Other Materials, Contracts & Expenses       9,385       9,721	Subtotal - Prescribed Expenses	60	56
Fuel       132       113         Equipment Hire       -       68         Maintenance       270       299         Legal Expenses       16       21         Levies paid- EPA Levy       8,010       8,547         Professional services       36       28         Southern Recycling Centre       255       187         Sundry       248       315         Subtotal - Other Materials, Contracts & Expenses       9,385       9,721	Other Materials, Contracts & Expenses		
Equipment Hire       -       68         Maintenance       270       299         Legal Expenses       16       21         Levies paid- EPA Levy       8,010       8,547         Professional services       36       28         Southern Recycling Centre       255       187         Sundry       248       315         Subtotal - Other Materials, Contracts & Expenses       9,385       9,721	Contractors	418	143
Maintenance       270       299         Legal Expenses       16       21         Levies paid- EPA Levy       8,010       8,547         Professional services       36       28         Southern Recycling Centre       255       187         Sundry       248       315         Subtotal - Other Materials, Contracts & Expenses       9,385       9,721	Fuel	132	113
Legal Expenses1621Levies paid- EPA Levy8,0108,547Professional services3628Southern Recycling Centre255187Sundry248315Subtotal - Other Materials, Contracts & Expenses9,3859,721	Equipment Hire	-	68
Levies paid- EPA Levy8,0108,547Professional services3628Southern Recycling Centre255187Sundry248315Subtotal - Other Materials, Contracts & Expenses9,3859,721	Maintenance	270	299
Professional services3628Southern Recycling Centre255187Sundry248315Subtotal - Other Materials, Contracts & Expenses9,3859,721	Legal Expenses	16	21
Southern Recycling Centre255187Sundry248315Subtotal - Other Materials, Contracts & Expenses9,3859,721	Levies paid- EPA Levy	8,010	8,547
Sundry248315Subtotal - Other Materials, Contracts & Expenses9,3859,721	Professional services	36	28
Subtotal - Other Materials, Contracts & Expenses 9,385 9,721	Southern Recycling Centre	255	187
· · · · · · · · · · · · · · · · · · ·	-		
<b>9,445</b> 9,777	Subtotal - Other Materials, Contracts & Expenses		
		9,445	9,777

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

Note 3 - EXPENSES (cont)		
	2019	2018
No	tes <b>\$'000</b>	\$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT Depreciation		
Landfill Construction	374	394
Buildings & Waste Facility	143	140
Plant & Equipment	351	374
	5 <b>-</b>	-
	868	908
OTHER EXPENSES		
Transfer to Provision of Cell 3-1 & 3-2 Capping	<u>-</u>	80
		80
Note 4 - ASSET DISPOSAL & FAIR	R VALUE ADJUSTME	ENTS
PROPERTY, PLANT & EQUIPMENT		
Proceeds from disposal	21	33
Less: Carrying amount of assets sold	(30)	(12)
Gain (Loss) on disposal	<u>(9)</u>	21
NET GAIN (LOSS) ON DISPOSAL OF ASSETS	(9)	21
Note 5 - CURRENT	ASSETS	
CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	1,755	2,013
Short Term Deposits & Bills, etc	15,742	14,330
Short Term Deposits & Sins, etc	17,497	16,343
TRADE & OTHER RECEIVABLES		
Accrued Revenues	37	22
Debtors - general	1,626	1,813
Prepayments	3	4
	1,666	1,839
INVENTORIES		
Stores & Materials	-	-
	<u> </u>	

for the year ended 30 June 2019 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

# Note 6 - PROPERTY, PLANT & EQUIPMENT

15,580	(20,194)	33,787	1,987	15,081	(17,690)	30,784	1,987	Comparatives
15,440	(21,050)	34,503	1,987	15,580	(20,194)	33,787	1,987	TOTAL PROPERTY, PLANT & EQUIPMENT
56	,	56		117	,	117	ı	Work in Progress
35	(4,161)	4,196	•	1	(4,159)	4,159	1	Future Restoration Costs
290	(5,774)	6,064	1	218	(5,756)	5,974	1	Post Closure Rehabilitation
3,086	(2,183)	5,269		2,905	(1,982)	4,887		Super Cell Capping
2,370	(5,195)	7,565		2,469	(5,042)	7,511		Super Cell
								Landfill Construction:
30	(123)	153	1	35	(113)	148	1	Office Equipment
1,620	(2,980)	4,600	1	1,742	(2,651)	4,393	1	Plant & Equipment
3,970	(634)	4,044	560	4,111	(491)	4,042	560	Buildings
3,983		2,556	1,427	3,983		2,556	1,427	Land
CARRYING AMOUNT	ACCUM DEP'N	AT COST	AT FAIR VALUE	CARRYING AMOUNT	ACCUM DEP'N	AT COST	AT FAIR VALUE	
	\$'000	\$'0			\$'000	\$'0		
	2019	20			2018	20		

This Note continues on the following pages.

for the year ended 30 June 2019 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 6 - PROPERTY, PLANT & EQUIPMENT

15,580	-	(1,664)	-	(908)	(12)	341	2,742	15,081	Comparatives
15,440	,	(127)	1	(868)	(30)	256	629	15,580	TOTAL PROPERTY, PLANT & EQUIPMENT
56	1	(127)	1	ı	ı	-	66	117	Work in Progress
35				(2)	1	1	37	1	Future Restoration Costs
290	1	1	1	(18)	1	1	90	218	Post Closure Rehabilitation
3,086	1		1	(201)	1	1	382	2,905	Super Cell Capping
2,370	1	1	1	(153)	ı	1	54	2,469	Super Cell
									Landfill Construction:
30	1	1	1	(10)	ı	5	1	35	Office Equipment
1,620		1	1	(341)	(30)	249		1,742	Plant, Equipment & Motor Vehicles
3,970	1	1	1	(143)	ı	2	1	4,111	Buildings
3,983	ı		ı					3,983	Land
AMOUNT	Hallsici	Adjustillellts	III paii III eII c	pepieciarion	Disposais	Renewals	Capital	AMOUNT	
CARRYING	Transfer	Adiustments	Impairment	Depreciation	Disposals	Additions	Addi	CARRYING	
\$'000				\$'000				\$'000	
2019			S DURING YEAR	CARRYING AMOUNT MOVEMENTS DURING YEAR	CARRYING AMO			2018	

This Note continues on the following pages.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2019

# **Note 7 - LIABILITIES**

			)19 )00	20 \$'0	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		2,139	-	2,371	-
Payments received in advance		16	-	-	_
Accrued expenses - other		46	-	65	_
·		2,201	-	2,436	-
PROVISIONS					
Annual Leave		66	-	63	-
Long Service Leave		60	25	38	39
Super Cell Capping		-	7,823	-	-
Post Closure Rehabilitation		-	3,985	-	3,895
Cell Capping - 3-1 & 3-2		-	-	-	2,554
Cell Capping - 3-3 & 3-4 (Lower)		-	-	-	2,937
Cell 4 Capping		-	-	-	1,950
Future Restoration Costs		_	1,642	_	1,605
		126	13,475	101	12,980
Movements in Provisions - 2019 year only (current & non-current)		Opening Balance	Additional Amounts Recognised/ (Derecognised)	Transfers	Closing Balance
Super Cell Capping		-	382	7,441	7,823
Post Closure Rehabilitation		3,895	90	0	3,985
Cell Capping -3-1 & 3-2		2,554	0	(2,554)	-
Cell Capping - 3-3 & 3-4 (Lower)		2,937	0	(2,937)	-
Cell 4 Capping		1,950	0	(1,950)	-
Future Restoration Costs		1,605	37	0	1,642
Total		12,941	509	-	13,450

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# **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:

Total cash & equivalent assets Less: Short-term borrowings Balances per Cash Flow Statement	Notes 5	2019 \$'000 17,497 - 17,497	2018 \$'000 16,343 - 16,343
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities Net Surplus (Deficit)		503	1,777
Non-cash items in Income Statement Depreciation, amortisation & impairment		868	908
Net (Gain) loss in Equity Movement Joint Venture		(437)	(176)
Movement in Landfill Provisions Work in Progress Write-Off Net (Gain) Loss on Disposals	-	- 127 9 1,070	(886) - (21) <b>1,602</b>
Add (Less): Changes in Net Current Assets Net (increase) decrease in receivables Net (increase) decrease in inventories Net (increase) decrease in other current assets Net increase (decrease) in trade & other payables Net increase (decrease) in other provisions Net Cash provided by (or used in) operations		173 - - (235) 11 1,019	186 - (93) 45 1,740
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of: - Physical resources received free of charge - Non-cash grants & contributions  Amounts recognised in Income Statement - Finance Leases	-	- - - -	- - - - -
(d) Financing Arrangements			

Unrestricted access was available at balance date to the following lines of credit: **Corporate Credit Cards** 

The Authority has no bank overdraft facility.

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# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# **Note 9 - FINANCIAL INSTRUMENTS**

# **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.
	<b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates of 1 - 2.25% (2018: 1.25 - 2.5%). Short term deposits have an average maturity of 90 days (2018: 90 days).
	Carrying amount: approximates fair value due to the short term to maturity.
Receivables - Gate Fees & Associated	Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for
Charges	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**

<u>Credit Risk</u> 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.

<u>Market Risk</u> 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 <u>currency risk</u> apply.

<u>Liquidity Risk</u> 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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# Note 9 (cont) - FINANCIAL INSTRUMENTS Liquidity Analysis

Liquidity Analysis							
		Floating	<u>Fixed in</u>	terest maturing	<u>; in</u>	Non-	
2019		Interest	≤ 1 year	> 1 year	> 5 years	interest	Total
		Rate		≤ 5 years		bearing	
Financial Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fair Value through P&L							
Cash Assets		1,755	15,742	-	-	-	17,497
Loans & Receivables		-	•				-
Receivables		-	-	-	-	1,666	1,666
	Total	1,755	15,742	-	-	1,666	19,163
Weighted Average Interest Rate		1.00%	2.25%			·	
Financial Liabilities							
Payables		-	-	-	-	2,201	2,201
·	Total	-	-	-	-	2,201	2,201
EXCESS OF FINANCIAL ASSETS LIABILITIES	S OVER	1,755	15,742	-	-	(535)	16,962
		Floating	Fixed in	terest maturing	r in	Non-	
2018		Interest	< 1 year	> 1 year	> 5 years	interest	Total
		Rate	, - ,	< 5 years	- /	bearing	
Financial Assets		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fair Value through P&L		,	+	,	7	7	7
Cash Assets		2,013	14,330	-	_	_	16,343
Loans & Receivables		_,	= 1,000				
Receivables		_	_	-	_	1,839	1,839
	Total	2,013	14,330	_	_	1,839	18,182
Weighted Average Interest Rate		1.25%	2.50%			,	
Financial Liabilities							
Payables		-	-	-	-	2,436	2,436
·	Total	-	-	-	-	2,436	2,436
EVOES OF ENLANCIA :							
EXCESS OF FINANCIAL ASSETS LIABILITIES	SUVER	2,013	14,330	-	-	(597)	15,746

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2019

# **Note 10 - COMMITMENTS FOR EXPENDITURE**

2019

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Capital Commitments Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:  Committed Projects			2019	2018
Capital Commitments Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:  Committed Projects		Notes	\$'000	\$'000
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:  Committed Projects	Capital Commitments		•	·
As at 30 June 2019, 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  19 37 These expenditures are payable: Not later than one year  19 18	Capital expenditure committed for at the reporting	date but	not recognised	in the financial
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  19 37 19 37 These expenditures are payable: Not later than one year  19 18	Committed Projects		<u>-</u>	
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:  Audit Services  19 37 19 37 These expenditures are payable: Not later than one year  19 18	,	al commitme	ents that are not a	lready recorded on
These expenditures are payable: Not later than one year 19 18	Other expenditure committed for (excluding inventories	s) at the re	porting date but	not recognised in
Not later than one year 19 18	Audit Services			
Not later than one year 19 18	These expenditures are payable:			
,	. ,		19	18
=======================================	Later than one year and not later than 5 years		-	19

# 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

Later than 5 years

All known costs have been recognised.

# Note 12 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2019 that need to be disclosed in the financial statements.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# 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.

	2019 \$'000	<b>2018</b> \$'000
Income	12,126	13,710
less Expenses	(11,614)	(11,954)
Operating Surplus / (Deficit)	512	1,756
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(256)	(341)
Depreciation, Amortisation, Impairment and Movement in Landfill Provisions	868	988
Proceeds from Sale of Replaced Assets	-	-
<del>-</del>	612	647
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	(120)	(2,479)
Amounts received specifically for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets	21	33
<del>-</del>	(99)	(2,446)
Net Lending / (Borrowing) for Financial Year	1,025	(43)

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# 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:

	2019
	\$'000
Salaries, allowances & other short term benefits	373
Post-employment benefits	-
Long term benefits	-
Termination Benefits	-
TOTAL	373

# **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	4,944	509	Provision of waste disposal services
City of Holdfast Bay	930	67	Provision of waste disposal services
City of Marion	2,083	164	Provision of waste disposal services
Southern Recycling Centre	6,920	528	Provision of waste disposal services

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 5.

The Authority has a total amount outstanding of \$0.613m to the Southern Recycling Centre as at 30 June 2019.

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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2019

# 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.

	2019	2018
	\$'000	\$'000
The Authority's respective interests are:		
- interest in operating result:	50.00%	50.00%
- ownership of equity	49.99%	49.99%
- the proportion of voting power	50.00%	50.00%
Movement in Investment in Joint Operation:		
Opening Balance	885	709
New Capital Contributions	-	-
Share in Operating Result	437	176
Equity Adjustment	-	-
Distributions Received	(490)	
Share in Equity of Joint Operation	832	885

# **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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# 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

Level 1

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:

Laval 2

Level 3

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

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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2019

# 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
		\$	\$	\$	\$
2019					
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
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

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

27.8 19

Greg Change

Aputhosa Region Waste Resource Authority Audit Committee



**GENERAL PURPOSE FINANCIAL STATEMENTS** For the year ended 30 June 2019

## 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 2019, 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) Regulation 2011.

# **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**

Simon Smith FCPA, Registered Company Auditor

Partner

05/09/2019

# Galpins Accountants, Auditors 8. Business Consultants David Chant CA 1674 Simon Smith CA, YCTA David Sullivan cx cox Jason Seldel cx Renae Nicholson ca. Tim Muhlhausler ca Aaron Coonan ca Luke Williams CA. CM Daniel Moon ca CHARTERED ACCOUNTANTS? Mount Cambler 233 Commercial Steed West, V9 Ben 344, Mount Sambler 5A 1291 F. IDM NOV WILL Stirling Norwood 3 Kensington Road, Norward SA 104 FO Box 4867, Norward South SA 306 ABN 33 633 517 757 the law to the printers were not to

# 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 2018 to 30 June 2019 have been conducted properly and in accordance with law.

In our opinion, the Authority has complied, in all material respects, with Section 125 of the Local Government Act 1999 in relation to internal controls established by the Authority in relation 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 period 1 July 2018 to 30 June 2019.

### **Basis for Opinion**

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ASAE 3150 Assurance Engagement on Controls, 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 2018 to 30 June 2019. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

# 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.

# **Our Independence and Quality Control**

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

#### 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 receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Information and ASAE 3150 Assurance Engagements on Controls, 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 2018 to 30 June 2019. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

#### **Limitations of Controls**

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

An assurance engagement on 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.

#### 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.

#### **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**

Simon Smith FCPA, Registered Company Auditor

### Galpins Accountants, Auditors 8. Business Consultants David Chant CA 1674 Simon Smith CA, reny David Sullivan cx cox Jason Seldel cx Renae Nicholson ca. Tim Muhlhausler ca Aaron Coonan ca Daniel Moon ra CHARTERED ACCOUNTANTS? Mount Cambler 223 Commercial Steed West. V9 Bes Sie, Meart Samber SA 1291 F. IDM NOV WILL Stirling Norwood 3 Kensington Road, Norward SA 104 FO Box 4867, Norward South SA 306 ABN 33 633 517 757 the law tend by a laborary copiese.

#### 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 2019, 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 2019, 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 of the financial report 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 the audit of the financial report in order to design procedures that are appropriate in the circumstances, but for the purpose of expressing an opinion on the effectiveness of the Authority'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.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

#### **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**

Simon Smith FCPA, Registered Company Auditor

Partner

05/09/2019

#### Southern Region Waste Resource Authority Board Chair - Auditor Independence

I. Mark Booth, the person occopying 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 2013), 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 to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Engal Government Act (1999).

Mark Rooth 4

Chair

Southern Region Waste Ressauce Authority Board.



#### 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



City of Onkeporings PO Box 1 Noarlunga Centre South Australia 5168 www.conkeparingacity.com

Moorlunga office Remotey Place Noadunga Cerère Telephone (08) 8384 0666 Facsimile (08; 8382 8744

Aberloyle Park office The Hub Aberioyle Pork Telephone (08) 8384 0666 Facsimile (08) 8382 8744

Willungs office St Peters Terroce Willungo Telephone (08) 8384 0666 Focalmille (08) 8382 8744

Woodcreft office 175 Bains Road Morphett Vole Telephone (08) 8384 0666 Focsimile (08) 8382 8744



PO Biss 21, Oaklands Park South Australia 5046 245 Sturt Road, Start South Australia 5047 T (08) 8375 6600 F (08) 8375 6699 E councilgamorion, sa, gov.au

#### 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

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





@CityofMarion



City of Marion



O @GityofMarion

marion.sa.gov.au



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Brighten Chic Centre 24 July Road, Brighton SA 504B PO Box 19 Brighton SA 504B P 08 8229 9999 F 08 8298 4561 Gleselg Customer Service Centre and Library 2 Colley Terroca, Clerelg SA 5045

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

I, Roberto Bria, 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

Roberto Bria

Chief Executive Officer City of Holdfast Bay

9,8,19 Dated

## **ATTENDANCE** AT BOARD MEETINGS

BOARD MEMBERS	MEETINGS HELD WHILST MEMBER	MEETINGS ATTENDED
CHAIRMAN Mark Booth	6	6
CITY OF ONKAPARINGA Kirk Richardson	6	5 5
CITY OF ONKAPARINGA Alison Hancock Term Completed June 2019	6	
CITY OF MARION Vincent Mifsud Resigned May 2019	5	4
CITY OF MARION Adrian Skull Appointed May 2019	1	0
CITY OF MARION Ian Crossland	6	
CITY OF HOLDFAST BAY Roberto Bria	6	6
CITY OF HOLDFAST BAY Lynda Yates Resigned November 2018	3	2
CITY OF HOLDFAST BAY John Smedley Appointed December 2018	3	3
<b>DEPUTY BOARD MEMBERS</b> Please Note: Deputy Members are only required to	o attend a Meeting when the Mem	ber is an apology
CITY OF ONKAPARINGA Heidi Greaves		0
CITY OF MARION Nick Kerry Term Completed October 2018		0
CITY OF MARION Bruce Hull Appointed October 2018		0
CITY OF MARION Ray Barnwell Appointed May 2019		1
CITY OF HOLDFAST BAY John Smedley Resigned December 2018		2
CITY OF HOLDFAST BAY Clare Lindop Appointed December 2018		1

## **ATTENDANCE** AT AUDIT COMMITTEE MEETINGS

	MEETINGS HELD	MEETINGS
	WHILST MEMBER	ATTENDED
Please Note: Deputy Members are only required to att	end a Meeting when the Mem	ber is an apology
CHAIRMAN Greg Connor	4	4
David Powell	4	4
Vicki Brown Resigned March 2019	3	3
Sam Spadavecchia Appointed March 2019	1	1
Mark Booth	4	4
Lynda Yates Deputy SRWRA Representative Resigned November 2018	0	0
John Smedley Deputy SRWRA Representative Appointed February 2019	0	0

# **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	STATUS
Assessments of Long Term Financial Plan Assumptions	Achieved
Further Development of the Southern Recycling Centre recycling operations	Achieved
Cell Construction feasibility & development project	In Progress
Redesign of capping system for super cell area	In Progress
Solar/alternative energy projects	In Progress
Work with Constituent Councils to explore options and feasibility surrounding the operations of a "Waste to Energy" and "Materials Recycling Facility" in the region.	In Progress





PO Box 19 Brighton, SA 5048

T (08) 8229 9999 F (08) 8298 4561

mail@holdfast.sa.gov.au

holdfast.sa.gov.au

