


Annual Report

2020/21



District Council of
YANKALILLA



Pursuant to Section 131 of the Local Government Act 1999 Council must, on or before 30 November each year, prepare and adopt an annual report relating to the operations of the council for the financial year ending on the preceding 30 June.

This document presents the Annual Report for the District Council of Yankalilla for the 2020/21 financial year.

Image front: Myponga Reservoir Credit Laszlo Bilki

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Overview

The District Council of Yankalilla is one hour from Adelaide and stewards some 750 square kms of South Australia's glorious Fleurieu Peninsula. Nature is supreme in this part of the world. From the high rainfall dairy country of Parawa to lush pine forests and pristine conservation parks, there's more than 600kms of roadways to explore. We have 2,700kms of seasonal and permanent watercourses, 80kms of rugged coastline where the hills meet the sea and our rivers run into the cooling waters of Gulf St Vincent and Backstairs Passage. With 25kms of clean sandy beaches, it's no wonder that around 5,200 people choose to call this place home – farmers, artists, retirees and many thousands more weekend residents and seasonal holiday-makers.

Due to its high rainfall, productive soils and attractive landscape, the southern Fleurieu region has a long history of both Indigenous and European settlement. Indigenous people, who are the traditional owners of the land, first inhabited much of the District Council of Yankalilla.

Many names in the district, including the townships of Yankalilla, Carrickalinga and Myponga, originate from the Kurna language. The Kurna, Ngarrindjeri and Ramindjeri peoples all have active native title claims pursuant to the

Native Title Act under assessment, and Council is actively participating in their resolution.

The area was settled by Europeans in the early 1830s and was identified as a possible location for South Australia's capital city. The township of Yankalilla was established in 1839 and officially proclaimed in 1854. The district was a productive agricultural area in the early years of settlement, providing livestock, grain and flour for the colony.

The 2016 Census (conducted by the Australian Bureau of Statistics) identified the estimated resident population of the district to be 5,251 people. Our population continues to grow – during the past 10 years we have grown 23.7 per cent, compared with 10.3 per cent growth for the whole state.

A significant part-time population, who own holiday homes within our area, are not officially counted. More than 40 percent of dwellings in the district were listed as unoccupied at the time of the 2016 census. During peak holiday periods, population numbers swell considerably as part-time residents and visitors make use of holiday homes and tourist accommodation.

From the Former Mayor



Glen Rowlands

As I was progressing towards retiring as Mayor I reflected across the 7 years being a Councillor, what I witnessed in my short time on Council as a result of a supplementary election in April 2014 and where we are today.

The role of Council is to provide services to its community, ensure the infrastructure and assets it owns are kept in good repair and replaced at the end of life. To engage with its community to bring about changes where it is required and provide additional services to enhance the lifestyle the community requires.

I became Mayor after the 2014 election on a platform of openness and transparency, improving the culture and the way Council delivered its promises through the Annual Business Plan/Budget. My first 12 months was a huge learning curve spending many hours in the office learning processes and expectations, from staff as well as the community.

I was involved with Southern and Hills LGA as Deputy Chair, a member of the Regional Council Association and Deputy to the Local Government Association board attending many meetings. As an extension of this I also attended many state functions where the Premier and other politicians would be present, and I advocated strongly for our district. It was the job I took on.

I received a lot of negativity from many areas of the community, but if I was going to achieve the change, I needed to be strong. I also had to bring along the other Elected Members, they were a fantastic support.

When we employed Mr Morris as our Chief Executive his KPI's reflected the vision of Council and Mr Morris took that challenge on. I was very grateful of the support of the 2014-18 elected body who supported the vision of providing for the community.

The 2014 Strategic Plan was built by the Elected Members and what they thought was the way to go. As we progressed through the first 2 years of Annual Business Plan/Budget consultation it became clear that we had to rethink our strategic plan process hence the 2019 "Natures Best Let's Plan The Rest" 2020-2030 community engagement came to fruition.

This engagement provided a pathway for the next 10 years and brought to Council things the community wanted. The projects we have in progress now were generated from the strategic plan 2020-2030.

During my time as Mayor, the District Council of Yankalilla made several achievements and I would like to share some of them with you below.

None of these would have been possible without the Chief Executive, his great senior leadership team and those dedicated staff who got the jobs done.

I thank everyone involved, I'm pretty proud to be part of the District Council of Yankalilla.

- Introduction of the Three Bin System with the Green Organics Bin (delivered by the local sporting clubs led by the Mayor).
- Sale of the CWMS and Wirrina Water to SA Water.

- Purchase and transformation of 81-83 Andrew Ave into a Green Space and world class public toilets.
- The adoption of the new 2030 Strategic Management Plan and Economic Development Plan.
- The Major Project of the sealing of Forktree Road.
- The construction of a new bridges at Rapid Bay, Memorial Park and footbridge at Bungala Park.
- The construction of new toilets at Second Valley and Bungala Park.
- Introduction of Township and District Entry Signage under the new "Fleurieu Coast" branding.
- The opening up of Myponga Reservoir by the State Government after years of Council advocating.
- The tidying up of Normanville Foreshore and Jetty Caravan Park Land Titles.
- The creation of the Normanville Foreshore and Jetty Caravan Park Masterplan.
- The receipt of over \$6.8M in external funding for the Normanville Foreshore and Jetty Caravan Park Masterplan.
- Reintroduction of the township sealing program and introduction of a footpath, bridge replacement and seating programs.
- Introduction of a Savings and Efficiency Program.
- Decision to construct a new Library for the Community.
- Decision to rebuild a combined Normanville Surf Club/Kiosk Building.
- The installation of solar panels on all our major buildings.
- Introduction of a focus on Single Use Plastics, including the introduction of the use of recycled plastics into road construction.
- The significant raising of the standard of unsealed roads within the district.
- The successful advocating for the \$6M funding of upgrade the Heysen Trail from Cape Jervis to Deep Creek, construction of a new day visitor facility and a universally accessible walking trail at Deep Creek Conservation Park and upgrade existing campgrounds and amenities.
- Introduction of the Swimming Pontoon and mobility access chairs at Normanville Beach.
- Introduction of Street Tree Program from Yankalilla to Normanville.
- Introduction of Free WiFi and other SmartCity initiatives into the Region, including introduction of Electric Car charging stations.
- The creation of a new playground at Myponga.
- The allocation of funding to tracks and trails, including the recent opening of the Big Gorge walk.
- Council's Visitor Information Centre (VIC) was awarded Bronze in 2016, Silver in 2017 and ultimately Gold in 2019 in the South Australian Tourism Awards, Visitor Information Services category.

Glen Rowlands

Mayor 2014 – June 2021

From the Present Mayor



Mayor Simon Rothwell

I was honoured to be elected by my peers as the new Mayor of The District Council of Yankalilla at June 2021 Council Meeting. I thank staff, Elected Members, and the outgoing Mayor Glen Rowlands, for making it a smooth transition/handover.

I will endeavour to keep Council heading in the right direction over the remaining term with decisions made by Elected Members and utilising feedback from the majority of the community.

While COVID has thrown many challenges at us in 2020/21 both personally and in business, there

have been opportunities as a result of COVID that Council has been able capitalise on.

We will continually investigate options of running the Council more effectively and efficiently to give the best outcomes for our ratepayers.

Simon Rothwell

Mayor June 2021 – Present



Council Members

During 2020/21, Council comprised of nine Councillors representing two wards. Light Ward had five councillors to represent the townships of Yankalilla, Normanville and Carrickalinga, approximately 60 percent of the district's population. Field Ward had four Councillors to represent the remaining rural and coastal residents and ratepayers. The nine Councillors collectively elect one of themselves as the Mayor.

As a result of the resignation of Councillor Glen Rowlands from the role of Mayor at 15 June 2021 Meeting of Council, a vote was held with the Elected Members that saw Councillor Simon Rothwell elected Mayor and Councillor Leon Zarins elected as Deputy Mayor. Councillor Rowlands will continue as an Elected Member.

FIELD WARD



Mayor
Simon Rothwell



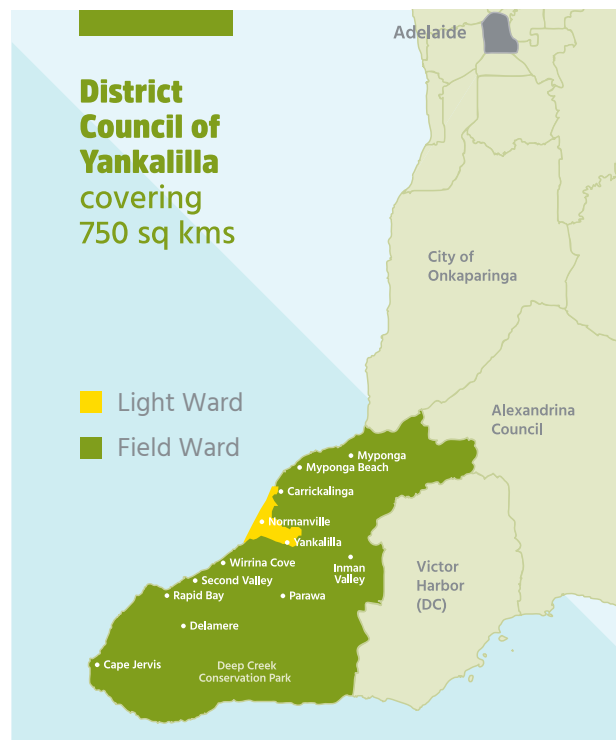
Deputy Mayor
Leon Zarins



Councillor
Peter O'Neil



Councillor
David Olsson



LIGHT WARD



Councillor
Alistair Christie



Councillor
Davina Quirke



Councillor
Glen Rowlands



Councillor
Bruce Spilsbury



Councillor
Bill Verwey

Council

Council Process

The District Council of Yankalilla delivers a vast range of services and it is important that those services respond to the needs of the community. The Mayor and Councillors act as the democratic link between the Council administration and the community it serves, to make sure citizens' voices are heard.

All major policy decisions are made by elected Councillors, who then delegate the day-to-day running of the Council to its administration. It is the administration's job to turn the councillors' decisions regarding the Council's policies and priorities into action.

Council Meetings

Council meetings are held on the third Tuesday of each month at 4pm and are open to the public. A time is set aside for Deputations where ratepayers, residents and others may address or question Council on an item on the agenda.

Special meetings are called as needed to address urgent matters before the next ordinary meeting of Council. Special meetings are open to the public.

Notices of meetings and agendas are available for public viewing at the Council office or on Council's website, three clear days before each meeting date.

Minutes of all public meetings are also available at the Council office and on Council's website, from 5 clear days from the meeting date.

Representation

State legislation requires Council to review its electoral representation at least once every eight years. The last review for the district was completed in March 2017, resulting in the retention of the current structure of Council and a minor re-alignment between Light and Field to achieve an equitable number of electors per Councillor.

The next scheduled Representation Review will be undertaken in 2024.

Council's representation quota is currently 472 (the amount ascertained by dividing the number of electors for the area of the Council by the number of members who constitute the Council). Details of the quota of electors per Councillor, and a comparison with other South Australian councils of a similar size, appear in the table below.

Council	No. of Electors	Mayor or Chairperson	No. of Councillors	No. of Wards	Quota
Barunga West	1961	Chairperson	9	1	218
Ceduna	2056	Mayor	9	1	228
Goyder	2981	Chairperson	7	4	426
Kangaroo Island	3449	Mayor	10	1	345
Kingston	1806	Mayor	8	1	226
Lower Eyre Peninsula	3714	Chairperson	7	1	531
Mount Remarkable	2078	Chairperson	7	2	297
Peterborough	1202	Mayor	9	1	134
Southern Mallee	1312	Chairperson	7	1	187
Tumby Bay	2008	Mayor	7	1	287
Yankalilla	4244	Chairperson	9	2	472

Committees

Council Committees are created under Section 41 of the *Local Government Act 1999*, except for the Council Assessment Panel which is established under Section 56A of the *Development Act 1993*.

Council may establish committees to:

- Assist Council in the performance of its functions
- Inquire into, and report to Council on, matters within the ambit of Council's responsibilities

- Provide advice to Council
- Exercise, perform or discharge delegated powers, functions or duties.

When establishing a committee, Council must determine the reporting and accountability requirements for the Committee.

All meetings are held at the District Council of Yankalilla – 1 Charles Street Yankalilla.



Normanville boat ramp users meeting

Fleurieu Regional Assessment Panel

The Fleurieu Regional Assessment Panel (FRAP) commenced operating in August 2020, replacing the former Council Assessment Panel (CAP). The initial meeting of the FRAP was held on Tuesday 18 August 2020.

The FRAP was established as an extension of the shared services agreement between Alexandrina Council and the District Council of Yankalilla. Both former CAPs had the same Assessment Manager and several of the same members. The establishment of the FRAP provided savings for both of the constituent Councils.

The FRAP was initially established to make decisions on complex Development Applications as a mandated delegate of each Council. However, when the Planning, Development and Infrastructure (PDI) Act 2016 commenced in full on 19 March 2021, the FRAP became a relevant authority in its own right, responsible for all Development Applications that required public notification under the PDI Act. The FRAP has since delegated the power to determine notified Development Applications that did not receive any opposing representations to the Panel's Assessment Manager. As such, the FRAP only determine applications that are required to be notified and representations have been received opposing the development.

The FRAP held 8 meetings during the 2020/21 reporting period with sixteen (16) Development Applications being determined by the FRAP

during the reporting period, with fifteen (15) applications approved and one (1) application refused. All of the applications were determined in accordance with the staff recommendation. Of the applications presented to the FRAP for consideration, nine (9) related to properties in Alexandrina Council and seven (7) related to properties within the District Council of Yankalilla. All of the applications considered by the FRAP during the reporting period were assessed under the Development Act 1993. The first applications under the PDI Act were presented following the reporting period.

In 2020/21 the FRAP comprised of four independent members, including the Presiding Member, and one Elected Member and are paid an allowance as detailed in the table below. Also noted is the attendance for each member.

Don Donaldson resigned from the Panel prior to the first meeting due to conflicting commitments and was replaced on the Panel by the Deputy Independent Member, Kate Shierlaw. Cr James Stewart resigned from the Panel in December 2020 and was replaced as the Deputy Elected Member representative by Cr Craig Maidment in January 2021. Following the commencement of the PDI Act in March 2021, Simon Weidenhofer resigned from the Panel as he did not hold the relevant Level 2 accreditation.

The vacant Independent Member and Deputy Independent Member positions were not filled before the end of the 2020/21 reporting period.

Name	Position	Allowance per Meeting	Attendance
John Hodgson	Independent Presiding Member	\$550.00	8 Meetings
Sue Giles	Independent Member	\$400.00	8 Meetings
Simon Weidenhofer	Independent Member	\$400.00	7 Meetings
Don Donaldson	Independent Member	\$400.00	Nil
Cr. Peter O'Neil	Elected Member Representative (District Council of Yankalilla)	\$400.00	8 Meetings
Kate Shierlaw	Deputy Independent Member	\$400.00	8 Meetings
Cr. James Stewart	Deputy Elected Member Representative (Alexandrina Council) (Aug 2020 – Dec 2020)	\$400.00	Nil
Cr. Craig Maidment	Deputy Elected Member Representative (Alexandrina Council) (Jan 2021 – Current)	\$400.00	Nil

Council has established the following committees under Section 41 of the Local Government Act 1999:

Audit Committee

Required by legislation, audit committees are part of the financial reporting framework of Council and oversee and monitor the management of the financial reporting process.

In 2020/21 the Audit Committee met six times.

Membership comprises of two Elected Members; an independent Presiding Officer and two independent members as follows:

Name	Position	Allowance per Meeting	Attendance
Christine Hahn	Independent Presiding Member	\$550.00	6 Meetings
David Panter	Independent Member	\$450.00	6 Meetings
Claudia Goldsmith	Independent Member	\$450.00	6 Meetings
Glen Rowlands	Mayor (until June 2021)	Nil	5 Meetings
Simon Rothwell	Mayor (from June 2021)	Nil	1 Meeting
Davina Quirke	Councillor (to December 2020)	Nil	2 Meetings
Bruce Spilsbury	Councillor (from December 2020)	Nil	4 Meetings

Strategic Planning and Development Policy Committee

Council established this committee in November 2018 following the Local Government Elections to replace the previously named Strategic Directions Committee. Membership comprises all Elected Members, without any additional allowances and its role includes:

- developing plans and budgets for implementation of Council's goals

- community consultation
- Developing policies to support Council in achieving its goals
- advocating on behalf of Council to gain support from other levels of government
- advising Council on matters that will affect its ability to achieve its goals
- providing advice to Council on all aspects of its planning obligations in accordance with Section 101A of the Development Act 1993.

The committee did not meet during 2020/21.

Chief Executive Performance and Remuneration Review Committee

The committee consists of four members to review the performance and remuneration of the Chief Executive and make recommendations to Council. The committee meets on an as needed basis. In 2020/21 the committee met on four occasions.

The committee consisted of the following members:

Name	Position	Allowance per Meeting	Attendance
Glen Rowlands	Mayor	Nil	3
David Olsson	Councillor	Nil	3
Davina Quirke	Councillor	Nil	4
Simon Rothwell	Deputy Mayor	Nil	4

All Section 41 committee meetings are open to the public, except when a committee determines an item must be dealt with 'in confidence'.

Future dates of the committee meetings are listed on Council's website, where the agendas and minutes are also published.

External Groups

Council participates in several state and regional committees, boards and associations whose operations add value to the district. One or more Councillors or staff represent the Council within these groups.

In 2020/21 Council was a member of or had representation on:

- Adelaide Hills, Fleurieu and Kangaroo Island Regional Development Australia
- Fleurieu Peninsula Tourism
- LG Professionals SA
- Local Government Association of SA
- Fleurieu Alliance
- Southern & Hills Local Government Association
- Fleurieu Regional Waste Authority
- Fleurieu Community Services Committee
- Kangaroo Island Ports Management Group

Subsidiaries

Two of the above groups are formal council subsidiaries, established under Section 43 of the *Local Government Act*.

Fleurieu Regional Waste Authority



The Fleurieu Regional Waste Authority (FRWA) is an authority formed by the member councils of the Fleurieu Peninsula in South Australia to manage their waste and recycling.

FRWA is responsible for each council's waste operations, including kerbside collection of waste and operation of their waste and recycling depots. FRWA is a fine example of local governments working together to achieve efficiencies across boundaries.

In 2020/21 Council was represented on the Authority by Councillor Alistair Christie and Chief Operations Officer Andy Baker.

The Fleurieu Regional Waste Authority Annual Report for 2020/21 is attached at Appendix B.

Members of the Authority are::



Southern & Hills Local Government Association



The Southern & Hills Local Government Association (S&HLGA) was established to improve the wellbeing of the region and its community. The S&HLGA undertakes a regional coordinating, representational, advocating and marketing role on behalf of its member councils.

In 2020/21 Council was represented on the board by the Mayor Glen Rowlands and Chief Executive, Nigel Morris.

The S&HLGA Annual Report for 2020/21 is attached at Appendix C.

Members of the Association are:



Governance

Councillor and Committee support allowances

All Councillors receive a general allowance to compensate them for time spent in meetings and on Council business. The annual amounts are set by an independent remuneration tribunal, are indexed to the Consumer Price Index and are paid monthly in advance.

The 2020/21 provided allowances were as follows:

Annual Allowance 1 July 2020 – 8 November 2020	
Mayor	\$41,072
Deputy Mayor	\$12,835
Councillor	\$10,268

Adjusted Annual Allowance 9 November 2020 – 30 June 2021	
Mayor	\$41,504
Deputy Mayor	\$12,970
Councillor	\$10,376

The chairs of Section 41 committees receive an allowance equivalent to that of the Deputy Mayor. In 2020/21 the Mayor was the chair of all Section 41 committees so did not receive an additional allowance.

In addition, Councillors may claim reimbursement of travel, internet, telephone and some other expenses, incurred within the Council area.

Full details of the Council policy on allowances and benefits are available on Council's website. A register of Elected Member allowances, benefits and reimbursements may be viewed at the Council office.

Freedom of Information Requests

Requests for information that are not generally readily available to the public will be considered in accordance with the *Freedom of Information Act 1991*. Under this legislation the application fee must be forwarded with the completed request form unless the applicant is granted a fee exemption. The fees are set by the State Government and are reviewed each year.

Members of the public may apply under Freedom of Information (FOI) for access to the Council's documents concerning his or her personal affairs and for amendment of those records. The application form can be obtained from the Council Office or downloaded from Council's website. Freedom of Information request forms and a list of fees and charges applicable to requests are available from the Council Office. The form and the list of charges can also be downloaded from Council's website at www.yankalilla.sa.gov.au or from the State Records website at www.archives.sa.gov.au.

Freedom of Information enquiries and requests should be addressed to: Freedom of Information Officer, District Council of Yankalilla, PO Box 9, Yankalilla 5203. Applicants will receive a response as soon as possible and within the statutory 30 calendar days of Council receiving the properly completed FOI request form together with the application and search fees.

During 2020/21, Council processed five (5) Freedom of Information requests and provided its annual return to State Records.

Internal Review

A person who may be aggrieved by a Council decision can request an internal review of the decision in accordance with Section 270 of the *Local Government Act, 1999*. During 2020/21 Council received zero applications.

Members of the public also may lodge a complaint with the Ombudsman's Office. These are reported on by the Ombudsman.

Council meetings held in confidence

The Council holds regular meetings throughout the year and some matters, due to their nature, may be closed to the public and considered in confidence as required by Schedule 4 of the *Local Government Act, 1999* and the *Local Government (General) Regulation 22 A*.

The figures below include confidentiality orders from Council, Special Council and all Council committees for 2020/21.

Topic	Number
Section 90(2) Orders to go into confidence	2
Section 90(3) Grounds under which orders were made	
90(3)(a) Personal Affairs	1
90(3)(d) Commercial Nature	1
Section 91(7) Orders made to keep documents or information confidential	1

List of Mandatory Policies, Codes, Procedures and Registers (Local Government Act, 1999) Codes

- Code of Conduct – Council Members
- Code of Conduct – Council Employees
- Code of Practice – Meetings and Documents – Access and Procedures

Policies

- Prudential Management
- Procurement
- Sale & Disposal Council Land and Other Assets
- Public Consultation
- Elected Members' Training and Development
- Internal Financial Controls
- Road Naming
- Order Making
- Review of Decisions
- Caretaker

Procedures

- Internal Review of Council Decisions (Section 270) Procedure
- Council Member Code of Conduct Complaint Handling Procedure
- Request for Service Procedure

Registers

- By-laws
- Community Land
- Delegations
- Fees and Charges (list of)
- Public Roads
- Rates Assessment Record
- Register of Interests – Elected Members, Audit Committee and CAP Independent Members
- Register of Allowances and Benefits – Elected Members
- Register of Remuneration, Salaries and Benefits – Employees
- Register of Interests – Employees

Local Government (Elections) Act, 1999

- Caretaker Policy
- Register of Campaign Donations Returns

Dog and Cat Management Act, 1995 (1.7.2017)

- Register of Dogs and Cats now with DACO (Dog and Cats Online)

National Competition Policy

It is an obligation under the Clause 7 Statement on the Application of Competition Principles to Local Government and under the Competition Principles Agreement for each Council to include in its Annual Report certain relevant information as follows: Council has not commenced or ceased any significant business activity as defined by the Clause 7 statement during this financial year. No complaints were received during 2020/21.

By-laws currently gazetted:

The District Council of Yankalilla by-laws were gazetted in the SA Gazette and expire 25 December 2023. Council's By-laws are as follows:

- Permits and Penalties
- Local Government Land
- Roads
- Moveable Signs
- Dogs
- Nuisance Caused by Building Sites
- Foreshore
- Cats (expires 1 January 2026)

Training and development activities for members of the Council

The District Council of Yankalilla is committed to providing training and development for Elected Members. Training helps ensure Council has accountability and transparency. It assists Council in remaining compliant with all relevant legislation, standards and codes. To broaden their knowledge and skills, Elected Members have the opportunity to attend training sessions, workshops and conferences throughout the year.

Eleven Elected Member forums were held throughout the year and these were open to the public. Opportunities were also available to attend training sessions provided by the Local Government Association.



Tapanappa lookout Deep Creek

Administration

Senior Leadership Team

In 2020/21 Council's Senior Leadership Team comprised of the Chief Executive, Nigel Morris, and four senior managers.

The Chief Executive is employed on a performance-based contract negotiated with Council. The salary package consists of a cash component along with private use of a vehicle, superannuation, internet and phone.

The Chief Operating Officer & The Chief Financial Officer were employed on performance-based contracts. Their packages also include an option of a private use of a vehicle along with internet, phone reimbursements and an extra week of annual leave.

The Group Manager Economic, Tourism & Community and the Manager Communications & Engagement were employed under the South Australian Municipal Salaried Officers Award. The Group Manager Economic, Tourism & Community's package includes private use of a vehicle.

Council's publicly available register of salaries and allowances contains full details.

The Senior Leadership Team and other relevant officers have delegated authority to make operational decisions to administer Council policies. Council officers also formulate policy options and recommendations for Council determination.

Customer Service

The Customer Contact and Information Management Team have continued to deliver an efficient, professional and supportive service to the community and external stakeholders in 2020/21.

It has been a significant year adapting to the various COVID-19 restrictions. With the changing work environments, including office closures, the service delivery for customers has remained the same. Several changes within the office have been adopted to comply with State Government requirements including the wearing of masks, Perspex screens, sanitising stations, social distancing measures, and QR codes.

The team introduced a new electronic check-in system called SINE for all visitors and contractors entering the main Civic Centre. This is valuable in improving the overall safety in the facility and managing visitors for meetings.

Council Connect was introduced at the beginning of 2021 as a trial. This initiative was to offer a broader service to the community e.g. assisting with DACO (Dogs and Cats Online) registrations, making payments, providing information, picking up brochures, purchasing compost bags and caddy's, along with the Community Outreach Team who aided with Grants and provided community information. It was held at Cape Jervis and Myponga once a month. Although it was identified as a service that didn't need to continue, it was a positive experience and the team enjoyed working with community members.

Click and Send was implemented to send customer service request numbers via SMS. This provided customers with the correct reference details of their request if they needed to enquire further creating efficiencies in locating information on the status of enquiries.

Within 2020/21 the team received approximately 10,250 telephone calls. This is an increase of an average 13 more calls per day than the previous year, and likely due to people choosing to call instead of coming into the office due to COVID restrictions. The team registered 1,541 customer service requests, approximately 10% more requests than the previous year. The team continued to support all dog and cat owners through registering their animals online in DACO and were number 10 out of all SA Councils in the DACO renewal ranking.

Santa's mailbox was set up once again where the community kids (and adults) were able to post their letters of Christmas wishes to Santa at the Civic Centre. Santa made sure he responded to each letter received!

Equal Employment Opportunity

Council continued to run an equal employment opportunity program.

Performance

Yankalilla Council Transport Service



Yankalilla Council Transport Service

Funded by the Federal Government and the District Council of Yankalilla, the Commonwealth Home Support Program (CHSP), provides transport services that support older people to stay independent in their homes and communities for longer. Yankalilla Transport Service is a registered Aged Care provider and transport is provided for attending medical appointments and for wellbeing and reablement activities.

The wellbeing service has been used for trips to visit people in hospital, nursing homes, family near Adelaide, to lodge insurance claims, pick up and drop off cars for repair, shopping and legal appointments.

Due to our increase in demand, a 5th vehicle was purchased this year, which has allowed us to fulfill 99% of requested trips and minimize the use of a Council pool vehicle, however the drop in the number of Volunteer Drivers, meant more drives for staff to cover which has been funded by the Dept of Health. (*see above)

Drive details and statistics for 2020/21 show:

- 401 active clients registered with an average age of 77 years
- 38 dedicated volunteer drivers
- With our assistance, we now have 364 of our clients, registered on My Aged Care
- The cars travelled 160,888km in total up 21% on last year (133,195km)

- Clients transported totalled 1,950 with 1,566 return individual trips and an average of 38 passengers per week.
- We provided 4,419 service deliveries (drop off & pickups) over the year with a 2021 record high of 431 in one month (March).

Of the 1566 trips, 624 were to Victor Harbor, 272 trips to the Flinders Medical Centre, 145 trips to Adelaide city and surrounds, 386 trips to the local agencies, 81 times to Noarlunga Hospital and 58 to other places. (Morphett Vale, McLaren Vale & Seaford).

*Due to the added COVID-19 Vehicle demands, such as regular cleaning, the additional drives due to limited numbers per car, personal protection equipment and reduced number of volunteers, we applied for Federal Government Emergency support for COVID-19 Funding and received \$21,675, which fully covered our addition Staff hours and vehicle costs.

Yankalilla Community Library



Proposed new Library to be constructed

The Library had 31,374 visitors for the year and lent 26,410 items. The Library continued to actively participate in the one card Library Network sending and receiving 30, 585 items around the state.

In 2020/21 the Library supported the community during the COVID-19 pandemic as a free mask distribution point. Staff helped customers with QR codes on their devices and with accessing

SA Health and SAPOL COVID related information as well as assisting The Centre room hirers with COVID-safe planning.

A major goal of the Library is to continue to strive for collection improvement supporting literacy, life-long learning and reading for enjoyment in our community. Through a combination of diligent and professional collection management and customer involvement, the collection turnover rate has increased from 1.5 in 2014 to 11.39 in June 2021.

Online resources were also promoted during this year with the Library providing additional online resources to those who were required to be at home and families with home schoolers.

Despite the restrictions of social distancing the Library still worked to develop strong formal and informal partnerships with community groups and service providers. The Library's program and events schedule delivered 278 programs with 1,258 people attending.

Digital Literacy has continued to be a big focus for the Library. Sessions were delivered by the Library after a successful application for Tech Savvy Seniors grant funding provided by Public Library Service in partnership with Telstra, the State Government's Office for the Ageing and Service SA to financially support digital inclusion and technology training for seniors. The funding allowed Yankalilla Library to deliver 65 sessions. When grant funds were expended the Library developed its own Tech @ the Library program and 7 sessions were delivered to complete the financial year. Library staff provided day to day tech support such as basic computing skills, scanning, copying and mobile print as well as how to access devices, wi-fi, information, digital resources and government services.

The Library's outreach services expanded this year to include early literacy and STEM programming at Myponga and Rapid Bay Primary Schools. The Home Library Service delivered 950 items and played a significant role in reducing the social isolation for these customers.

Library volunteers contributed 547.56 hours of support for day-to-day operations, children and adult programming, technology assistance as well as the Home Library Service.

The Centre



The Centre

The Centre is situated at 181 Main South Road and is co-located with the Library. The Library staff have responsibility for the building and room hire. The Centre hosted a wide range of partners as well as regular and occasional service providers such as:

- Work Agencies
- Community Support Groups
- Fleurieu Families
- Fleurieu Refugee Support Group
- Books & Words Group
- Youth & Community Group meetings
- Service Club Meeting
- Child & Youth Health Agency
- Community Workshops
- Business support services
- Small business i.e. yoga session

Fleurieu Coast Visitor Centre (FCVC)



Fleurieu Coast Visitor Centre

The Fleurieu Coast Visitor Information Centre welcomed 8,412 guests through its doors this year and responded to 6,997 emails, phone calls and social media enquiries. Although COVID-19 has had a dramatic impact on the international visitor

numbers, we have seen an increase in interstate visitors from January to July 2021 of 292.30% on the first six months of the 2020/21 financial year. Although the COVID-19 has impacted visitor numbers from pre COVID-19 levels we saw an increase of 16.7% over 2019/20 numbers.

While we were still under restrictions, we did welcome events back into the Fleurieu Coast Visitor Centre and the Festival Fleurieu hosted 9 events in The Hub marquee. The facility also promoted artists' works within the venue for the full two weeks of the Festival Fleurieu, which created increased connections between local artists and visitors. Additionally, the Kid Community Market on the Fleurieu Coast hosted four markets within the Museum which attracted 250 to 350 visitors per event.

Moving forward we see a real opportunity for the Fleurieu Coast Visitor Centre to be a leader in the provision of National Park Passes with the continued development of the Deep Creek Conservation Park, and an integral part of the visitor experience in trails and wilderness attractions within our region.

Jetty Caravan Park Normanville



Jetty Caravan Park Development

With COVID impacting the travel and tourism industry through lockdowns and border closures, the Jetty Caravan Park Normanville has seen a significant decrease in both foreign and interstate travellers over the 2020/21 year.

However, with the ability to travel throughout Australia significantly impacted, the desire for intrastate travel has seen considerable growth in regional stays.

This has been evident in a 34% increase in total night's stay (20,215) in 2020/21 against 2019/2020 (15,115).

Throughout 2020/21 work has continued around further funding opportunities and expansion of facilities at the Jetty Caravan Park with an increase to cabin facilities being progressed.

The Jetty Caravan Park experienced the following occupancy rates in 2020/21

2020/21	Number	Available Nights	Actual Nights Stay	Average Occupancy Rate
One Bedroom Cabin	8	2,920	2,137	73%
Two Bedroom Cabin	6	2,190	1,629	74%
Ensuites	4	1,460	1,089	75%
Powered Sites Small	21	7,665	2,341	31%
Powered Sites Large	60	21,900	11,042	50%
Unpowered Sites	17	6,205	1,977	32%

Coastal Conservation

The Coastal Conservation Officer supported by Green Adelaide and hosted by the District Council of Yankalilla has continued to implement the priority actions of the Southern Fleurieu Coastal Action Plan across all coastal sites.

We have been able to grow the Fleurieu Coast Community Nursery based at the council depot to twice the size and grow over 40,000 local native seedlings for community and council revegetation projects and plant swaps. Through a partnership with the Fleurieu Environment Centre and a \$45,000 Foundation for National Parks and Wildlife grant volunteer facilities and growing capacity has been significantly improved.

The Fleurieu Coast Community Nursery received an award from SA Health - Healthy Town Challenge for the outcomes achieved through the grant in partnership with Conservation Volunteers Australia (CVA). This \$50,000 grant funded the Green Gym – Greening the Fleurieu Coast project which increased volunteer numbers and improved their health through being active in our natural area restoration projects.

With increased growing capacity we have

undertaken more strategic revegetation than ever before across coastal project sites. Highlights have included continuing the Glossy Black Cockatoo recovery projects with CVA to undertake community revegetation at Cape Jervis, Wirrina, Carrickalinga and Sellicks Cliffs. Other projects through grants with CVA have been installing and monitoring nest boxes for Barn Owls and the Western Pygmy Possum across potential and known sites.

Through Green Adelaide funding, a One Tree Planted grant and Coast Protection Board - Community Participation grant we provided community plant swaps for people providing photo evidence of removing the declared weed *Gazania* from their gardens. This initiative is focused on removing seed sources for this invasive environmental weed and improving biodiversity and habitat in household gardens. Participants were provided with a bucket of local native plants as replacements grown by volunteers at the Fleurieu Coast Community Nursery, a copy of the Coastal Gardens Planting Guide and promotional stickers. The Coast Protection Board grant also funded propagation materials, revegetation, fencing, rabbit and weed control in the State Heritage listed Normanville Sand Dunes.



Sally Johns, Glen Rowlands, Corey Jackson & Michael De Boo at the Fleurieu Coast Community Nursery.

Planning and Development

Council's Development section provides development information and guidance in the areas of planning and building. Development within the Council area may be in relation to building work; a change in use of land or land division.

The Council received 316 development applications from the 1 July 2021 up to the 18 March 2021 which were assessed under the Development Act, 1993 and against the Yankalilla (DC) Development Plan.

The State Government introduced a new planning system on the 19 March 2021 which saw significant changes to how Development Applications are processed and assessed throughout the district. The commencement saw a new ePlanning system with Development Applications now being processed electronically on an on-line Planning Portal.

These changes occurred under the Planning, Development and Infrastructure Act, 2016, and introduced the state-wide Planning and Design Code which replaced individual Council Development Plans.

From the 19 March 2021 until the end of June 2021, 125 Development Applications were submitted on the SA Planning Portal under the new planning system.

The total number of Development Applications therefore for the 2020/21 financial year was 441. The number of Development Applications is significantly greater than the previous financial year 2019/20 of 297 Development Applications and greater than in recent years.



New Rapid Bay bridge ford crossing

Compliance

Local Nuisance and Littering complaints

Local Nuisance and litter is something that has an adverse impact on or interferes with the enjoyment of people in the area of that nuisance.

Council's Compliance Team is committed to guiding the community in local nuisance and litter prevention and handling complaints when it does occur.

The nuisance provisions of the *Local Nuisance Litter and Control Act 2016* (the Act) came into operation on 1 July 2017. The act regulates Council's management of nuisance and litter related complaints.

Council is required to publish details of complaints received by the community:

	Litter	Nuisance
Regulation 5(a)		
Complaints of local nuisance or littering received by Council	74	39
Regulation 5(b)		
(i) Offences under the Act that were expiated	0	0
(i) Offences under the Act that were prosecuted	0	0
(iii) Nuisance abatement notices or litter abatement notices issued	0	0
(iv) Civil penalties negotiated under Section 34 of the Act	0	0
(v) Applications by the Council to the Court for orders for civil penalties under Section 34 of the Act	0	0
And the number of orders made by the Court for those applications		
Regulation 5(c)		
Any other function performed by the Council under the Act	0	27

Delivering our Strategic Plan

The District Council of Yankalilla Strategic Plan is a significant document that involved the biggest consultation undertaking ever performed by Council and sets the direction for Council to 2030 based on what we heard from the community between October 2019 to November 2020.

The 2030 Vision is guided by five themes with the first four years of the plan being shaped

by 12 community priorities obtained through consultation.

The plan was adopted by Council on the 17 November 2020.

During 2020/21 progress was made on many of the objectives in plan with the major highlights included:

OUR ENVIRONMENT

- Grew 40,000 seedlings at our Yankalilla Community Nursery
- Delivered Glossy Black Cockatoo recovery project with 25,000 seedlings grown by volunteers
- Planted 1,500 trees
- Sustainable alternative asphalt products used for road construction
- Installation of water-sensitive urban design in township environments including 4 new raingardens
- Partnered with the Normanville Natural Resource Centre on sustainable living initiatives (Bulk goods offer with no packaging, plastic free activities, fishing tackle bins, green gym grant, sustainable decorations kit & garage sale trail)

OUR COMMUNITY

- New Disability Access and Inclusion Plan adopted
- New disability access vehicle purchased for the CHSP transport service

- \$100,000 distributed in Community Grants
- Delivered/supported youth events including, One One Fleurieu youth arts and outdoor cinema event, Normanville Beach Festival, Youth Week, Creative Cocoon Online Photography Competition and Reclink events
- Delivery of the youth wall mural at Normanville Foodland
- Secured funding for a new pump track at the Yankalilla Youth Park

OUR ECONOMY

- Delivered a Covid relief package to support businesses and individuals to the value of \$65K
- New Economic Development Plan delivered
- Launched the new Visit Fleurieu Coast Website
- Developed the Tracks and Trails Strategic Action Plan
- Directed stimulus funding toward trails development and partnered with Forestry SA and SA Water to encourage visitation and commercial opportunities
- Supported the filming of local features television shows 'Out of the Blue' and 'Adelady'

OUR INFRASTRUCTURE

- Delivered the new Rapid Bay Bridge
- Forktree Road Sealing stage 1 completed
- Demolished and remediated the petrol station at 81-83 Andrew Avenue Normanville and created the Village Green
- Completed the Normanville Foreshore Masterplan planning stage
- Finalised the Urban Design Framework for Normanville and Yankalilla
- Footpath maintenance and construction delivered as per our Footpath Priority Plan
- Council participated in the regional coordination of the Southern Fleurieu Freight Route
- Multi-use trails and infrastructure built for the Great (Big) Gorge Walk, Second Valley Forest, Carrickalinga Foreshore Trail, and Stage 1 of the Carrickalinga to Normanville Walk

OUR LEADERSHIP

- Commenced working towards a Reconciliation Action Plan with First Nations groups.
- Undertook an award-winning community engagement activity Nature's Best Let's Plan the Rest, reaching over 1,000 people to create our Strategic Plan.
- Introduced an 'On Demand' transport service at a reduced cost as a value add to CHSP funded transport services.
- Developed the inaugural integrated Long Term Financial and Asset Management Plan for Council.
- Secured approximately \$9m in external funding.



Wellness Expo 2021

OUR ENVIRONMENT FOUR YEAR FOCUS



Priority 1: Protecting our natural environment and rural lifestyle

Participate in zone emergency management planning and committees

Progress

Attended (4) quarterly Adelaide Hills, Fleurieu and Kangaroo Island Zone Emergency Management Committee meetings and provided feedback on the region's Zone Emergency Management Plan. Participated in Local Government Functional Support Group.

Support or advocate for local emergency services organisations

Progress

Established the Fleurieu Coast Community Network (March 2021). Contributed to the development of the Fleurieu Peninsula Services Online Directory.

Respond to opportunities to improve local adverse events management

Progress

Maintained up to date information and alerts during heat waves, fire bans and emergencies. Library services provided a heat refuge location for residents and hosted information sessions on preparing for/dealing with adverse events.

Advocate for (and act on) natural resource management priorities to be included in the Landscape Plan for the region

Ensure a focus on pest plant and animal control and investigations into water security measures.

Progress

The first five-year draft Hills and Fleurieu Landscape Plan was consulted on by the Landscape Board. A final plan is expected to be in place by next year (2021/22). Undertook rabbit control at priority sites that rabbits are impacting on coastal conservation and dune stability at Cape Jervis, Wirrina, Normanville, Carrickalinga and Myponga Beach. Provided emergency support for sheep truck rollover on Tunkalilla Beach Road where there were approximately 180-200 sheep involved. Additional funding received from Green Adelaide and the Coast Protection Board. Supported Yankalilla Community Nursery to grow 40,000 seedlings. Delivered Glossy Black Cockatoo recovery project with 25,000 seedlings grown by volunteers. Coastal revegetation programs were carried out with Rapid Bay Primary School, Yankalilla Area School and Tatachilla Lutheran College. Council has also been working with Myponga Primary School and Yankalilla Area School to plant local native plants at their schools.

OUR ENVIRONMENT FOUR YEAR FOCUS



Priority 1: Protecting our natural environment and rural lifestyle

Support regional environmental partnerships

Such as the SA Coastal Council Alliance and the Resilient Hills and Coast Climate Change Adaptation Project.

Progress

Delivered the following programs on environment protection: Hosting Coastal Conservation Officer, Resilient Hills and Coasts. Planting event with Rapid Bay Primary School, Planting event with Conservation Volunteers at 4 sites over 12 days, 30 Community Nursery working bees, etc. Partnered with the Fleurieu Environment Centre on sustainable living initiatives: Bulk goods offer (reduced/no packaging); Plastic free activities; Fishing Tackle Bins; Green Gym grant; Sustainable decorations kit; Garage Sale Trail. Implemented 68 priority actions under the Southern Fleurieu Coastal Action Plan with priorities covering each cell. Attended the quarterly Resilient Hills and Coast meetings and progress the key priorities for the region.

Priority 2: Living sustainably

Actively engage with the CFS regarding vegetation management practices

Deliver education, regulation and enforcement activities with private property owners. Investigate an 'adopt a verge' road pride program to reduce verge fuel loads and litter proliferation on main roads.

Progress

Attended (4) quarterly Bushfire Management Committee meetings. Undertook 50 annual fire danger assessment. Undertook roadside maintenance and tree clearing activities over 450kms including tree trimming, verge maintenance and creek maintenance. Engaged with CFS to run 3 information sessions. Attended CFS monthly group meeting.

Actively support a reduction in single use plastics across the district

Progress

Undertook one-on-one meetings with businesses about the introduction of the new bill on single use plastics. Leading by example – 100% of Council run events were No Single Use Plastics events. Library services ran waste education (FRWA) programs. Community Outreach partnered with Fleurieu Environment Centre to work on plastic free projects.

Initiate or participate in circular economy initiatives

Increase recyclable materials purchased by councils, including buying back waste materials, utilisation of recycled materials or recycling of waste from Council projects.

Progress

Sustainable alternative asphalt products used for road construction. 686.2m (417.2m²) of township roads were sealed using alternative asphalt materials which utilise waste printer toner and soft plastic. Circle of life products used for Council construction, maintenance and landscape operations including green waste from residential and commercial bin collection processed into high nutrient soil products, generation of garden bed mulch from tree pruning programs and re-use of large tree limbs for nature play benefits.

OUR ENVIRONMENT FOUR YEAR FOCUS



Priority 2: Living sustainably

Fleurieu Regional Waste Authority

Manage waste and recycling operations including kerbside collections and the Yankalilla Waste and Recycling Depot.

Progress

FRWA achieved 69% diversion of waste from landfill. FRWA introduced new, chargeable weekly food waste collection for businesses. Introduced three bins across all the region's townships, Yankalilla, Normanville, Carrickalinga, Second Valley, Myponga/Myponga Beach, Rapid Bay, Cape Jervis, Inman Valley and Wirrina. Introduced recycle bins at Council office for coffee pods.

Advocate for growth of renewable energy investment production

Align with the State's strategic economic and energy agenda.

Progress

Relevant strategic documents reviewed in preparing the Council Strategic Plan.

Add community gardens to our townships

Progress

Encourage community groups to apply for funding through Council's Community Grants Program in 2021/22

Priority 3: Ensuring sensitive development

Investigate opportunities to encourage sustainable development

Review land use policies and pre lodgement services to encourage water, waste and energy wise urban form and dwelling design.

Progress

Provided voluntary pre-lodgement advice to potential applicants. Information supplied and maintained on Council's website for self-service information on sustainable development options. Installation of water sensitive urban design in township environments including 4 new raingardens.

Actively participate in planning reforms and identify future Code Amendments to support Council's Community Plan

Review the adequacy of planning policy for future growth areas to maintain 'village' townships and rural ambiance.

Progress

Successfully transitioned from the Development Plan to the Planning, Development and Infrastructure Code and designed the new PDI Act delegations and sub delegations.

Increase township shade, cooling and amenity

Promote improvements to open space and review and publicise Council's existing tree planting program.

Progress

Maintained 134 Council reserves. Established the Normanville Village Green. Used 9 megalitres of recycled water for irrigation of parks. Planted 1,500 trees. Established 40,000 seedlings in the community nursery. Operations undertook a review of the district's open space network and established a building/structure maintenance program.

OUR COMMUNITY FOUR YEAR FOCUS



Priority 4: Providing for our children, young people and families

81-83 Andrew Avenue Normanville

Consult on the future use of 81-83 Andrew Avenue Normanville.

Progress

Consultation completed with Council resolving for the site to become a permanent open space and officially named the site the Village Green.

Masterplan Normanville Foreshore and Caravan Park

Develop and implement a masterplan for the Normanville Foreshore and Caravan Park

Progress

Normanville Foreshore and Caravan Park developed.

Rapid Bay visitor accommodation

Improve visitor accommodation at Rapid Bay

Progress

Rapid Bay campground improvements consulted on with community. Expression of Interest released on Tenders SA for management.

Activation of arts and exhibitions

Support greater activation of arts and exhibitions in partnership with the Arts and Cultural Advisory Group. Revise Council's Public Art Policy. Provide opportunities for youth arts, indigenous stories, culture and places of significance and settlement history.

Progress

Revised Council's Art Policy. Delivered/supported youth events including: 181 Fleurieu youth/arts event; Normanville beach festival; Youth week. Children's community market. Delivered the creative cocoon online photography competition. Normanville youth wall mural created. Supported the Lions youth committee meetings. Partnered with the Historical Society to deliver the History Online project and undertook an MOU on display space at the library. A partnership was formed to provide 'book nooks' at Carrickalinga.

Attract and partner with creative industries

Deliver program partnerships with writers, arts/crafts and music programs

Progress

Delivered program partnerships with writers' groups and arts/crafts groups and delivered music programs.

New library and community hub

Deliver a new library and community hub

Progress

Library services planned for the new facility in alignment with the State Government's Public Libraries Strategic Objectives "Tomorrows Libraries". Including:

- Collection management
- All age program development
- Initiating/confirming technology partnerships
- Lifelong learning literacy programs
- Community connections programs

OUR COMMUNITY FOUR YEAR FOCUS

Priority 4: Providing for our children, young people and families

Regional study hub and vocational pathways

Investigate the potential for a regional study hub for post high school education and learning. Partner in the delivery of vocational pathways programs targeting higher need local industries.

Progress

Library services utilise / provide Eduroam Wi-fi which supports all tertiary students Australia wide. Community Outreach collaborated to deliver vocational training to school students.



The Centre

Develop The Centre into an arts, youth and community space.

Progress

Planned from 2021/22

Government and independent learning services

Proactively engage with the education sector to secure the district's future government and independent learning services aligned with population strategies that maintain and increase the school aged population.

Progress

Planned from 2021/22

Recreation infrastructure and services

Deliver or improve recreation infrastructure such as playgrounds, skate parks and facilities and services that engage our families and youth.

Progress

Provided free bike hire at the, Visitor Information Centre (7), Caravan Park (8) & Myponga (6). Secured funding and commenced delivery of a pump track at the Yankalilla Youth Park. Undertook 16 playground audits and inspections. Completed the asset renewal and preventative maintenance to sustain items such as softfall and basketball backboards.

Sporting facilities and organised sport

Support sporting clubs to improve privately owned facilities for the benefit of community users.

Progress

Partnered with ReLink to provide access to sport and recreation by families experiencing disadvantage, through delivering 3 activity events to local youth. Upgraded Yankalilla Lions Youth Park Skate Park (pump track). Provided support to over 15 sports clubs through the delivery of Star Club training and events. Operations liaised with private land holders for preventative maintenance improvements, Council has installed signage promoting clubs on Council land including town entry signage. Operations have liaised with SA Water and Yankalilla Memorial Oval to deliver SA Water infrastructure and supplied materials for the improvement of oval surrounds.

OUR COMMUNITY FOUR YEAR FOCUS



Priority 4: Providing for our children, young people and families

Adventure sports clubs

Facilitate the creation of adventure sports clubs relevant to the Council's natural assets and topography (hills, coast and beaches)

Progress

Star Club program and Council delivered: Trail's workshop; Reclink and Council delivered Kayaking and Stand up paddle boarding programs.

Open space

Regular review of open space assets to determine function, utilisation, service levels, acquisitions and disposal including improvement of some open spaces within towns

Progress

Annual review and business cases developed for replacement and expansion of 40 existing assets.

Develop a strategy for population growth and diversity

Advocate and attract sustainable development and growth outcomes for the district including opportunities for youth that decide to stay, family attraction, and aged care accommodation and retirement living options.

Progress

Economic Development Strategy endorsed for delivery.

Priority 5: Accessing health, emergency and community services

Retail services

Investigate ways to drive demand for services and retail floor space as a component of supporting township growth and diversity.

Progress

Economic Development Strategy endorsed for delivery.

Health services

Use advocacy and land use planning to facilitate greater health services and to attract private investment in retirement living options.

Progress

New Disability Access and Inclusion Plan and 4-year plan adopted. Community Outreach provided parent information sessions, mental health initiatives, and resilience workshops, through the Fleurieu Coast Community Network. Library Services provided speech pathology talks and programs focused on the early childhood literacy framework. New disability access vehicle purchased for the CHSP service.

OUR COMMUNITY FOUR YEAR FOCUS



Priority 5: Accessing health, emergency and community services

Health, access and inclusion

Review and update Councils Disability Access and Inclusion Plan and Southern and Hills Regional Public Health Plan.

Progress

Partnered with Reclink to provide access to sport and recreation by families experiencing disadvantage, through delivering 3 activity events to local youth. Upgraded Yankalilla Lions Youth Park Skate Park (pump track). Provided support to over 15 sports clubs through the delivery of Star Club training and events. Operations liaised with private land holders for preventative maintenance improvements, Council has installed signage promoting clubs on Council land including town entry signage. Operations have liaised with SA Water and Yankalilla Memorial Oval to deliver SA Water infrastructure and supplied materials for the improvement of oval surrounds.

Priority 6: Building community connections

Place making for townships

Partner with the community to develop place-making strategies for townships. Initiatives may include more public art, activation of main streets, providing infrastructure and services and community projects, events and activities. Facilities for children, youth and families will be key components of all townships, providing opportunities for play, community activity and intergenerational interaction.

Progress

Supporting township activation through the delivery or facilitation of over 40 events. Commenced collaborative place-based township planning. Worked with Progress Associations to achieve community-led goal achievement. Progressed towards achieved the Cape Jervis Public Toilets. Provided \$15,000 sponsorship to Festival Fleurieu. Piloted delivery of 'Council Connect' program which offered customer services in outreach locations at Cape Jervis and Myponga. Piloted Rapid Bay and Myponga Library Service expansion. Library services provided public holiday services to provide resident and visitor experiences. Libraries provided digital literacy 72 programs. Library services delivered 260 programs and services that included: Home library service delivered 950 items; early childhood literacy framework; STEAM programs. Library services conducted school partnerships that included the Regional Mayor's Short Story Challenge and integrated children's programs delivered to schools. Provided e-welcome packs and information for new residents and visitors and delivered the new residents information booklet. Council ran one Coastal Gardens workshop with Green Adelaide on coastal weeds and local native replacement plants. Participants received free local native plants and a coastal gardens booklet. A local native plant swap for declared weeds was delivered. 5 Gazania Free Gardens plant swaps undertaken at the Fleurieu Coast Community Plant Nursery. 1,000 local native seedlings and coastal gardens booklets to replace the declared weed Gazania in home gardens. Additional funding from Coast Protection Board, One Tree Planted and Green Adelaide. Priority Red alert weed control with additional funding from Green Adelaide undertaken at the following coastal sites – Cape Jervis, Wirrina, Normanville, Carrickalinga and Myponga Beach. 40,000 local native seedlings grown by volunteers at the Fleurieu Coast Community Plant nursery for coastal revegetation projects and plant swaps. Additional funding from "Foundation For National Parks" and Green Adelaide. Council put on a Tradies' breakfasts. Operations completed and delivered an events trailer for the tourism and events team.

OUR COMMUNITY FOUR YEAR FOCUS

Priority 6: Building community connections

Community-led strategic plan implementation

Encourage community-led implementation of Council's Strategic Plan through initiatives such as township planning, support for Progress Associations or through Council's Outreach program.

Progress

Coordinated the community-led Outreach Program that partners with townships through consultative groups representing the many local communities. Coordinated community-led township planning. Encouraged Progress Associations to align their Strategic Plans with Council's Strategic Plan.



Volunteering

Investigate opportunities to stimulate volunteering by our growing community.

Progress

Council continued our volunteering programs including, Visitor Centre, Community Transport & Library. Library volunteering delivered 550 hours of services and transitioned two volunteers to paid employment.

Community grants

Review the community grants policy and guidelines.

Progress

\$100,000 was distributed in community grants.

OUR ECONOMY FOUR YEAR FOCUS



Priority 7: Developing tourism opportunities for economic benefit

Enhance awareness of tourism products and create new opportunities for tourism

Such as self-service adventure tourism (mountain biking, agriculture or farm stay experiences, or 'locavore' food and wine outlets within townships.

Progress

Provided retail floor space for local producers and artisans at the Visitor Information Centre. Supported the filming of local features television shows 'Out of the Blue' and 'Adelady' showcasing Cape Jervis, Second Valley, Deep Creek, Normanville & Myponga. Supported new Agri-tourism offers. Created the new Visit Fleurieu Coast Website. Managed Council social media for awareness raising.

Investigate opportunities for a greater mix of hospitality and accommodation

Review RV facilities across townships

Progress

Installed RV dump points. Supported the use of Air BnB to pilot farm stay opportunities in the district. Maintained and managed Council owned tourism accommodation.

Consult on and implement the Economic Development Plan

Progress

Economic Development Strategy endorsed for delivery.

Establish 'off-season' attractors

Partner with community, business, peak bodies/associations and governments to establish 'off-season' attractors including events and festivals that capitalise on natural, physical and community assets and the arts.

Progress

Worked with SA Water to open Myponga Reservoir to provide new water and nature-based recreation opportunities with flow on economic benefit to the township. Directed stimulus funding toward trails development and partnered with Forestry SA and SA Water to encourage visitation and commercial opportunities. Established the Festival of Nature to drive off-season visitation.

Priority 8: Supporting agribusiness and food production

Support local producers explore and pilot 'Paddock to Plate' initiatives

Expand market opportunities with local markets such as hospitality venues, childcare and community events.

Progress

Entered into the 'Shop Local' campaign to increase online awareness and reach for local producers and artisans. Active member of the Fleurieu Food Network supporting connections between producers and consumers.

Regular review of rural land use provisions

Protect larger scale farming activities through regular review of rural land use provisions.

Progress

Offered 500 primary production rebates on primary production properties over 35 hectares. Undertook an analysis and delivery of a report to Council on the State-lead Environment Food Protection Areas Policy Review.

OUR ECONOMY FOUR YEAR FOCUS



Priority 8: Supporting agribusiness and food production

Work with the State Australian peak bodies and associations for key commodities

Understand how the priorities of local producers and the State's Food Wine and Agri-business Sector Growth Plan align. Identify shared opportunities to support agriculture and food productions.

Progress

Delivery of local road upgrades to link producers with freight networks. Council has worked with HDS Australia and Department for Infrastructure & Transport to allow 26m B-doubles to utilise Range Road via a permit, and are continuing to work towards the gazettal of Range Road under the 'Southern Freight Corridor' in conjunction with neighbouring Councils.

Engage with the agricultural sector on Circular Economy

Identify a role in supporting farmers to implement sustainable and innovative industry practices and deliver low cost prime produce efficiently to higher value markets

Progress

Planned from 2021/22.

Priority 9: Increasing job and business opportunities

Engage with Government Stimulus and Support Packages

Target small to medium business and Council infrastructure projects that stimulate industries directly affected by natural adverse events and the public health pandemic

Progress

Developed and delivered a Covid relief package to support businesses and individuals to the value of \$65K for the 2020/22 financial year, which included initiatives such as: Waivers for rates fines and interest; Offering access to financial hardship pack; Payment arrangements to assist people struggling financially; Fast-tracked supplier payments; Support payments; Rates rebates; Lease rebates. Utilised environmental grants to fund local contractors. Engaged with Maxima for trainee opportunities and achieved trainee of the year award.

Undertake land use planning and investment attraction

Land use planning and investment attraction for housing, employment diversity and education diversity

Progress

Economic Development Strategy endorsed for delivery.

Support the success of business networks

Deliver networking opportunities, district branding, skills and training, pathway programs and grants and subsidies targeting business and employment stimulus

Progress

Hosted one networking function at the Fleurieu Coast Visitor Centre. Active members of the Southern Business Mentoring Program and offering three business advisor events: Digital marketing, Social Media, Strategic marketing & general business advice. Conducted a contractor breakfast. Conducted an LGA procurement workshop. Facilitated contractor registrations on pre-qualified supplier panels.

OUR INFRASTRUCTURE FOUR YEAR FOCUS



Priority 10: Getting around

Provide environments that support connection and participation in community life

Progress

Footpath maintenance and construction in urban areas. Council completed approximately 200 linear metres of footpath repairs to asphalt and paved footpaths and close to 300 linear metres of unsealed footpath maintenance. There was also a Capital Renewal/Replacement program on Main South Road and Edwards Avenue where approx. 200 linear metres of asphalt material was laid. Maintenance and management of 3.5 km of tracks and trails.

Advocate for State investment in improved visitor infrastructure at Cape Jervis

Advocate for improved visitor infrastructure at Cape Jervis in collaboration with the successful tendering company.

Progress

Collaborated on investment in infrastructure in conjunction with government and private sector. Negotiations taking place with Department for Infrastructure & Transport (DIT) to understand the impact of the new 'Sealink' tender implications and discuss a Port Masterplan in more detail. DIT are in the process of starting remediation works alongside the Kangaroo Island Connect (KIC) berth.

Advocate for a more comprehensive intermodal public transport solution

Connect the district to Adelaide via bus to Seaford rail.

Progress

Planned from 2021/22.

Seek State investment for separation of freight, tourism and residential traffic on local and State road infrastructure

Support identification of a B-Double route through the region and improved traffic environments within townships. Focus on selected improvement of sealed and unsealed roads and road networks to provide for safe and convenient movement of oversized freight and machinery including the investigation of increased by-pass opportunities.

Progress

Council participated in the regional coordination of the Southern Fleurieu Freight Route.

Priority 11: Delivering township infrastructure

Investigate and advocate to State Government for the renewal, management or expansion of our local jetty infrastructure

Progress

Completed the Normanville Foreshore Masterplan including investigations into the jetty extension.

Develop masterplans that deliver unique visions for each township

Each township masterplan can guide future private and public sector investment and may include changes to land use to facilitate sustainable growth and diversity.

Progress

Finalising the urban design framework for Normanville and Yankalilla. Community Outreach collaborating with Progress Associations to develop Township Plans.

OUR INFRASTRUCTURE FOUR YEAR FOCUS



Priority 11: Delivering township infrastructure

Lever the significant network of existing trails and consider linking township trails

Encourage additional walking experiences that take in different communities. Identify opportunities to connect inland townships and coastal communities. Review path networks within townships for all weather access and all abilities.

Progress

Established a Trails Reference Group. Developed the Tracks and Trails Strategic Action Plan. Identified and obtained funding to deliver priority projects: Multi-use trails and infrastructure in the Second Valley Forest, and an extension of the Carrickalinga foreshore trail, the Great (Big) Gorge Walk and Stage 1: Carrickalinga to Normanville walk. Construction/acquisition of the Gorge Walk and Carrickalinga Trail now open to public.

Improve township amenity and streetscape beautification

Includes efforts to under-ground power lines in denser township environments.

Progress

Demolished and remediated the petrol station at 81-83 Andrew Avenue Normanville. Establishment of the Village Green.

Repurpose existing and heritage buildings for new economic land uses

Progress

Planned for 2024/25.

Improve selected sealed and unsealed roads and road networks

Provide for safe and convenient movement of oversized freight and machinery including the investigation of increased by-pass opportunities.

Progress

Updated Council's Asset Management Plan. Delivered 16km road sheeting program and maintained rural roads. Forktree Road stage 1 undertaken.

OUR LEADERSHIP FOUR YEAR FOCUS



Priority 12: Demonstrating good governance

Share our success and good news stories with the community

Establish and deliver a communication strategy utilising social media, website, printed media and direct post.

Progress

Council continues to actively communicate via social media, website, printed media and direct mail.

Provide best value outcomes for rates while maintaining our unique identity

Investigate alternative sources of income and implement shared service arrangements across the region.

Progress

Monitored a shared-service arrangement for payroll services and policy planning provided by Alexandrina Council. Achieved 100% on procurement procedures and policy for works.

Engage in local government reform discussions

Advocate for a reform position that is relevant and implementable in the district. This could include early involvement in initiatives aligned to Council's own efficiency and effectiveness objectives such as performance measurement and reporting.

Progress

Council made relevant submissions to the LGA and reform bill.

Provide ongoing opportunities for the community to participate in decision making

Includes understanding and incorporating First Peoples knowledge in our strategic, advocacy and policy positions.

Progress

Community Outreach commenced collaboration with the First Nations Peoples Representative Groups. Community Outreach commenced working towards a Reconciliation Action Plan. Supported the Fleurieu Coast Youth Advisory Committee. Undertook an award-winning community engagement campaign – Nature's Best Let's Plan the Rest, reaching over 1,000 people. Completed consultations for the Village Green, Normanville Foreshore & Jetty Caravan Park Masterplan, Annual Business Plan & Budget, Proposed Pedestrian Refuge Yankalilla, Community Land Management Plan for Second Valley Springs, Community Land Management Plan for Allotment 100 & Section 430 Normanville Foreshore & Genetically Modified crops moratorium.

Undertake a community satisfaction survey in 2023

Measure changes against the benchmark established in 2018 to inform the comprehensive review of the Strategic Plan 2020/24.

Progress

Planned from 2021/22.

OUR LEADERSHIP FOUR YEAR FOCUS

Priority 12: Demonstrating good governance

Deliver progressive and proactive services which focus on greater efficiency and effectiveness

Progress

Reviewed policy and processes to improve efficiency and reduce red tape for filming and photography, events, private functions and business activity. Introduced an 'On Demand' transport service at a reduced cost as a value add to CHSP funded transport services. Developed a new method for recording costs and income for 'On Demand' transport passengers that facilitated the expansion of the CHSP transport service to provide a low-cost option for all residents. Developed the inaugural integrated Long Term Financial and Asset Management Plan for Council. Embedded a strategic 'unallocated stimulus funding' amount of \$1M in Council's 2020/21 budget that provided a flexible and strategic approach to securing matched external stimulus funding. Provided financial control and planning to model the cost impact of funding and investment scenarios that supported successful grant applications for the Normanville Foreshore. Developed Council's Customer Service Charter. Delivered financial reporting improvements, all statutory reporting provided on time and achieved an 'Un modified' audit opinion on internal financial controls and financial statements. Provided no loss of customer service continuity during the peak period of the COVID pandemic. Delivered 100% of customer responses within the customer charter performance requirements. Introduction of paperless processes including: Electronic Development Applications; Electronic payables; Paperless registration for library membership; Creation of e-welcome pack for new residents; Section 7 and Section 187 searches are now electronic. Dog and cat management activities included Registration Renewal, promotion of micro-chipping - Chip Blitz, beach patrols, compliance and animal nuisance matters, responded to 72 customer requests.



Partner with the region for investment attraction or shared service delivery

Increase income and reduce expenditure without unduly impacting service levels

Progress

Successful grant attraction to the value of \$8.94M in addition to the \$3M in normal operating grants. This included funding for the Normanville Surf Life Saving Club (\$2,655,050), Jetty Caravan Park (\$2,045,0450), Normanville Foreshore and Open Space (\$2,100,000) and funding for the library fitout and car park, road maintenance and improvements (Forktree Road and Grundy Street), Rapid Bay Bridge, Cheeseman, Tracks and Trails, and all terrain wheelchairs.

Undertake a Representation Review in 2024

Review undertaken to meet statutory requirements

Progress

Planned from 2022/23.

Appendix A

Financial Management

The Financial Result for 2020/21

The financial result for 2020/21 is dominated by the result of one of Council's subsidiaries, the Fleurieu Regional Waste Authority (FRWA).

Council's loss of \$1,216,078 includes an unbudgeted loss of \$1,477,254 from its subsidiaries. Excluding this impact Council would have made a surplus of \$261,176 which compares favourably with the budgeted result of a deficit of \$16,345.

FRWA is a regional subsidiary jointly owned by four Councils. At 30th June 2021 the District Council of Yankalilla's equity stake was 15%. FRWA has recorded a loss of \$9,848,363 for the 2020/21 financial year, Council's portion of this loss is \$1,477,254. This loss is due to FRWA taking a

provision for \$9,877,286 for potential remediation costs that may be incurred in the removal of material from properties that have used material supplied by FRWA that was contaminated with asbestos.

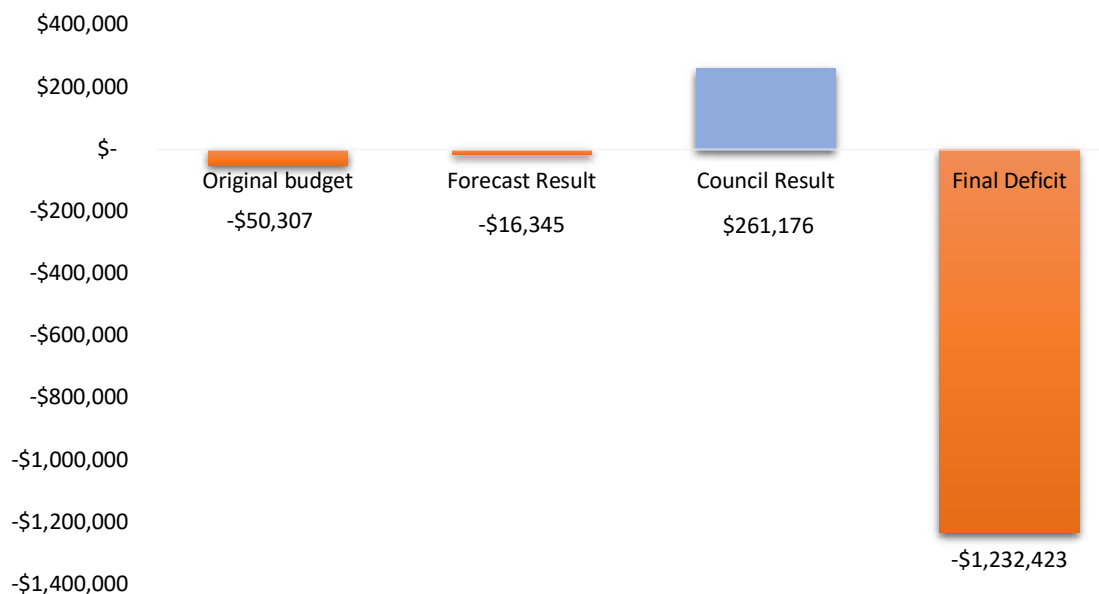
While this provision in FRWA's accounts is not a 'worst case scenario' there are significant opportunities to mitigate this expenditure.

More information on this event is included in the Financial Statements in notes 1.2, 3b, 8c, 15,19c, 21. Note 21 includes information with regards to a likely decrease in the provision in Council's books in the 2021/22 financial year.

Gary Lewis

Chief Financial Officer

Operating Result 2020/21



District Council of Yankalilla

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2021



General Purpose Financial Statements

for the year ended 30 June 2021

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General Purpose Financial Statements

for the year ended 30 June 2021

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 2021 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.



Nigel Morris
Chief Executive Officer

16 November 2021



Simon Rothwell
Mayor

16 November 2021

Statement of Comprehensive Income

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Income			
Rates	2a	11,527	11,309
Statutory Charges	2b	359	237
User Charges	2c	1,369	1,053
Grants, Subsidies and Contributions	2g	956	802
Investment Income	2d	67	100
Reimbursements	2e	65	106
Other income	2f	125	126
Net Gain - Equity Accounted Council Businesses	19(a)	—	31
Total Income		14,468	13,764
Expenses			
Employee costs	3a	5,492	5,632
Materials, Contracts and Other Expenses	3b	6,689	5,333
Depreciation, Amortisation and Impairment	3c	3,080	3,153
Finance Costs	3d	285	336
Net loss - Equity Accounted Council Businesses	19(a)	154	—
Total Expenses		15,700	14,454
Operating Surplus / (Deficit)		(1,232)	(690)
Physical Resources Received Free of Charge	2i	—	734
Asset Disposal & Fair Value Adjustments	4	(222)	(534)
Amounts Received Specifically for New or Upgraded Assets	2g	597	—
Net Surplus / (Deficit)		(857)	(490)
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9	2,742	—
Total Amounts which will not be reclassified subsequently to operating result		2,742	—
Total Other Comprehensive Income		2,742	—
Total Comprehensive Income		1,885	(490)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	2020
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	2,249	39
Trade & Other Receivables	5b	2,135	1,989
Total current assets		4,384	2,028
Non-current assets			
Financial Assets	6a	69	81
Equity Accounted Investments in Council Businesses	6b	23	177
Infrastructure, Property, Plant & Equipment	7a(i)	103,447	100,217
Total non-current assets		103,539	100,475
TOTAL ASSETS		107,923	102,503
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	4,208	1,424
Borrowings	8b	2,822	2,403
Provisions	8c	1,708	432
Total Current Liabilities		8,738	4,259
Non-Current Liabilities			
Borrowings	8b	2,588	3,634
Provisions	8c	260	158
Total Non-Current Liabilities		2,848	3,792
TOTAL LIABILITIES		11,586	8,051
Net Assets		96,337	94,452
EQUITY			
Accumulated surplus		25,860	26,717
Asset revaluation reserves	9	70,477	67,735
Total Council Equity		96,337	94,452
Total Equity		96,337	94,452

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Total equity
2021				
Balance at the end of previous reporting period		26,717	67,735	94,452
Net Surplus / (Deficit) for Year		(857)	–	(857)
Other Comprehensive Income				
- Gain (Loss) on Revaluation of I,PP&E	7a	–	2,742	2,742
- Share of OCI - Equity Accounted Council Businesses		–	–	–
- Other Movements (enter details here)		–	–	–
Other comprehensive income		–	2,742	2,742
Total comprehensive income		(857)	2,742	1,885
Transfers between Reserves		–	–	–
Balance at the end of period		25,860	70,477	96,337
2020				
Balance at the end of previous reporting period		27,207	67,735	94,942
Net Surplus / (Deficit) for Year		(490)	–	(490)
Other Comprehensive Income				
- Gain (Loss) on Revaluation of I,PP&E	7a	–	–	–
- Share of OCI - Equity Accounted Council Businesses		–	–	–
- Other Movements (enter details here)		–	–	–
Other comprehensive income		–	–	–
Total comprehensive income		(490)	–	(490)
Transfers between Reserves		–	–	–
Balance at the end of period		26,717	67,735	94,452

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Cash flows from operating activities			
<u>Receipts</u>			
Rates Receipts		11,862	11,384
Statutory Charges		359	237
User Charges		1,586	1,053
Grants, Subsidies and Contributions		1,381	802
Investment Receipts		67	100
Reimbursements		70	106
Other Receipts		128	1,361
<u>Payments</u>			
Finance Payments		(285)	(336)
Payments to Employees		(5,523)	(5,367)
Payments for Materials, Contracts & Other Expenses		(5,960)	(6,900)
Net cash provided by (or used in) Operating Activities	11b	<u>3,685</u>	<u>2,440</u>
Cash flows from investing activities			
Amounts Received Specifically for New/Upgraded Assets		2,956	–
Sale of Replaced Assets		154	174
Sale of Surplus Assets		82	23
Repayments of Loans by Community Groups		13	14
Distributions Received from Equity Accounted Council Businesses		154	31
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(2,272)	(2,200)
Expenditure on New/Upgraded Assets		(1,702)	(610)
Loans Made to Community Groups		(30)	–
Capital contributed to Equity Accounted Council Businesses		(154)	(32)
Net cash provided (or used in) investing activities		<u>(799)</u>	<u>(2,600)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Borrowings		–	836
Proceeds from Bonds & Deposits		3	–
<u>Payments</u>			
Repayments of Borrowings		(696)	(1,369)
Repayment of Finance Lease Liabilities		(61)	(43)
Net Cash provided by (or used in) Financing Activities		<u>(754)</u>	<u>(576)</u>
Net Increase (Decrease) in Cash Held		<u>2,132</u>	<u>(736)</u>
plus: Cash & Cash Equivalents at beginning of period		(1,625)	(889)
Cash and cash equivalents held at end of period	11a	<u>507</u>	<u>(1,625)</u>

Additional Information:

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the Principal Financial Statements for the year ended 30 June 2021

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies

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

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

(1) Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 16 November 2021.

1.2 Critical Accounting Estimates

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

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.

One estimate that has a material effect on these financial statements relates to Council's subsidiary Fleurieu Regional Waste Authority Regional Subsidiary (FRWA). There is significant uncertainty in the estimation of the provision taken by FRWA in which Council has a 15% stake. This provision is for remediation costs of \$9,877,286 (refer to Note 3 Expenses, Note 8c Provisions and Note 19 Equity), which is the best estimate of the costs that may be incurred by FRWA in relation to the coordination and removal of asbestos containing material from identified properties. The key estimates and assumptions used to determine the provision for remediation costs include the number of properties requiring remediation, the quantity of waste to dispose, consultant costs to manage the remediation process and contractor costs for site remediation.

The majority of the remediation work is expected to be carried out in financial year 2021/22 which will crystallise the costs and give clarity to the calculation of the quantum of any provision that is required at the end of the year.

1.3 Estimates and assumptions

The COVID-19 pandemic has impacted the 2020/21 financial statements, which may impact on the comparability of some line items and amounts reported in these financial statements and/or the notes. The financial impacts are a direct result of either Council's response to the pandemic, economic consequences of the pandemic or due to mandatory shutdowns as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

The single most significant example is the increase in patronage at Council owned Jetty Caravan Park Normanville. Income from the Caravan Park grew 32% compared to the prior year with the surplus generated by the operation increasing by 65%.

1.4 Rounding

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

(2) The Local Government Reporting Entity

District Council of Yankalilla is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 1 Charles Street, Yankalilla. 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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(3) Income Recognition

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

Where grants, contributions and donations recognised as income during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as income in a previous reporting period which were obtained in respect of the 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
2018/19	\$574,444	\$386,009	\$188,435
2019/20	\$323,777	\$410,693	(\$86,916)
2020/21	\$419,236	\$364,799	\$54,437

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

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

Construction Contracts

Construction works undertaken by Council for third parties are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

For works undertaken on a fixed price contract basis, revenues are recognised over time using the input method, with costs incurred compared to total expected costs used as a measure of progress. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

(4) Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

(5) Inventories

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(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.

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

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

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

Plant, Furniture & Equipment

Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	3 to 8 years
Other Plant & Equipment	5 to 15 years

Building & Other Structures

Buildings – masonry	50 to 100 years
Park Structures – masonry	50 to 100 years
Park Structures – other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats, etc	10 to 20 years

Infrastructure

Sealed Roads – Surface	15 to 25 years
Sealed Roads – Structure	20 to 65 years
Unsealed Roads	10 to 25 years
Bridges – Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	80 to 100 years
Drains	80 to 100 years

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

Culverts	50 to 75 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	70 to 80 years
Reticulation Pipes – other	25 to 75 years
Pumps & Telemetry	20 to 50 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.

6.6 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with AASB 123 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

(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 initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

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.

Weighted avg. discount rate 0.38% (2020, 0.4%)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

Weighted avg. settlement period 4.8 years (2020, 3.51 years)

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 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. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

(10) Leases

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

12.1 Council as a lessee

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

i) Right-of-Use-Assets

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

Office Equipment	3 to 4 years
Software	3 years

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

ii) Lease Liabilities

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

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

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

(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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(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) Comparative Figures

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

(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 the Financial Statements

for the year ended 30 June 2021

Note 2. Income

\$ '000	2021	2020
(a) Rates		
General Rates		
General Rates	11,425	11,184
Less: Mandatory Rebates	(55)	(55)
Less: Discretionary Rebates, Remissions & Write Offs	(206)	(184)
Total General Rates	11,164	10,945
Other Rates (Including Service Charges)		
Regional Landscape Levy (formerly NRM Levy)	197	197
Wirrina Water Service	85	79
Total Other Rates (Including Service Charges)	282	276
Other Charges		
Penalties for Late Payment	81	87
Legal & Other Costs Recovered	–	1
Total Other Charges	81	88
Total Rates	11,527	11,309
(b) Statutory Charges		
Development Act Fees	81	47
Town Planning Fees	79	54
Health & Septic Tank Inspection Fees	80	43
Animal Registration Fees & Fines	79	70
Parking Fines/Expiation Fees	36	22
Other Licences, Fees & Fines	4	1
Total Statutory Charges	359	237
(c) User Charges		
Cemetery/Crematoria Fees	13	14
Hall & Equipment Hire	2	2
Sundry	13	15
Caravan Park Hire Fees	1,273	973
Block Clearing Fees	(1)	5
Search Fees	39	24
CHSP Contributions	22	20
Water Consumption	8	–
Total User Charges	1,369	1,053

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

\$ '000	2021	2020
(d) Investment Income		
Interest on Investments		
- Banks & Other	–	2
- Loans to Community Groups	5	5
Investment Property Rental Income	62	93
Total Investment Income	67	100

(e) Reimbursements

Workcover	14	64
Other	51	42
Total Reimbursements	65	106

(f) Other income

Rebates Received	28	33
Sundry	46	58
Visitor Information Centre	51	35
Total Other income	125	126

(g) Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	597	–
Total Amounts Received Specifically for New or Upgraded Assets	597	–
Other Grants, Subsidies and Contributions		
- Untied - Financial Assistance Grant	419	324
- Roads to Recovery	163	163
- Home and Community Care Grant	174	150
- Library and Communications	17	17
- Sundry	183	148
Total Other Grants, Subsidies and Contributions	956	802
Total Grants, Subsidies, Contributions	1,553	802

The functions to which these grants relate are shown in Note 12.

(i) Sources of grants

Commonwealth Government	337	321
State Government	1,144	476
Other	72	5
Total	1,553	802

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

\$ '000	2021	2020
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(h) Conditions over Grants & Contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

Unexpended at the close of the previous reporting period	—	(15)
Less:		
<i>Expended during the current period from revenues recognised in previous reporting periods</i>		
Roads Infrastructure	—	—
SA Power Networks	—	15
Subtotal	—	15
Plus:		
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
Roads Infrastructure	—	—
Other	—	—
Subtotal	—	—
Unexpended at the close of this reporting period	—	—
Net increase (decrease) in assets subject to conditions in the current reporting period	—	15

(i) Physical Resources Received Free of Charge

Roads, Bridges & Footpaths	—	263
Stormwater Drainage	—	161
Buildings	—	310
Total Physical Resources Received Free of Charge	—	734

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses

\$ '000	Notes	2021	2020
(a) Employee costs			
Salaries and Wages		4,793	4,945
Employee Leave Expense		327	278
Superannuation - Defined Contribution Plan Contributions	18	453	457
Workers' Compensation Insurance		155	154
Other Employee Related Costs		68	92
Less: Capitalised and Distributed Costs		(304)	(294)
Total Operating Employee Costs		5,492	5,632
Total Number of Employees (full time equivalent at end of reporting period)		56	56
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		21	20
- Other Auditors		9	6
Bad and Doubtful Debts		3	(7)
Elected Members' Expenses		141	137
Election Expenses		—	15
Service Contracts		—	—
Insurance		160	199
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		—	3
Lease Expense - Low Value Assets / Short Term Leases		—	21
Lease Expense - Variable Payments		—	—
Subtotal - Prescribed Expenses		334	394
(ii) Other Materials, Contracts and Expenses			
Contractors		2,350	2,287
Maintenance		835	832
Legal Expenses		120	187
Levies Paid to Government - Landscape Levy (formerly NRM Levy)		196	196
Levies - Other		13	9
Parts, Accessories & Consumables		225	246
Sundry		124	106
Utilities		333	306
IT and Communications		334	290
Administration		220	249
Registrations, Subscriptions and Memberships		116	146
Hire Fees		303	266
Grants and Contributions		94	85
Vehicles		34	23
Visitor Information Centre		73	54
Wirrina Service Payments to SA Water		92	82
Net Loss - Equity Accounted Council Businesses	8c	1,346	—
Less: Capitalised and Distributed Costs		(453)	(425)
Subtotal - Other Material, Contracts & Expenses		6,355	4,939
Total Materials, Contracts and Other Expenses		6,689	5,333

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses (continued)

\$ '000	2021	2020
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings & Other Structures	287	231
Infrastructure		
- Stormwater Drainage	186	185
- Transport Infrastructure	1,937	1,936
Right-of-use Assets	63	46
Plant & Equipment	214	278
Furniture & Fittings	112	134
Recreation	165	165
Fleet Plant	116	135
Subtotal	3,080	3,110
(ii) Impairment		
Transport Infrastructure	—	43
Subtotal	—	43
Total Depreciation, Amortisation and Impairment	3,080	3,153
(d) Finance Costs		
Interest on Loans	256	313
Bank Charges	25	20
Interest on Leases	4	3
Total Finance Costs	285	336

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2021	2020
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	154	174
Less: Carrying Amount of Assets Sold	(448)	(479)
Gain (Loss) on Disposal	(294)	(305)
(ii) Assets Surplus to Requirements		
Proceeds from Disposal	82	23
Less: Carrying Amount of Assets Sold	(10)	(252)
Gain (Loss) on Disposal	72	(229)
Net Gain (Loss) on Disposal or Revaluation of Assets	(222)	(534)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Current Assets

\$ '000	2021	2020
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(a) Cash & Cash Equivalent Assets

Cash on Hand at Bank	149	39
LGFA Other Investments	2,100	—
Total Cash & Cash Equivalent Assets	2,249	39

(b) Trade & Other Receivables

Rates - General & Other	1,370	1,517
Council Rates Postponement Scheme	9	13
Debtors - General	447	234
GST Recoupment	137	90
Prepayments	93	41
Loans to Community Organisations	42	13
Debtors - Wirrina Water Consumption	40	81
Subtotal	2,138	1,989
Less: Allowance for Doubtful Debts	(3)	—
Total Trade & Other Receivables	2,135	1,989

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Non-Current Assets

\$ '000	2021	2020
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(a) Financial Assets

Receivables

Loans to Community Organisations

	69	81
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Subtotal	69	81
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Total Receivables	69	81
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Total Financial Assets	69	81
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\$ '000	Notes	2021	2020
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(b) Equity Accounted Investments in Council Businesses

Southern & Hills Local Government Association

19	23	46
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Fleurieu Regional Waste Authority

–	131
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Total Equity Accounted Investments in Council Businesses

23	177
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Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. Infrastructure, Property, Plant & Equipment

(a(i)) Infrastructure, Property, Plant & Equipment

			as at 30/06/20		Asset movements during the reporting period										as at 30/06/21			
	Fair Value Level		At Fair Value	Accumulated Depreciation	Carrying amount	Transition adjustme nt - AASB 16	Asset Additions New / Upgrade	Asset Renewals	WDV of Asset Disposals	Depreciat ion Expense (Note 3c)	Impairme nt Loss (recognis ed in P/L) (Note 3c)	WIP Transfers	Assets Newly Recognis ed (Note 9)	Revaluati on Increment s to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulat ed Depreciatio n	Carrying amount
\$ '000																		
Capital Work in Progress			-	211	211	-	311	2	-	-	-	(211)	-	-	-	313	-	313
Land - Other	3		11,996	551	12,547	-	97	-	(1)	-	-	-	-	-	11,995	648	-	12,643
Buildings & Other Structures	3		10,975	1,045	7,683	-	-	111	(35)	(287)	-	-	-	2,742	15,654	111	(5,551)	10,214
Infrastructure																		
- Stormwater Drainage	3		14,809	2,048	12,729	-	141	10	(6)	(186)	-	22	-	-	14,796	2,222	(4,307)	12,711
- Transport Infrastructure	3		93,102	8,688	61,895	-	1,124	1,689	(302)	(1,937)	-	176	-	-	91,659	11,668	(40,682)	62,645
Right-of-Use Assets			-	98	98	-	52	-	-	(63)	-	-	-	-	-	87	-	87
Plant & Equipment	3		-	3,827	1,361	-	16	276	-	(214)	-	-	-	-	-	3,887	(2,448)	1,439
Furniture & Fittings	3		-	1,674	423	-	-	29	-	(112)	-	-	-	-	-	1,703	(1,363)	340
Recreation	3		5,037	153	2,718	-	13	-	(9)	(165)	-	13	-	-	5,037	170	(2,637)	2,570
Fleet Plant	3		-	898	552	-	-	154	(105)	(116)	-	-	-	-	-	889	(404)	485
Total Infrastructure, Property, Plant & Equipment			135,919	19,193	100,217	-	1,754	2,271	(458)	(3,080)	-	-	-	2,742	139,141	21,698	(57,392)	103,447

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. Infrastructure, Property, Plant & Equipment (continued)

(b) Valuation of Infrastructure, Property, Plant & Equipment & Investment Property

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

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 additions at cost, this remains as the basis of recognition of non-material asset classes.

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

Highest and best use

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. Infrastructure, Property, Plant & Equipment (continued)

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 reliable 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 date, effectively writing off the expenditure.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 1997 at current replacement cost. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset.

Buildings & Recreation

Buildings were valued by Asset Valuation & Consulting Pty Ltd at written down current replacement cost during the reporting period commencing 1 July 2012 and pursuant to Council's election, are disclosed at fair value. A revaluation was scheduled during the 2019/20 year but was delayed due to COVID-19 restrictions as the valuer was unable to travel. This revaluation was completed in July 2020 and the asset values will be reflected in the 2020/21 financial statements.

Recreation was valued by Tonkin Consulting Pty Ltd at written down current replacement cost during the reporting period commencing 1 July 2018.

All acquisitions made after the respective dates of valuation will be recorded at cost.

Infrastructure

Transportation Assets include roads and bridges. Road assets were valued by Tonkin Consulting Pty Ltd at written down current replacement cost during the reporting period commencing 1 July 2016. Bridge assets were valued by Tonkin Consulting Pty Ltd at written down current replacement cost during the reporting period commencing 1 July 2018. Pursuant to Council's election Transport Assets are disclosed at fair value.

All acquisitions made after the respective dates of valuation will be recorded at cost.

Stormwater drainage infrastructure was valued by Tonkin Consulting at written down current replacement cost during the reporting period ending 30 June 2015 and pursuant to Council's election are disclosed at fair value.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Liabilities

\$ '000	2021 Current	2021 Non Current	2020 Current	2020 Non Current
(a) Trade and Other Payables				
Goods & Services	784	—	526	—
Payments Received in Advance	2,809	—	225	—
Accrued Expenses - Employee Entitlements	532	—	573	—
Accrued Expenses - Other	80	—	98	—
Deposits, Retentions & Bonds	3	—	—	—
Other	—	—	2	—
<u>TOTAL Trade and Other Payables</u>	<u>4,208</u>	<u>—</u>	<u>1,424</u>	<u>—</u>

\$ '000	Notes	2021 Current	2021 Non Current	2020 Current	2020 Non Current
(b) Borrowings					
Short Term Draw Down Facility		1,742	—	1,664	—
Loans		1,021	2,555	696	3,576
Lease Liabilities	17b	59	33	43	58
<u>TOTAL Borrowings</u>		<u>2,822</u>	<u>2,588</u>	<u>2,403</u>	<u>3,634</u>

(c) Provisions

Employee Entitlements (including oncosts)	362	260	432	158
FRWA Liabilities Provision ¹	1,346	—	—	—
<u>TOTAL Provisions</u>	<u>1,708</u>	<u>260</u>	<u>432</u>	<u>158</u>

(1) Included in the Provisions is an amount of \$1,346,044 which represents Council's equity stake of 15% in the negative net assets of its subsidiary Fleurieu Regional Waste Authority (FRWA). The balance sheet of FRWA is shown in note 19. FRWA has taken a provision of \$9,877,286 in 2020/21 (refer to Note 1.2 Accounting Policy, Note 3b Provisions, Note 19 Equity) in recognition of an obligation to remediate sites that have recycled road base material sourced from FRWA's Goolwa Waste and Recycling Depot that were contaminated with asbestos. After allowing for this provision FRWA has negative net assets of \$8,973,627. Under accounting standard AASB 128 the value of a subsidiary that has negative net assets is recorded at zero and the value of the net assets is recorded as a provision. The Charter of FRWA to which Council is a signatory requires that the constituent Councils to contribute additional funds when required to do so. Schedule two (31) (1) of the Local Government Act states, 'Liabilities incurred or assumed by a regional subsidiary are guaranteed by the constituent councils'.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Reserves

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
Asset Revaluation Reserve					
Land - Other	8,313	—	—	—	8,313
Buildings & Other Structures Infrastructure	1,430	2,742	—	—	4,172
- Stormwater Drainage	8,075	—	—	—	8,075
- Transport Infrastructure	47,822	—	—	—	47,822
Recreation	2,043	—	—	—	2,043
Other Assets	52	—	—	—	52
Total Asset Revaluation Reserve	67,735	2,742	—	—	70,477
Comparatives	67,735	—	—	—	67,735

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).

Note 10. Assets Subject to Restrictions

Council does not hold any assets subject to restrictions

Notes to the Financial Statements

for the year ended 30 June 2021

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2021	2020
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(a) Reconciliation of Cash

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

Total Cash & Equivalent Assets	5	2,249	39
Less: Short-Term Borrowings	8	(1,742)	(1,664)
Balances per Statement of Cash Flows		507	(1,625)

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

Net Surplus/(Deficit)		(857)	(490)
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		3,080	3,153
Equity Movements in Equity Accounted Investments (Increase)/Decrease		154	(31)
Non-Cash Asset Acquisitions		–	(734)
Grants for capital acquisitions treated as Investing Activity		(597)	–
Net (Gain) Loss on Disposals		222	534
		2,002	2,432
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(120)	724
Change in Allowances for Under-Recovery of Receivables		(3)	(88)
Net (Increase)/Decrease in Inventories		–	13
Net (Increase)/Decrease in Other Assets		6	–
Net Increase/(Decrease) in Trade & Other Payables		422	(683)
Net Increase/(Decrease) in Unpaid Employee Benefits		32	42
Net Increase/(Decrease) in Other Provisions		1,346	–
Net Cash provided by (or used in) operations		3,685	2,440

\$ '000	Notes	2021	2020
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(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

Physical Resources Received Free of Charge	2i	–	734
Amounts recognised in Income Statement		–	734
Total Non-Cash Financing and Investing Activities		–	734

(d) Financing Arrangements

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

Corporate Credit Cards	50	20
Cash Advance Facilities	8,062	6,500

Notes to the Financial Statements
for the year ended 30 June 2021

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).										
\$ '000	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Functions/Activities										
Business Undertakings	1,445	1,176	855	725	590	451	1	—	6,978	6,142
Community Services	287	234	821	944	(534)	(710)	214	178	3,227	2,180
Culture	26	26	288	302	(262)	(276)	18	17	458	458
Economic Development	51	52	487	408	(436)	(356)	—	13	864	535
Environment	341	300	1,617	1,584	(1,276)	(1,284)	135	103	14,252	14,178
Recreation	—	—	680	665	(680)	(665)	—	—	8,027	8,141
Regulatory Services	402	262	829	905	(427)	(643)	—	—	—	—
Transport & Communication	365	323	3,082	3,130	(2,717)	(2,807)	365	323	62,812	62,071
Plant Hire & Depot/Indirect	—	—	1,371	1,287	(1,371)	(1,287)	—	—	2,457	2,014
Unclassified Activities	—	31	1,500	—	(1,500)	31	—	—	552	530
Council Administration	11,551	11,360	4,170	4,504	7,381	6,856	223	168	8,296	6,254
Total Functions/Activities	14,468	13,764	15,700	14,454	(1,232)	(690)	956	802	107,923	102,503

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 the Financial Statements

for the year ended 30 June 2021

Note 12(b). Components of Functions

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Caravan Parks, Gravel Pits/Quarries, Private Works, Property Portfolio.

COMMUNITY SERVICES

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Pest Control – Health, Immunisation, Preventive Health Services, Other Health Services, Community Support, Home Assistance Scheme, Children and Youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities, Bus Shelters, Cemeteries / Crematoria, Public Conveniences, Car Parking – non-fee-paying, Telecommunications Networks, and Other Community Amenities.

CULTURE

Static Library Service, Museums and Art Galleries, and Other Cultural Services.

ECONOMIC DEVELOPMENT

Regional Development, Support to Local Businesses, Tourism, and Other Economic Development.

ENVIRONMENT

Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

RECREATION

Jetties, Other Marine Facilities, Parks and Gardens, Sports Facilities – Outdoor and Other Recreation.

REGULATORY SERVICES

Dog and Cat Control, Building Control, Town Planning, Clean Air/Pollution Control, Litter Control, Health Inspection, Other Fire Protection, Parking Control, and Other Regulatory Services.

TRANSPORT

Bridges, Footpaths and Kerbing, Roads – sealed, Roads – formed, Roads – natural formed, Roads – unformed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

PLANT HIRE & DEPOT

Plant Hire and Depot Costs.

UNCLASSIFIED ACTIVITIES

Infrastructural Management, Technical Service and Building Management.

COUNCIL ADMINISTRATION

Governance, Administration n.e.c., Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose and Separate Rates.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

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

Terms & Conditions:

Deposits are at call with rates varying throughout the year.

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - Rates & Associated Charges

Accounting Policy:

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

Terms & Conditions:

Secured over the subject land, arrears attract interest of 0.43% (2020: 0.53%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Fees & Other Charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Other Levels of Government

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value.

Liabilities - Creditors and Accruals

Accounting Policy:

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities - Interest Bearing Borrowings

Accounting Policy:

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

Terms & Conditions:

Secured over future revenues, borrowings are repayable semi annually; interest is charged at fixed & variable rates between **1.30%** and **6.87%** (2020: **2.20%** and **6.87%**).

Carrying Amount:

Approximates fair value.

Liabilities - Leases

Accounting Policy:

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

\$ '000	Due in less than 1 year	Due between 1 year & 5 years	Due in more than 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
2021					
Cash & Cash Equivalents	2,249	—	—	2,249	2,249
Receivables	1,903	61	18	1,982	1,974
Total Financial Assets	4,152	61	18	4,231	4,223
Financial Liabilities					
Payables	1,399	—	—	1,399	1,399
Current Borrowings	2,763	—	—	2,763	2,763
Non-Current Borrowings	—	2,607	313	2,920	2,555
Leases	64	27	—	91	93
Total Financial Liabilities	4,226	2,634	313	7,173	6,810
2020					
Cash & Cash Equivalents	39	—	—	39	39
Receivables	1,859	61	33	1,953	1,939
Total Financial Assets	1,898	61	33	1,992	1,978
Financial Liabilities					
Payables	1,199	—	—	1,199	1,199
Current Borrowings	2,360	—	—	2,360	2,360
Non-Current Borrowings	—	3,513	629	4,142	3,576
Leases	46	56	—	102	101
Total Financial Liabilities	3,605	3,569	629	7,803	7,236

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

\$ '000	2021		2020	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	1.38%	1,742	2.20%	1,664
Fixed Interest Rates	6.26%	3,668	6.21%	4,373
		5,410		6,037

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 the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

Risk Exposures

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

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2021	2020
---------	------	------

(a) Capital Commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Infrastructure	151	27
	151	27

These expenditures are payable:

Not later than one year	151	27
	151	27

(b) Other Expenditure Commitments

Other non-capital expenditure commitments at the reporting date but not recognised in the financial statements as liabilities:

Audit Services	20	19
Waste Management Services	1,022	928
Remuneration Contracts	138	135
	1,180	1,082

These expenditures are payable:

Not later than one year	1,180	1,082
	1,180	1,082

Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Financial Indicators

\$ '000	Indicator 2021	Indicators 2020	Indicators 2019
Financial Indicators overview			
<i>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.</i>			
1. Operating Surplus Ratio			
Operating Surplus			
Total Operating Income	(8.5)%	(5.0)%	0.6%
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>			
2. Net Financial Liabilities Ratio			
Net Financial Liabilities			
Total Operating Income	49%	43%	36%
<i>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.</i>			
Adjustments to Ratios			
<i>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.</i>			
Adjusted Operating Surplus Ratio			
Operating Surplus			
Total Operating Income	(8.5)%	(4.4)%	(0.6)%
Adjusted Net Financial Liabilities Ratio			
Net Financial Liabilities			
Total Operating Income	49%	43%	36%
3. Asset Renewal Funding Ratio			
Net Asset Renewals			
Infrastructure & Asset Management Plan required expenditure	82%	79%	83%
<i>Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>			

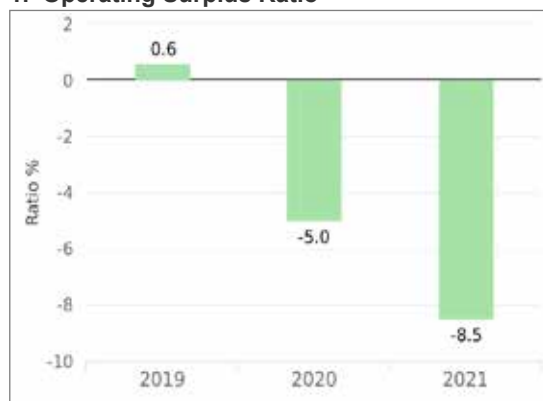
Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Financial Indicators (continued)

Financial Indicators - Graphs

1. Operating Surplus Ratio



Purpose of operating surplus ratio

This indicator is to determine the percentage the operating revenue varies from operating expenditure

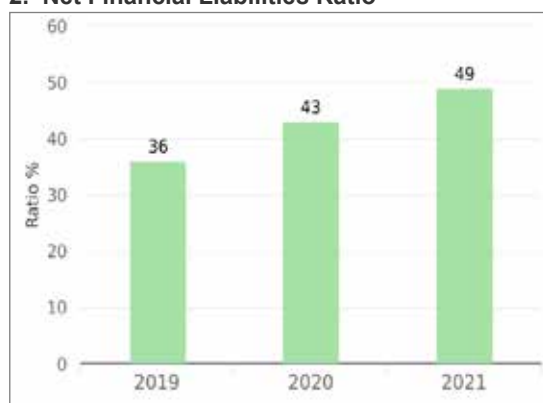
Commentary on 2020/21 result

2020/21 ratio (8.5)%

Normal operations of Council returned a 1.7% surplus for 2020/21 before the effect of the losses from Council's equity stake in the Fleurieu Regional Waste Authority (FRWA) is taken into account. Council had an equity stake of 15% in FRWA which has recorded a loss of \$9,861,184 for 2020/21. The loss in Council's books is \$1,479,178.

Details of this loss and the accounting for it are covered in notes 1.2, 3b, 8c, 19 and 21 in these Financial Statements.

2. Net Financial Liabilities Ratio



Purpose of net financial liabilities ratio

This indicator shows the significance of the net amount owed to others, compared to operating revenue

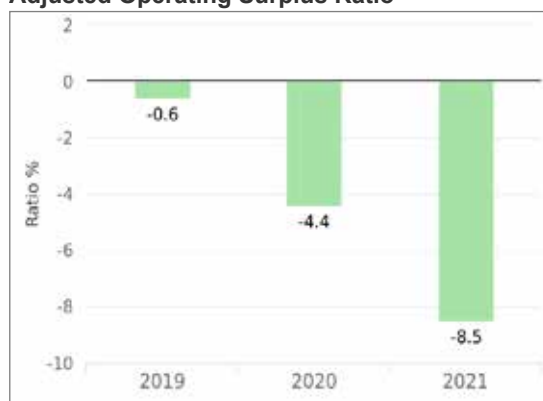
Commentary on 2020/21 result

2020/21 ratio 49%

The Net Financial Liabilities include a provision of \$1,346,044 being 15% (Council's equity stake) of the (negative) Equity value of FRWA. Excluding this provision the Net Financial Liabilities Ratio (NFL) would be 40%.

The NFL is below the recommended threshold of 100%. Council is currently paying less in interest payments in 2020/21 than in anytime in over 15 years.

Adjusted Operating Surplus Ratio



Purpose of adjusted operating surplus ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2020/21 result

2020/21 ratio (8.5)%

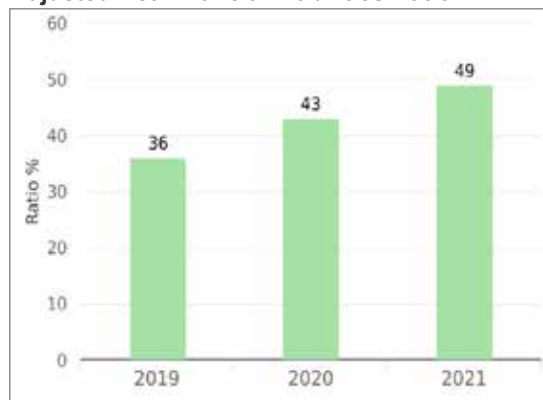
There is no material change in this indicator due to the timing of Financial Assistance Grants.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Financial Indicators (continued)

Adjusted Net Financial Liabilities Ratio



Purpose of adjusted net financial liabilities ratio

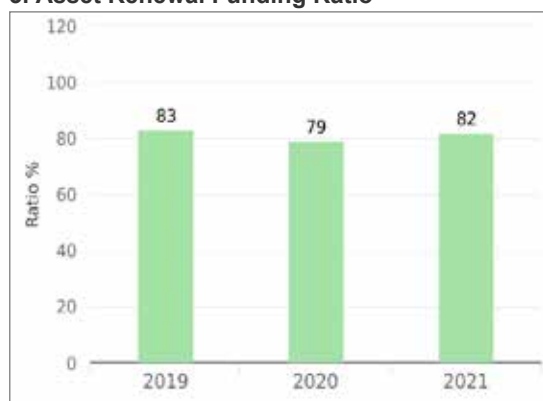
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2020/21 result

2020/21 ratio 49%

There is no material change in this indicator due to the timing of Financial Assistance Grants.

3. Asset Renewal Funding Ratio



Purpose of asset renewal funding ratio

This indicator aims to determine if assets are being renewed and replaced in an optimal way

Commentary on 2020/21 result

2020/21 ratio 82%

Council's Asset Management Plans are fully funded to ensure that assets are maintained appropriately. Where necessary assets may be upgraded as a part of this process if it is deemed necessary to lift the service level being offered by those assets.

Where such upgrades occur the expenditure is excluded from the calculation of this ratio as the ratio is specifically for expenditure that maintains assets and service level at a constant.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 16. Uniform Presentation of Finances

\$ '000	2021	2020
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	14,468	13,764
less Expenses	(15,700)	(14,454)
Operating Surplus / (Deficit)	(1,232)	(690)
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(2,272)	(2,200)
add back Depreciation, Amortisation and Impairment	3,080	3,153
add back Proceeds from Sale of Replaced Assets	154	174
	962	1,127
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(1,702)	(610)
add back Amounts Received Specifically for New and Upgraded Assets	2,956	–
add back Proceeds from Sale of Surplus Assets (including investment property, real estate developments & non-current assets held for resale)	82	23
	1,336	(587)
Net Lending / (Borrowing) for Financial Year	1,066	(150)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Office Equipment

Office Equipment leases accounted for as Right-of use assets include server rental for 3 years and photocopier rental for 4 years.

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

(a) Right of use assets

\$ '000	Office Equipment	Software	Total
2021			
Opening balance	98	–	98
Additions to right-of-use assets	–	52	52
Depreciation charge	(46)	(17)	(63)
Balance at 30 June	52	35	87
2020			
Opening balance	144	–	144
Depreciation charge	(46)	–	(46)
Balance at 30 June	98	–	98

(b) Lease liabilities

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

\$ '000	2021	2020
Balance at 1 July	101	144
Additions	52	–
Accretion of interest	4	3
Payments	(64)	(46)
Balance at 30 June	93	101
Classified as:		
Current	62	43
Non Current	31	58

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

The Group had total cash outflows for leases of \$64k.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 17. Leases (continued)

\$ '000	2021	2020
The following are the amounts recognised in profit or loss:		
Depreciation expense of Right-of-Use Assets	63	46
Interest expense on lease liabilities	4	3
Expense relating to short term leases	3	20
Expense relating to leases of low-value assets	—	—
Total amount recognised in profit or loss	70	69

(ii) Council as a lessor

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

(i) Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

\$ '000	2021	2020
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	52	66
Later than one year and not later than 5 years	156	169
Later than 5 years	18	54
	226	289

Notes to the Financial Statements

for the year ended 30 June 2021

Note 18. Superannuation

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 2020/21; 9.50% in 2019/20). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

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

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

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2021. 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 the Financial Statements

for the year ended 30 June 2021

Note 19. Interests in Other Entities

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

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2021	2020	2021	2020
Council's Share of Net Income				
Joint Ventures	(154)	31	23	177
Total Council's Share of Net Income	(154)	31	23	177

((a)i) Joint Ventures, Associates and Joint Operations

(a) Carrying Amounts

\$ '000	Principal Activity	2021	2020
Southern & Hills Local Government Association	Undertakes a regional coordinating, representational, advocating and marketing role on behalf of its member councils.	23	46
Fleurieu Regional Waste Authority	An authority formed by the member councils of the Fleurieu Peninsula in South Australia in order to manage their waste and recycling.	–	131
Total Carrying Amounts - Joint Ventures & Associates		23	177

Southern & Hills Local Government Association

In conjunction with District Council of Yankalilla, other Constituent Councils are Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mount Barker District Council and City of Victor Harbor.

Fleurieu Regional Waste Authority

In conjunction with District Council of Yankalilla, other Constituent Councils are Alexandrina Council, Kangaroo Island Council and City of Victor Harbor.

(b) Relevant Interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2021	2020	2021	2020	2021	2020
Southern & Hills Local Government Association	12.50%	12.50%	12.50%	12.50%	12.50%	12.50%
Fleurieu Regional Waste Authority	15.00%	15.00%	15.00%	15.00%	25.00%	25.00%

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19. Interests in Other Entities (continued)

(c) Movement in Investment in Joint Venture or Associate

\$ '000	Southern & Hills Local Government Association		Fleurieu Regional Waste Authority	
	2021	2020	2021	2020
Opening Balance	46	29	131	117
Share in Operating Result	(23)	17	(131)	14
Council's Equity Share in the Joint Venture or Associate ¹	23	46	–	131

(1) The disclosure above shows Council's share in of the Net Assets of the Fleurieu Regional Waste Authority (FRWA) as being zero, while its equity stake is 15% and FRWA's net assets are -\$8,973,627. Accounting standard AASB 128 requires that after the interest in an equity accounted subsidiary is reduced to zero, further losses are provided for by recognising a liability for the value of its legal obligations. This accounting reflects the context in which these financial statements are prepared. The Charter of FRWA to which Council is a signatory requires that the constituent Councils to contribute additional funds when required to do so. Schedule two (31) (1) of the Local Government Act states, 'Liabilities incurred or assumed by a regional subsidiary are guaranteed by the constituent councils'. The resulting liability of \$1,346,044 is shown in the Provisions and detailed in note 8c.

(d) Summarised Financial Information of the Equity Accounted Business

Statement of Financial Position

Cash and Cash Equivalents	202	376	1,385	1,983
Other Current Assets	–	10	987	587
Non-Current Assets	–	–	4,327	4,155
Total Assets	202	386	6,699	6,725
Current Trade and Other Payables	(3)	15	2,271	2,279
Current Financial Liabilities	–	–	811	461
Current Provisions	23	4	10,336	562
Non-Current Financial Liabilities	–	–	2,191	2,459
Non-Current Provisions	–	–	64	89
Total Liabilities	20	19	15,673	5,850
Net Assets	182	367	(8,974)	875

Statement of Comprehensive Income

Other Income	82	478	9,222	9,345
Contributions from Constituent Councils	91	82	–	–
Interest Income	1	2	–	–
Total Income	174	562	9,222	9,345
Employee Costs	–	–	3,085	3,115
Materials, Contracts & Other Expenses	356	418	15,239	5,357
Depreciation, Amortisation and Impairment	–	–	659	706
Finance Costs	4	4	100	115
Total Expenses	360	422	19,083	9,293
Operating Result	(186)	140	(9,861)	52

Notes to the Financial Statements

for the year ended 30 June 2021

Note 20. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled **1,026** km of road reserves of average width **19** metres.

2. POTENTIAL INSURANCE LOSSES

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

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

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

3. LEGAL EXPENSES

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 no outstanding appeals against planning decisions made prior to reporting date.

Note 21. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2021, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

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

The Fleurieu Regional Waste Authority (FRWA) Charter sets the Equitable Interest of the Constituent Councils in FRWA. The Charter which was in effect at the date of the balance sheet set the District Council of Yankalilla's Equitable Interest at 15%.

On the 19 August 2021 a new FRWA Charter came into force. This updated Charter sets the District Council of Yankalilla's Equitable Interest at 10%. Future contributions and provisions will reflect this lower level. As such the District Council of Yankalilla may record a material decrease in its provision resulting from its interest in FRWA in the 2021/22 financial year.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 22. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999 . In all, 13 persons were paid the following total compensation:

\$ '000	2021	2020
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The compensation paid to Key Management Personnel comprises:

Short-Term Employee Benefits	821	849
Total	821	849

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

Other Related Parties

Payments to other parties that are deemed to be related to Council.

Fleurieu Regional Waste Authority	929	1,003
Dog and Cat Management Board	–	11
LG Professionals	10	–
Regional Development Australia	27	–
Fleurieu Peninsula Tourism	26	–
Second Valley Progress Association	1	6
Fleurieu Coast Event & Party Hire	1	–
Normanville Mitre 10	23	19
Total	1,017	1,039

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DISTRICT COUNCIL OF YANKALILLA

Opinion

We have audited the accompanying financial report of the District Council of Yankalilla, which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the District Council of Yankalilla as of 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

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

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

Emphasis of Matter – Building Valuation

We draw attention to Note 1.2 of the financial report, which explains that there is significant uncertainty in the estimation of the provision taken by FRWA. The provision is the best estimate of costs that may be incurred by FRWA in relation to the coordination and removal of asbestos containing materials from identified properties, however there may be properties yet identified to be identified and accounted for. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such internal control as the committee and management determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters 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 entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 18th day of November 2021

Bentleys SA Audit Partnership

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INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF THE DISTRICT COUNCIL OF YANKALILLA

Opinion

We have audited the compliance of the District Council of Yankalilla (the Council) with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2020 to 30 June 2021 are in accordance with legislative provisions.

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, established by the Council 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 Council have been conducted properly and in accordance with legislative provisions for the period 1 July 2020 to 30 June 2021.

Limitation on Use

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

Limitations of Controls

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

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

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

The Council's Responsibility for the Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities are in accordance with legislative provisions.

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. 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 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 *Council* 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 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of internal controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis on the assessed risks.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 18th day of November 2021

General Purpose Financial Statements

for the year ended 30 June 2021

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of District Council of Yankalilla for the year ended 30 June 2021, the Council's Auditor, Bentleys 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*.



Nigel Morris
Chief Executive Officer



Christine Hahn
Audit Committee Chair

Date: 16 November 2021

Bentleys SA Audit Partnership

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of District Council of Yankalilla for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, 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*.

Bentleys SA Audit Partnership



David Papa
Partner

Dated at Adelaide this 30th day of September 2021.

Appendix B

Fleurieu Regional Waste Authority



Fleurieu Regional Waste Authority

Annual Report 2020-21



FLEURIEU REGIONAL
WASTE AUTHORITY



Front cover: FRWA RACV at the HMAS Hobart Memorial Lookout

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Message

From the Independent Chairperson

It is my pleasure to present the Fleurieu Regional Waste Authority Annual Report for 2020-21.

The 2020-21 financial year was a challenging year, yet another one, following China Sword and the continuing pandemic. It was a year where the Authority and our member Councils collaborated on a number of issues to ensure that the Authority continues to deliver positive outcomes for the Councils and their communities that it serves.

It is now the tenth year of operation of the Authority and, together with the member Councils, a significant review of the Authority's constitutional document, known as its Charter, was undertaken. The Councils recognise that the Authority is working in a dynamic, progressive and extremely competitive industry and agreed to amend the Charter in order to ensure that it is well placed, moving forward, to achieve its strategic objectives and to activate a local circular economy.

The other foundation document that the Authority and the Councils have worked together on, in a collaborative partnering approach, was the Fleurieu Regional Waste Authority Business Plan 2021-24. The Business Plan contains a raft of innovative initiatives to ensure that the Authority achieves the objectives goals of its Strategic Plan. The initiatives range from providing kitchen caddies in every home to expanding the services we provide and the development of a carbon emissions reduction road map. It was reassuring that all member Councils approve the plan in the early part of 2021.

The Board also took steps to improve and evolve the governance oversight of the Authority by not extending the Ministerial exemption but, instead, forming an Audit Committee accordance with the Local Government Act 1999. The Board formed the Audit Committee in June 2021 which will comprise up to five members including two who are independent. This, in my view, is a further example of the evolving maturity of what is now, an established Authority.

Financially, the Authority provided a positive outcome for all Councils with a healthy surplus, before extraordinary liabilities. Relevantly, the Authority, increased its own source revenue from a budgeted 24% to 28%, due to increased patronage at the Waste and Recycling depots as well as through an increase in the range of services it offered to the community.

However, in March 2021, staff discovered traces of asbestos within recycled road rubble that the Authority produces as part of its resource recovery activities at the Goolwa Waste and Recycling Depot. The Environment Protection Authority was notified and we have been working with consultants and contractors to remediate affected properties. The contamination has been found to date back to December 2018 with approximately 26,000 tonne of material being sold since that time. At the time of writing this Message, over 138 properties have registered as having purchased or received contaminated material with 5 properties fully remediated.

Whilst the remediation process has commenced with the contaminated material removed from 5 properties at the time of writing, Administration has undertaken a review of all recycling activities and implemented appropriate risk-management processes to minimise the risk of any recurrence. This is

an unfortunate incident, one that the Authority did not identify, but one which serves to highlight the challenges in resource recovery in the circular economy.

I am particularly proud of the increase in the range of services that FRWA now provides to the Council communities, in particular the Weekly Food Waste Collections for businesses and the Special Collections Services where residents and businesses can arrange additional waste collection services outside of the schedule of their normal collections. These services demonstrate a level of responsiveness to community but also innovative business-thinking that goes to less reliance on Council funding.

In the latter part of the financial year, the Authority was recognised for its part in the bush fire recovery program on Kangaroo Island. It was named as a finalist in the Local Government Professionals SA 2021 Leadership Excellence Awards, Excellence in Disaster Recovery & Emergency Response Management Award.

In closing, I recognise and thank the Management Team led by our Executive Officer, Simon Grenfell but also expressly acknowledge all of our employees for their ongoing commitment and support in providing the diverse, efficient and flexible resource management services that our communities are proud of. I also recognise and thank my fellow Board members for their vision, wise counsel and support over the past twelve months, noting that many will no longer be Board members into the future, consequent upon the changes being made to the governance structure of the Authority. Finally, special mention must be made of the support that the Authority has received from the CEO's of the member Councils over the past 12 months, in working through some of the challenging issues. Thank you, all.

Michael Kelleedy
Independent Chairperson
Fleurieu Regional Waste Authority



FRWA Governance

FRWA is administered by a Board in accordance with the requirements of the *Local Government Act 1999* and the Fleurieu Regional Waste Authority Charter. The membership of the Board comprises nine members including an Independent Chairperson, to govern and lead the Authority. The eight other members, comprise an elected member and an officer from each Constituent Council. This year we welcomed two new members in Paul Simpson from Kangaroo Island Council and Karen Rokicinski from the City of Victor Harbor. Paul Simpson replaced John Fernandez who has been a long time supporter of the Authority and has been either a Board member or deputy member over the past ten years. Karen replaced Glen Sanford who retired from the Board at the end of last year.

This year changes were made to the governance structure via the amended Charter that will see a revised Board in 2021/22.

Board Members: Paul Simpson, Simon Grenfell (EO), Karen Rokicinski, Tim Glazbrook, Elizabeth Williams, Alistair Christie, Michael Kelledy (Independent Chairperson), Andy Baker, Peter Denholm, Michael Scott.



The Board held seven meetings during the 2020-21 financial year. Given the wide area that the Authority covers, it holds Board meetings in each Council area during the year. The table below details the Board Member attendance.

Board Member	Meetings
Mr Michael Kelledy (Independent Chairperson)	7 of 7
Mr Andy Baker (District Council of Yankalilla)	6 of 7
Cr Alistair Christie (District Council of Yankalilla)	6 of 7
Cr Peter Denholm (Kangaroo Island Council)	7 of 7
Mr John Fernandez (Kangaroo Island Council)	2 of 2
Mr Paul Simpson (Kangaroo Island Council)	5 of 5
Cr Tim Glazbrook (City of Victor Harbor)	7 of 7
Ms Karen Rokicinski (City of Victor Harbor)	5 of 5
Cr Michael Scott (Alexandrina Council)	7 of 7
Ms Elizabeth Williams (Alexandrina Council)	6 of 7

Deputy Board Member	Meetings
Mr Brian Doman (City of Victor Harbor)	1 of 2
Mr Mark van der Pennen (Alexandrina Council)	1 of 1

Schedule 2 to the *Local Government Act 1999*, requires local government subsidiaries to establish an Audit Committee to ensure that the Authority meets its legislative and probity requirements as required by the Act and other relevant legislation, standards and codes.

FRWA was been granted an exemption from this provision by the Minister of Local Government until June 2021 from this requirement. A condition of this exemption is that FRWA establish an Internal Audit Committee to provide oversight of its risk and audit functions.

The Internal Audit committee held seven meetings during the 2020-21 financial year. The table below details the Internal Audit Committee Member attendance

Internal Audit Committee Member	Meetings
Mr Peter Fairlie-Jones (Independent Chairperson)	7 of 7
Cr Alistair Christie (District Council of Yankalilla)	6 of 7
Cr Tim Glazbrook (City of Victor Harbor)	4 of 4
Ms Karen Rokicinski (City of Victor Harbor)	4 of 5
Ms Elizabeth Williams (Alexandrina Council)	7 of 7
Mr Andy Baker (District Council of Yankalilla)	3 of 3
Brian Doman (City of Victor Harbor)	1 of 2

Executive Officer Report

The waste and resource sector is always throwing up challenges and this year was no different.

Despite the challenges of COVID-19, lockdowns, changing community behaviours and managing contaminated materials; we achieved the priority actions in the 2020-21 Business Plan.

This year we also undertook a number of initiatives to increase the range of services we provide to the community and reduce waste to landfill.

FRWA now provide weekly food waste collections for commercial businesses and special on-demand waste collections for business and holiday home owners that have a bin that needs to be collected urgently.

We rolled out kitchen caddies to Mt Compass households and undertook a Summer Recycling Collections Pilot. These initiatives will provide long term benefits through waste diversion and provide vital information for the development of policies and services in the future.

We have continued to improve the management of our business with the implementation of the 3Logix Waste Track system in our collection vehicles.

The weekly FOGO collections for commercial businesses allows people to recycle their food waste at work as well as at home. While special bin collections provides a service for holiday home owners to ring up and order an out of cycle bin collection. We also formalised the collection program for caravan parks that is tailored to meet their needs. These

programs provide a foundation for further diversion of waste from landfill into the future.

This included a Summer Recycling Collection Trial that provided weekly collection of Recycling bins and FOGO bins in the Chiton and Hayborough area this resulted in a diversion rate of 84% and provided valuable information that will inform the setting of summer time services in the future.

Food Waste is still the number one contributor of waste to landfill. In analysing our collection data it was found that Mt Compass had low presentation rates of FOGO Bins and higher bin weights than most other areas. FRWA supported by Alexandrina Council and Green Industries SA delivered kitchen caddies to all Mount Compass households, provided educational material, promoted the program through local publications and Facebook. The Mount Compass Area School got on board and implemented FOGO bins throughout their school to demonstrate how circular use of material. Peats Soils donated 150 bags of compost to give away as prizes.

The program was a success increasing the FOGO bin presentation rate from 42% to 58% and increased FOGO collection by 45%.

FRWA continues to be held up as the leading regional waste authority. I made presentations to the Green Industries SA Regional Waste Forum, the Waste Management Association Australia State Conference and to the Murray Lands and Riverland LGA. I also provided advice and assistance to the Copper Coast Council in its transition to fortnightly collection of kerbside waste and recycling.

The discovery of small traces of asbestos in crushed rock at the Goolwa Waste and Recycling Depot has been devastating for our recycling practices. We have reviewed our processes and are currently developing Recycled Product plans to ensure that we have procedures and practices in place that eliminates the risk of this occurring again.

FRWA will be working with consultants and contractors over the next twelve months to remediate the impacted properties and eliminate any risks to health and property.

This year's achievements would not have been possible without the commitment and hard work of the FRWA Board, the Constituent Councils and, importantly the staff of FRWA. I look forward to continuing to work with member Councils and the Board to build on these achievements into the future.

Simon Grenfell

Executive Officer

Fleurieu Regional Waste Authority



KIRRC Supervisor Brian Biddell with mulch produced by the FRWA In-Vessel Composter.

Our Mission & Objectives

About FRWA

The Fleurieu Regional Waste Authority (FRWA) is a local government regional subsidiary of the Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council. With a vision of *“FRWA will provide diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community are proud of”*.

Objectives

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

Key Performance Indicators

- Increase kerbside diversion rates from 50% to 70% by 2030
- Reduce the amount of organic waste in the blue bin from 44% to less than 15% by 2025
- Reduce contamination of the recycling bin to less than 8% by 2025
- Reduce greenhouse gas emissions of FRWA by 30% by 2030

Objective 2: Advocate and facilitate a local circular economy

Key Performance Indicators

- Value of recovered materials is increased by 10% by 2025
- Reduce freight kilometres by 5% by 2025
- Constituent councils purchase recyclable materials equivalent to 30% by weight of material collected in the yellow bin.

Objective 3: Provide flexible services that meet the needs of councils, residents and visitors.

Key Performance Indicators

- Reduce the number of bin banks in rural areas by 15% by 2025
- Increase range of services provided to customers by 20% by 2025
- Increase range of services provided to constituent Councils by 2025

Objective 4: Provide efficient and effective Regional Subsidiary

Key Performance Indicators

- Reduce the cost of kerbside collection per property by 5% by 2025, excluding CPI and solid waste levy
- Reduce the cost to councils of waste transfer station operations by 10% by 2025 excluding CPI and solid waste levy.

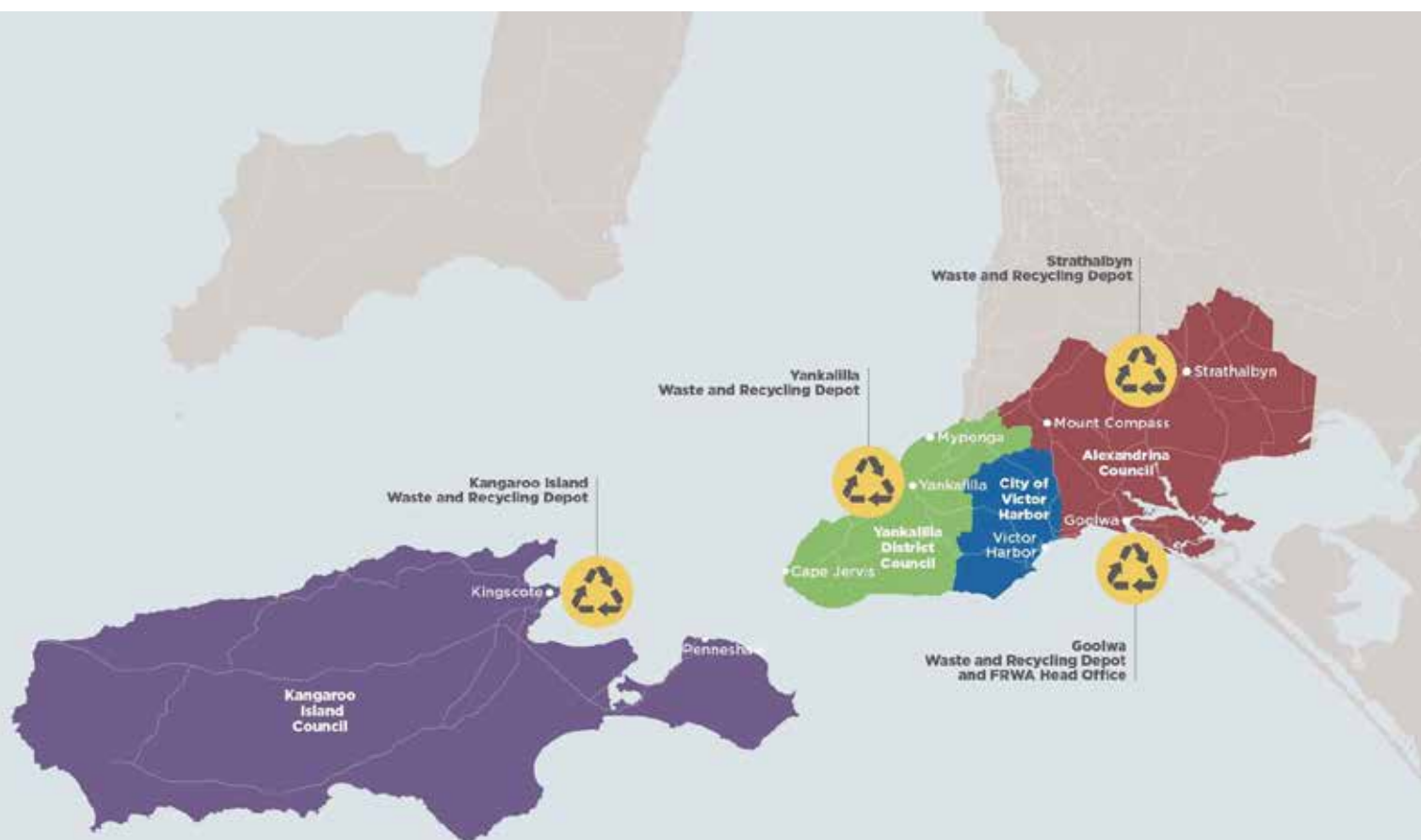
Our Services

The Fleurieu Peninsula and Kangaroo Island covers 7,341km² and has a resident population of 54,000 which increases by up to 50% in coastal areas during holiday periods.

FRWA is a fine example of local governments working together to achieve efficiencies across boundaries. We are capturing the best practices brought over from the Councils: reducing waste going to landfill, increasing recycling, and promoting a cleaner and healthier environment for today and tomorrow.

We offer a range of services to the communities we serve including:

- 3-bin fortnightly collection of kerbside waste
- Public Waste and Recycling Depots in Goolwa, Yankalilla, Strathalbyn and Kingscote
- Public Litter Bin collections
- Additional Waste Collection Services including: Event Bins, Weekly commercial FOGO collections, Exceptional Circumstances Bins
- Community Waste Education
- Customer Service
- Sale of composting equipment, kitchen caddies, bins and supplies
- Representation and advocacy on behalf of constituent Councils.



Kerbside Collection Services

FRWA has a fleet of 13 collection vehicles and provides fortnightly collection of waste, recycling and Food Organics Garden Organics to over 32,000 properties.

The kerbside collection teams continued to review their operations and improve their efficiency using data from the 3Logix Waste Track system installed in 2019/20.

These improvements included:

- The review and adjustment of the collection runs on Kangaroo Island
- Review and adjustment of collections runs around Strathalbyn
- The removal of five bin banks in Alexandrina Council
- Elimination of manual run sheets

FRWA have also sought to increase the range of kerbside waste collection services to the community.

To support and encourage the community to separate their waste and improve their recycling practices it is critical that they have access to services that suit their needs. FRWA provide a range of additional collection services including Exceptional Circumstances Bins and Additional Bins. This year we implemented a number of new services including:

Weekly Commercial FOGO

The Weekly Commercial FOGO service is aimed at commercial food producing businesses such as cafes, clubs and restaurants that are environmentally focused and want to

divert their food waste from landfill. The weekly collection of 140 litre bins does this. We developed a range of flyers, stickers and educational material as part of this service and are currently collecting 20 bins from 12 businesses across the Fleurieu Peninsula.

Special Collections Policy

Our community is diverse and varied and this is reflected in their waste management needs. To cater for this FRWA now provide a Special Collection Service where residents can ring up and book a collection of their general waste bin outside their regular collection cycle. This is particularly useful for holiday houses and businesses that create more waste than they can dispose of as part of their normal waste collection service.

Caravan Park Collection Policy

Collection services for Caravan Parks were previously unregulated and FRWA simply provided the service that the parks wanted. To encourage better management of waste FRWA created a Caravan Park Waste Collection Policy which details the services FRWA provides and the fees and charges. This has reduced the number of bins put out by caravan parks and the time our collection vehicles are spending collecting the waste.

These new services has led to a 47% increase in additional bin services and increased revenue. More importantly increased personal responsibility for waste management.

The diversion of waste from landfill is a key driver for FRWA. We collect data across all of our businesses to monitor and measure our diversion. This year we reviewed the presentation of our statistics and provided a trending graph to better represent the changes in waste generation.

COVID-19 continues to impact our waste streams in different ways. It appears that DC Yankalilla and KI Council had an influx of visitors which has increased total waste production, in particular MSW. This has had a negative impact on those Councils diversion rates. WRD's have seen an increase in activity due to an active economy supported by government grants.

This financial year kerbside material tonnages increased by 7%, with increases across all waste streams. Waste diversion across the region increased from 58% to 59% with the City of Victor Harbor achieving 62% diversion of waste from landfill with FOGO becoming the predominate waste stream for that Council.

As a region our kerbside diversion rates increased from 58% to 59% and WRD diversion rates remained static at 80%. These rates are still amongst the highest in South Australia.

COUNCIL	WASTE	FOGO	RECYCLING	DIVERSION
Alexandrina	+2% 4711	+4% 4123	+4% 2731	+1% 59%
City of Victor Harbor	+5% 2605	+0% 2611	+1% 1647	+2% 62%
DC Yankalilla	+13% 1163	867 -1%	+9% 635	0% 56%
Kangaroo Island	+22% 986	+21% 394	+20% 530	+2% 48%
Total (tonnes)	+6% 9465	+3% 7996	+5% 5544	+1% 59%

*Tonnes collected compared to 2019/20

Waste and Recycling Depots

The FRWA Waste and Recycling Depots continue to provide an important service to the communities.

All waste and recycling depots have experienced a significant increase in patronage and incoming waste.

Across the region, waste managed by the waste and recycling depots has increased by 21%. Customer numbers have increased at the Goolwa Waste and Recycling Depot by 13%.

Waste diversion from landfill has increased to 84% for the region with significant increases in diversion at the Yankalilla WRD and Kangaroo Island Resource Recovery Centre. Mulch and compost sales have been strong across the region with over 13,000m³ being sold from our depots.

This resulted in an increase in revenue and positive results for Councils.

The KIRRC continued to assist the KI Community recover from the bush fires of 2020 by receiving 3000m³ of chipped timber waste. This is being composted via our in-vessel composter and sold back to the community.

The Gosse fire waste disposal site was fenced and revegetated by the Kangaroo Island

Landscape Board with 300 tube stock and direct seeded with 6kg of seeds.

FRWA completed its plant replacement program for the year replacing the following plant items:

- 2 Robotic Arm Collection Vehicles
- Skid Steer Loader at the KIRRC
- Waste Education Officer Ute.

To improve access to transactional data and reduce paperwork for our staff a point of sale terminal was installed at the Strathalbyn Waste and Recycling Depot. It is planned to roll out point of sale terminals to the Yankalilla and Kangaroo Island facilities in the 2021-22 financial year.

FRWA continues to support the community through its policies with 53 organisations receiving \$250 credit to dispose of waste at our depots or purchase bins.

84% Waste diverted from landfill

53 community organisations receive \$250 towards waste management costs.

13,861 m³ of mulch sold back to the community.



Volunteers from the KI Landscape Board planting at the Gosse fire waste site.

Waste Education and Projects

Waste Education continues to be an important part of FRWA's activities. This year we had to adapt our approach with public education activities reduced due to COVID-19, therefore we focused on specific projects.

The summer period is a great time to be on the Fleurieu Peninsula. It is a time for holidays, celebrations and good times. Managing waste and recycling has always been a challenge for the Authority and Councils with additional collections of bins always scheduled.

The general waste bin is currently collected weekly for 6 weeks from mid-December to the end of January. This has worked well previously and is a service that is welcomed by the community, but as our community becomes better recyclers and less prone to just throw everything in the waste bin they start to demand more recycling services.

This year FRWA undertook a Summer Recycling Collection Trial in the Chiton Hayborough area where for the six week summer period FOGO and Recycling bins were collected weekly and General Waste was collected fortnightly.

The trial was a huge success with the community supporting the additional collections. 84% of waste from the trial area was diverted from landfill. Further work will be done in 2021/22 prior to making recommendations to member Councils for the 2022/23 summer.

With Food Waste still the number one contributor of waste to landfill. In analysing our collection data it was found that Mt Compass had low presentation rates of FOGO Bins and higher bin weights than most other areas. FRWA supported by Alexandrina Council and Green Industries SA delivered kitchen caddies to all Mount Compass households, provided educational material, promoted the program through local publications and Facebook. The Mount Compass Area School got on board and implemented FOGO bins throughout their school to demonstrate how circular use of material. Peats Soils donated 150 bags of compost to give away as prizes.



Mel from the Motherduck Café with her commercial FOGO bin

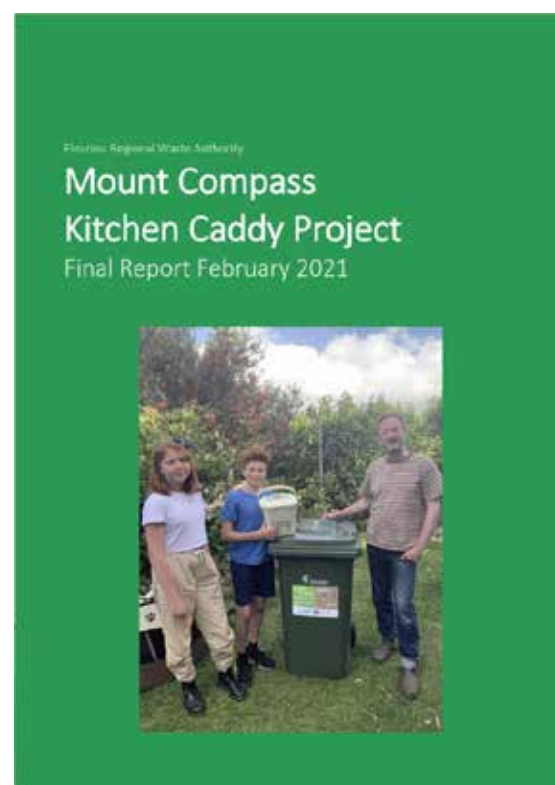
The program was a success increasing the FOGO bin presentation rate from 42% to 58% and increased FOGO collection by 45%. Our staff further supported the increase in FOGO by promoting and developing infrastructure for the Weekly FOGO Collection Service.

We continued to review our kerbside collection calendars and this year upgraded the Kangaroo Island Collection Calendar to match the “Which Bin” style formatting.

We have improved our digital communications with FRWA establishing a Facebook Page. We now have nearly 500 followers and our posts reaching over 11,000. We continue to improve this platform with competitions and informative posts that engage the community.

We are currently in the process of upgrading our website with it planned for completion in September 2021.

Our Waste Education staff are also utilising the 3Logix Waste Track System and are sending out letters to households regarding contamination.





Mount Compass FOGO Project – Summary Outcomes

To increase the amount of FOGO diverted from landfill, HEMA provided Mount Compass households with kitchen tins to November 2019 and engaged with the community through the local school, business, the community newspaper and social media.

The following outcomes have been realised so far:

<p>460</p> <p>Kitchen tins sent to households</p>	<p>200</p> <p>Private waste business support</p>	<p>60</p> <p>Days of FOGO bins supplied to local businesses</p>
<p>75%</p> <p>Household waste diverted from landfill</p>	<p>58%</p> <p>Households now participating in curbside FOGO collection</p>	<p>45%</p> <p>Increase in tonnes of FOGO collected (2019)</p>

FLEURIEU REGIONAL WASTE AUTHORITY

Financial Statements

Fleurieu Regional Waste Authority
General Purpose Financial Reports
for the year ended 30 June 2021

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FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2021 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.


.....
Michael Kellidy
CHAIR OF THE BOARD


.....
Simon Grenfell
EXECUTIVE OFFICER

Date: 22 September 2021

Fleurieu Regional Waste Authority
Statement of Comprehensive Income
for the year ended 30 June 2021

		2021	2020
	Notes	\$	\$
INCOME			
User charges	2	9,024,433	9,083,674
Grants, subsidies and contributions	2	159,570	234,771
Investment income	2	338	2,581
Reimbursements	2	7,140	15,349
Other income	2	30,009	9,064
Total Income		9,221,490	9,345,439
EXPENSES			
Employee costs	3	3,084,886	3,115,286
Materials, contracts & other expenses	3	15,238,693	5,356,982
Depreciation, amortisation & impairment	3	659,550	706,091
Finance costs	3	99,545	114,629
Total Expenses		19,082,674	9,292,988
OPERATING SURPLUS / (DEFICIT)		(9,861,184)	52,451
Asset disposal & fair value adjustments	4	12,821	40,653
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		(9,848,363)	93,104
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		(9,848,363)	93,104

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

Fleurieu Regional Waste Authority
Statement of Financial Position
as at 30 June 2021

		2021	2020
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,385,180	1,983,227
Trade & other receivables	5	894,345	492,572
Inventories	5	92,353	94,273
		<u>2,371,878</u>	<u>2,570,072</u>
Total Current Assets		<u>2,371,878</u>	<u>2,570,072</u>
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,327,509	4,154,770
Total Non-current Assets		<u>4,327,509</u>	<u>4,154,770</u>
Total Assets		<u>6,699,387</u>	<u>6,724,842</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	7	1,441,944	1,918,201
Contract Liabilities	7	829,393	360,745
Borrowings	7	810,587	461,466
Provisions	7	10,153,644	228,203
Other current liabilities	8	182,021	333,367
Total Current Liabilities		<u>13,417,589</u>	<u>3,301,982</u>
Non-current Liabilities			
Borrowings	7	2,190,843	2,458,850
Provisions	7	64,579	89,273
Total Non-current Liabilities		<u>2,255,422</u>	<u>2,548,123</u>
Total Liabilities		<u>15,673,011</u>	<u>5,850,105</u>
NET ASSETS		<u>(8,973,627)</u>	<u>874,736</u>
EQUITY	Notes	\$	\$
Accumulated Surplus		(8,973,627)	874,736
TOTAL EQUITY		<u>(8,973,627)</u>	<u>874,736</u>

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

Fleurieu Regional Waste Authority

Statement of Changes in Equity

for the year ended 30 June 2021

		Accumulated Surplus	TOTAL EQUITY
2021	Notes	\$	\$
Balance at end of previous reporting period		874,736	874,736
Net Surplus / (Deficit) for Year		(9,848,363)	(9,848,363)
Other Comprehensive Income		-	-
Balance at end of period		(8,973,627)	(8,973,627)

		Accumulated Surplus	TOTAL EQUITY
2020	Notes	\$	\$
Balance at end of previous reporting period		781,632	781,632
Net Surplus / (Deficit) for Year		93,104	93,104
Other Comprehensive Income		-	-
Balance at end of period		874,736	874,736

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

Fleurieu Regional Waste Authority
Statement of Cash Flows
for the year ended 30 June 2021

		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
<i>Receipts:</i>			
User charges		9,115,302	9,172,959
Investment receipts		338	2,581
Grants utilised for operating purposes		159,570	154,771
<i>Payments:</i>			
Employee costs		(3,084,886)	(3,115,286)
Materials, contracts & other expenses		(5,948,671)	(4,066,457)
Finance payments		(104,056)	(110,455)
Net Cash provided by (or used in) Operating Activities	9	137,597	2,038,113
 CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		-	80,000
Sale of replaced assets		153,956	108,545
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(948,344)	(1,173,926)
Expenditure on new/upgraded assets		(22,370)	(113,030)
Net Cash provided by (or used in) Investing Activities		(816,758)	(1,098,411)
 CASH FLOWS FROM FINANCING ACTIVITIES		\$	\$
<i>Receipts:</i>			
Proceeds from borrowings		785,980	1,166,664
<i>Payments:</i>			
Repayments of borrowings		(704,867)	(597,547)
Net Cash provided by (or used in) Financing Activities		81,113	569,117
Net Increase (Decrease) in cash held		(598,048)	1,508,819
 Cash & cash equivalents at beginning of period	9	1,983,227	474,409
Cash & cash equivalents at end of period	9	1,385,180	1,983,227

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

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 14 of the Local Government (Financial Management) Regulations 2011 22 September 2021.

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

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

There is significant uncertainty in the estimation of the provision for remediation costs of \$9,877,286 (refer to Note 3 Expenses, Note 7 Liabilities and Note 18 Economic Dependence), which is the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

The key estimates and assumptions used to determine the provision for remediation costs include the number of properties requiring remediation, the quantity of waste to dispose, consultant costs to manage the remediation process and contractor costs for site remediation.

Other areas of estimation uncertainty are given in the relevant sections of these Notes.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar.

2 The Local Government Reporting Entity

The Fleurieu Regional Waste Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1226 Port Elliot Road, Goolwa South Australia 5214. These financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

The Authority recognises revenue under AASB 1058 Income of Not-for-Profit Entities (AASB 1058) or AASB 15 Revenue from Contracts with Customers (AASB 15) when appropriate. In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer. In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

Council contributions

Revenue from Council contributions is recognized as the services are performed over the financial year.

Waste Disposal Operations

Revenue from waste disposal operations is recognized at the point in time the service is provided to the customer.

4 Cash, Cash Equivalents and other Financial Instruments

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 10.

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

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

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by the Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

6.4 Depreciation of Non-Current Assets

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

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

6.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, are not assessed for impairment.

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

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

7 Payables

7.1 Goods & Services

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

8 Contract Liabilities

Contract liabilities represent the Authority's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Authority recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Authority has transferred the goods or services to the customer.

9 Borrowings

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

10 Employee Benefits

10.1 Salaries, Wages & Compensated Absences

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

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

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

No accrual is made for sick leave as the Authority experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

Superannuation

The Authority makes employer superannuation contributions in respect of its employees to the employees' nominated superannuation fund. No changes in accounting policy have occurred during either the current or previous reporting periods.

11 *GST Implications*

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

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

12 *New and amended standards and interpretations*

The Authority applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Authority are listed below. The Authority has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to AASB 101 and AASB 108 Definition of Material:

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Authority.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME

		2021	2020
	Notes	\$	\$
<u>Revenue from Contracts with Customers:</u>			
USER CHARGES			
Council Contributions		6,271,291	5,621,498
Waste Disposal Operations		2,753,142	3,462,176
		<u>9,024,433</u>	<u>9,083,674</u>
<u>Other Revenue and Other Income:</u>			
		2021	2020
INVESTMENT INCOME	Notes	\$	\$
Interest on investments:			
Banks & other		338	2,581
		<u>338</u>	<u>2,581</u>
REIMBURSEMENTS			
- other		7,140	15,349
		<u>7,140</u>	<u>15,349</u>
OTHER INCOME			
Sundry		30,009	9,064
		<u>30,009</u>	<u>9,064</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Other grants, subsidies and contributions		159,570	234,771
		<u>159,570</u>	<u>234,771</u>
		<u>159,570</u>	<u>234,771</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSE

	Notes	2021 \$	2020 \$
EMPLOYEE COSTS			
Salaries and Wages		2,458,191	2,489,385
Employee leave expense		204,117	241,711
Superannuation	15	217,712	211,018
Superannuation - defined benefit plan contributions	15	19,876	11,065
Workers' Compensation Insurance		126,584	109,080
Other		58,406	53,027
Total Operating Employee Costs		3,084,886	3,115,286
Total Number of Employees		32	34
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		13,000	11,670
- Auditing of Internal Controls		2,000	2,000
Bad and Doubtful Debts		-	-
Board members' expenses		23,217	24,839
Rental charge - accrued		85,764	84,000
Subtotal - Prescribed Expenses		123,981	122,509
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,755,537	1,664,662
Energy		554,708	607,232
Waste Disposal		1,853,719	1,680,254
Maintenance		413,486	380,836
Legal Expenses		4,741	41,739
Parts, accessories & consumables		154,317	191,611
Professional services		93,384	61,911
Sundry		407,534	606,228
INDIVIDUALLY SIGNIFICANT ITEMS			
Provision for remediation costs	1.3,7,18	9,877,286	-
Subtotal - Other Materials, Contracts & Expenses		15,114,712	5,234,473
		15,238,693	5,356,982
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Plant, machinery & equipment		659,550	706,091
		659,550	706,091
FINANCE COSTS			
Interest on Loans		99,545	114,629
		99,545	114,629

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2021	2020
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	153,956	108,544
Less: Carrying amount of assets sold	141,135	67,891
Gain (Loss) on disposal	12,821	40,653
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	 12,821	 40,653

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - CURRENT ASSETS

		2021	2020
CASH & EQUIVALENT ASSETS	Notes	\$	\$
Cash on Hand and at Bank		455,186	1,456,657
Deposits at Call		929,994	526,570
		<u>1,385,180</u>	<u>1,983,227</u>
TRADE & OTHER RECEIVABLES			
Debtors - general		892,920	477,991
Prepayments		1,425	14,581
Total		894,345	492,572
Less: Provision for Impairment		-	-
		<u>894,345</u>	<u>492,572</u>
<i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>		-	-
INVENTORIES			
Stores & Materials		92,353	94,273
		<u>92,353</u>	<u>94,273</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	2020 \$'000				2021 \$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Fair Value Level								
Plant, machinery & equipment	4,154,770	7,364,399	(3,209,629)	4,154,770	4,327,509	7,268,743	(2,941,234)	4,327,509
Office equipment, furniture & fittings	-	3,280	(3,280)	-	-	-	-	-
Buildings & other structures	-	3,181	(3,181)	-	-	-	-	-
Total IPP&E	4,154,770	7,370,860	3,216,090	4,154,770	4,327,509	7,268,743	(2,941,234)	4,327,509
Comparatives	3,641,795	7,259,458	(3,617,663)	3,641,795	4,154,770	7,370,860	3,216,090	4,154,770

2020 \$	2021 \$									
Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
		New / Upgrade	Renewals				In	Out		
4,154,770		22,370	951,054	(141,135)	(659,550)	-	-	-	-	4,327,509
4,154,770	-	22,370	951,054	(141,135)	(659,550)	-	-	-	-	4,327,509
3,641,795										4,154,770
Plant, machinery & equipment										
Total IPP&E										
Comparatives										

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Buildings & Other Structures

Buildings and other structures are recognised on a cost basis.

Plant, Furniture & Equipment

These assets are recognised on a cost basis.

Capitalisation thresholds used by the Authority for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$5,000
Other Plant & Equipment	\$5,000
Buildings - new construction/extensions	\$10,000

Estimated Useful Lives: Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture & Equipment	3 to 20 years
Building & Other Structures	30 to 80 years

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 7 - LIABILITIES

		2021		2020	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		742,722	-	690,903	-
Accrued expenses - employee entitlements		189,781	-	258,491	-
Accrued expenses - other		509,441	-	968,807	-
		1,441,944	-	1,918,201	-
BORROWINGS					
Loans		810,587	2,190,843	461,466	2,458,850
		810,587	2,190,843	461,466	2,458,850

All interest bearing liabilities are secured over the future revenues of the Authority.

PROVISIONS

Employee entitlements (including oncosts)		219,956	64,579	186,802	89,273
Other Provisions		56,402	-	41,401	-
Provision for remediation costs	1.3,3,18	9,877,286	-	-	-
		10,153,644	64,579	228,203	89,273

In March 2021, the Authority undertook testing of its recycled road base material at the Goolwa Waste and Recycling Depot and found that the stockpile contained asbestos. The Authority notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of asbestos containing material from identified properties in South Australia, in accordance with specific remediation plans.

A provision for remediation costs has been recognised at 30 June 2021 and represents the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Remediation works commenced in July 2021 and the Board estimate that the majority of the remediation costs will be incurred, and remediation works completed, within the next 12 months.

This provision is a significant estimate as outlined in Note 1.3.

CONTRACT LIABILITIES

Revenue received in advance					
- additional collection services		83,125	-	53,745	-
- council contributions		746,268	-	307,000	-
		829,393	-	360,745	-

The Board approved the retention of surplus Council contributions as at 30 June 2021 for each Constituent Council to fund the asbestos contaminated material remediation project during the 2021/22 year.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 8 - OTHER CURRENT LIABILITIES

		2021	2020
		\$	\$
OTHER	Notes	Current	Current
Provision for rock crushing		182,021	333,367
		182,021	333,367

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2021 \$	2020 \$
Total cash & equivalent assets	5	1,385,180	1,983,227
Balances per Cash Flow Statement		<u>1,385,180</u>	<u>1,983,227</u>

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

Net Surplus (Deficit)	(9,848,363)	93,104
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	659,550	706,091
Net increase (decrease) in unpaid employee benefits	8,460	64,219
Grants for capital acquisitions treated as Investing Activity	-	(80,000)
Net (Gain) Loss on Disposals	(12,821)	(40,653)
	<u>(9,193,174)</u>	<u>742,761</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(401,773)	(112,243)
Net (increase) decrease in inventories	1,920	69,767
Net increase (decrease) in trade & other payables	(10,317)	1,123,004
Net increase (decrease) in other provisions	9,892,287	6,401
Net increase (decrease) in other liabilities	(151,346)	208,423
Net Cash provided by (or used in) operations	<u>137,597</u>	<u>2,038,113</u>

(d) Financing Arrangements

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

Corporate Credit Cards	10,000	10,000
LGFA Cash Advance Debenture facility	857,115	613,715

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021
Note 10 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables*.

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Bank deposits are measured at amortised cost, interest is recognised when earned</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 0.01% and 0.05% (2020: 0.01% and 0.05%).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p>
Liabilities - Creditors and Accruals	<p>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.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable in six monthly instalments; interest is charged at fixed or variable rates between 1.80% and 4.80% (2020: 1.80% and 4.80%)</p>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 10 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2021	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	1,385,180	-	-	1,385,180	1,385,180
Receivables	892,920	-	-	892,920	894,345
Total	2,278,100	-	-	2,278,100	2,279,525
<u>Financial Liabilities</u>					
Payables	1,572,115	-	-	1,572,115	1,572,115
Current Borrowings	503,853	-	-	503,853	433,250
Non-Current Borrowings	-	1,817,422	877,975	2,695,397	2,545,657
Total	2,075,968	1,817,422	877,975	4,771,365	4,551,023

2020	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	1,983,227	-	-	1,983,227	1,983,227
Receivables	477,991	-	-	477,991	492,572
Total	2,461,218	-	-	2,461,218	2,475,799
<u>Financial Liabilities</u>					
Payables	1,051,648	-	-	1,051,648	1,051,648
Current Borrowings	544,351	-	-	544,351	461,466
Non-Current Borrowings	-	1,487,610	1,151,021	2,638,631	2,458,850
Total	1,595,999	1,487,610	1,151,021	4,234,630	3,971,964

The following interest rates were applicable to the Authority borrowings at balance date:

	30 June 2021		30 June 2020	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Variable Rates	1.73	1,532,865	2.20	990,285
Fixed Interest Rates	2.55	1,468,565	2.72	1,930,031
		3,001,430		2,920,316

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 10 - FINANCIAL INSTRUMENTS (con't)

Net Fair Value

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

Risk Exposures:

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

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

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

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 11 - COMMITMENTS FOR EXPENDITURE

	2021	2020
Notes	\$	\$
Expenditure Commitments		
Expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Board & Employee Remuneration Contracts	707,982	916,539
Maintenance Contracts	-	-
	<u>707,982</u>	<u>916,539</u>
These expenditures are payable:		
Not later than one year	199,573	208,557
Later than one year and not later than 5 years	508,409	707,982
Later than 5 years	-	-
	<u>707,982</u>	<u>916,539</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 12 - FINANCIAL INDICATORS

	2021	2020	2019
Operating Surplus Ratio			
<u>Operating Surplus</u>	-107%	0.56%	-0.33%
Total Operating Income			

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	145%	37%	37%
Total Operating Income			

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Asset Renewal Funding Ratio

<u>Net Outlays on Existing Assets</u>	107%	87%	63%
Net Asset Renewals - IAMP			

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 13 - UNIFORM PRESENTATION OF FINANCES

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

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

	2021	2020
	\$	\$
Income	9,221,490	9,345,439
Expenses	<u>(19,082,674)</u>	<u>(9,292,988)</u>
Operating Surplus / (Deficit)	(9,861,184)	52,451
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(948,344)	(1,173,926)
Add back Depreciation, Amortisation and Impairment	659,550	706,091
Proceeds from Sale of Replaced Assets	<u>153,956</u>	<u>108,545</u>
	(134,838)	(359,290)
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(22,370)	(113,030)
Amounts received specifically for New and Upgraded Assets	-	80,000
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	-
	<u>(22,370)</u>	<u>(33,030)</u>
Net Lending / (Borrowing) for Financial Year	<u>(10,018,392)</u>	<u>(339,869)</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Independent Board Chair, External Member of the Internal Audit Committee and Executive Officer under section 112 of the Local Government Act 1999.

In all, three persons were paid the following total compensation:

	2021	2020
	\$	\$
Salaries, allowances & other short term benefits	183,379	109,852
Post-employment benefits	14,740	8,867
Long term benefits	4,803	48,633
Termination benefits	-	184,876
TOTAL	202,923	352,228

FLEURIEU REGIONAL WASTE AUTHORITY
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 15 – SUPERANNUATION

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2020-21; 10.00% in 2021-22). No further liability accrues to the Authority as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

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

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

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

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

Contributions to Other Superannuation Schemes

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

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 16 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

At times there are contingencies, assets and liabilities that do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to the user of the financial report in making and evaluating decisions about the allocation of scarce resources. From our knowledge there are no known contingencies, assets or liabilities that should be disclosed that have not been included in the balance sheet.

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 17 - EVENTS OCCURING AFTER REPORTING DATE IN THE BALANCE SHEET

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There are no other events subsequent to 30 June 2021 that need to be disclosed in the financial statements.

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 18 - ECONOMIC DEPENDENCE

Note 18 – Economic Dependence

A provision for remediation costs of \$9,877,286 has been recognised at 30 June 2021 (refer to Notes 1.3, 3 and 7). As a result, the Authority's current liabilities exceed its current assets at 30 June 2021 by \$11,045,711 and the Authority has a net deficiency of \$8,973,627.

The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils.

The Authority is reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY*****Opinion***

We have audited the financial report of Fleurieu Regional Waste Authority ("the Authority"), which comprises the Statement of Financial Position as at 30 June 2021, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Fleurieu Regional Waste Authority as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

Basis for Opinion

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

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

Emphasis of Matter – Provision for Remediation Costs

We draw attention to Note 1.3 and Note 7 of the financial report, which states that there is significant uncertainty regarding the estimation of the provision for remediation costs of \$9,877,286. The provision is the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 18 of the financial report, which states that the Authority's current liabilities exceed its current assets at 30 June 2021 by \$11,045,711 and that the Authority has a net deficiency of \$8,973,627. The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils. The Authority is reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Authority be unable to continue as a going concern and meet its debts as they fall due.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY (CONT)****Material Uncertainty Related to Going Concern (cont)**

The above conditions indicate that a material uncertainty exists that may cast significant doubt on the Authority's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Other Information

The Board is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board's Responsibility for the Financial Report

The Board of Fleurieu Regional Waste Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011. The Board's responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial report, the Board of Fleurieu Regional Waste Authority is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY (CONT)**

Auditor's Responsibilities for the Audit of the Financial Report (cont)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner

Adelaide
South Australia

23 September 2021

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY

We have audited the Internal Controls of Fleurieu Regional Waste Authority ("the Authority") under the requirements of *Section 129(1)(b)* of the *Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities for the year ended 30 June 2021 have been conducted properly and in accordance with law.

The Authority's Responsibility for the Internal Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Authority's compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the year ended 30 June 2021. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design of controls on a sample basis based on the assessed risks.

Limitation of Use

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

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY (CONT)

Inherent Limitations

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls specified above are undertaken on a test basis.

The opinion expressed in this report has been formed on the above basis.

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the Authority has complied, in all material respects, with *Section 129(1)(b) of the Local Government Act 1999* in relation to Internal Controls established by the Authority relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the year ended 30 June 2021.



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner

Adelaide
South Australia

23 September 2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Michael Kelledy

CHAIR OF THE BOARD
Fleurieu Regional Waste Authority

Date: 31 August 2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Simon Grenfell
EXECUTIVE OFFICER
Fleurieu Regional Waste Authority

Date: 30 August 2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

.....*Elizabeth Williams*.....
Elizabeth Williams

ACTING CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 06/09/2021

FLEURIEU REGIONAL WASTE AUTHORITY




ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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


.....
Victoria Macniruy
CHIEF EXECUTIVE OFFICER
City of Victor Harbor

Date:

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Nigel Morris
CHIEF EXECUTIVE OFFICER
District Council of Yankalilla

Date:

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Greg Georgopoulos
CHIEF EXECUTIVE OFFICER
Kangaroo Island Council

Date: 31/8/21 .

**FLEURIEU REGIONAL WASTE AUTHORITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of Fleurieu Regional Waste Authority for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board and in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Matthew O'Connor
Partner



Nexia Edwards Marshall
Chartered Accountants

23 September 2021



PO Box 2375, Goolwa SA 5214
1226 Port Elliot Road, Goolwa
Phone: (08) 8555 7405
www.frwa.com.au

Appendix C

Southern & Hills Local Government Association



ANNUAL REPORT

2020-2021



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Southern and Hills Local Government Association – Snapshot

6
Councils

SIZE
8,656
Square Kilometres

\$5.36b
GROSS
REGIONAL
PRODUCT

63,519
EMPLOYED
RESIDENTS

5,539
KILOMETERS OF
LOCAL ROADS

132,206
REGIONS
POPULATION

TOURISM
Destination

Councils Total
Revenue
\$192 MILLION

OCEAN COASTLINE OF
652
Kilometres

Largest Industry
Employment
**Health Care and
Social Assistance**



About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- Kangaroo Island Council
- Mt Barker District Council
- City of Victor Harbor
- District Council of Yankalilla

Collectively these six (6) Councils have:

- ☑ More than 126,000 people as of 30th June 2020.
- ☑ 5,539 kilometres of local roads
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$6 billion in gross value to the State economy
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

President's Report

It has been my pleasure to serve as President and Chair once again during 2020-2021.

I referred to the COVID19 virus pandemic in my previous years report and alluded to its impact "has been far reaching and yet to play out in full". Regrettably the impact has been far greater and longer and broader than we anticipated.

I wish to thank all S&HLGA member councils, all the elected members and the staff for their strong efforts to support each other and their own communities during this time.

Nonetheless we were still able as an organisation to continue the excellent work with many of our important regional programs and projects such as the work of the S&HLGA Roads Working Party and the development of a new 2030 Regional Transport Plan, monitoring the S&HLGA Regional Public Health plan and successfully rolling out two new critical social inclusion projects as well as implementing and monitoring the region's Climate Change Adaptation Plan.

We have continued to cement our many regional stakeholder and partner relationships, working very closely with the RDA to further the regional economic growth strategies and Infrastructure Plan, input into our two regional Landscape Boards Strategic plans supporting the establishment of the SA Coastal Councils Alliance as well as maintaining and reviewing key strategy and performance documents such as the Annual Action Items, Annual Budget and planning our new 2021-2025 Strategy and Business Plan. These activities are all designed to drive and improve the wellbeing of our communities.

I would once again point out the S&HLGA Value proposition report documents a consistent four figure percentage return on member Council subscriptions demonstrating amazing value for member councils.

S&HLGA has been an active participant on the LGA regional SAROC committee.

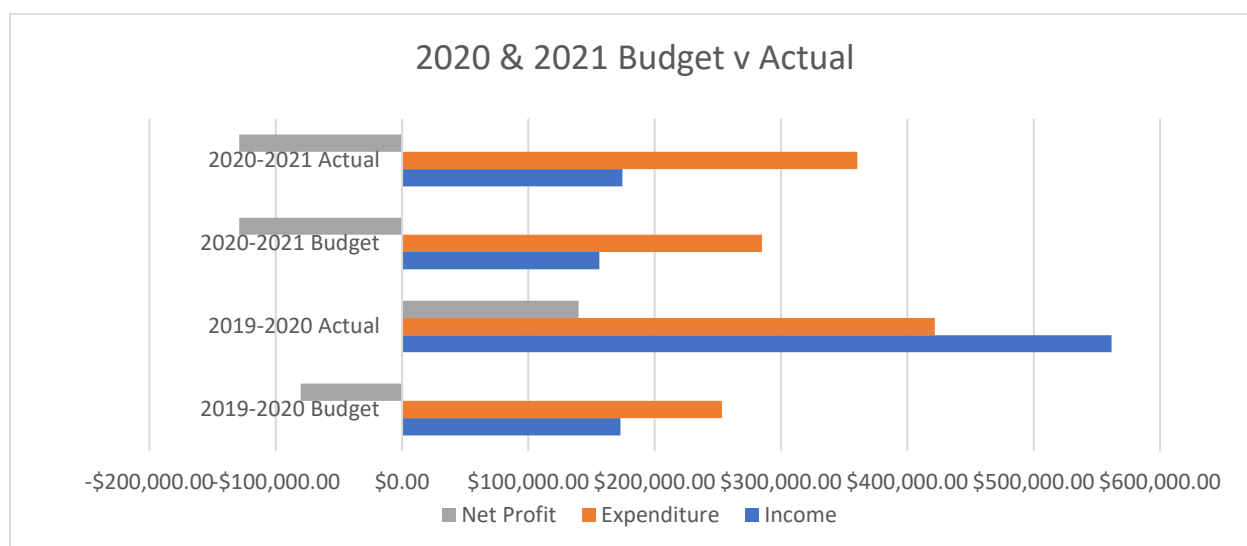
Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2020-2021 by Penny Worland in the Regional Public Health space.

In closing, I acknowledge and thank all the member councils for their support during the year and acknowledge the ongoing contribution of member Mayors and CEOs to the S&HLGA Board.

Mayor Keith Parkes
President



Dashboard 2020-2021



Transport

- Commenced the new 2030 S&HLGA Transport Plan
- Recommended for Special Local Roads Funding of \$1,853,300
- Active participant in South East Transport Corridor Passenger and Freight Committees and forums
- Progressed the South Coast Freight Route concept

Health and Wellbeing

- Continued with the development of the \$50,00 Community Wellbeing Indicators project
- Implemented and monitored the regional and member Council actions of the "Wellbeing in our Community" Regional Public Health Plan for S&HLGA
- Activated the two S&HLGA disability and inclusions projects, \$76,464 Regional Champions for Accessible Destinations and \$81,408 Regional Champions for Accessible Communications

Environment

- Successfully negotiated and signed a new Climate Change Regional sector Agreement
- Implemented and monitored the actions of the Resilient Hills and Coasts Climate Change 2020-2025 Regional Action Plan
- Actively worked with the LGA and our regional Landscape Boards on developing strategies to combat and manage Little Corellas

2021 S&HLGA Value Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$363,062	\$2,178,372
Capacity building	\$7,025	\$42,151
Total	\$390,087	\$2,340,523

ORGANISATION

S&HLGA Organisation and its Board structure, members and Office bearers

The Southern and Hills Local Government Association Board

July 2020

Council	Elected Member Representative	Council Staff Representative
Adelaide Hills	Mayor Jan – Claire Wisdom	CEO Andrew Aitken
Alexandrina Council	Mayor Keith Parkes	CEO Glenn Rappensberg
Kangaroo Island Council	Mayor Michael Pengilly	CEO Greg Georgopolous
Mt Barker District Council	Mayor Ann Ferguson	CEO Andrew Stuart
City of Victor Harbor	Mayor Moira Jenkins	CEO Victoria MacKirdy
District Council of Yankalilla	Mayor Glen Rowlands*	CEO Nigel Morris
	*resigned 17 June 2021	

Council	Proxy Representative	Role
Adelaide Hills	Lachlan Miller	Executive Manager Governance
Alexandrina Council		
Kangaroo Island Council	Bob Teasdale	Deputy Mayor
Mt Barker District Council	Samantha Jones	Councillor
City of Victor Harbor		
District Council of Yankalilla	Simon Rothwell*	Deputy Mayor
	*Appointed to S&HLGA Board 17 June 2021	

Office Bearers 2020 – 2021

President	Mayor Keith Parkes, Alexandrina Council
Deputy President	Mayor Moira Jenkins, City of Victor Harbor
Executive Officer	Mr Graeme Martin
Auditor	Mr Nathan Saluja, Jon Colquhoun - HLB Mann Judd

Elected under the provisions of the Constitution of the Local Government Association:

Delegates to LGA Board	Mayor Keith Parkes	
	Mayor Jan – Claire Wisdom (via Metro/GAROC)	
Delegates to SAROC	Mayor Keith Parkes	Alexandrina Council
	Mayor Moira Jenkins	City of Victor Harbor

**Southern & Hills Local Government Association
Past Presidents and Secretaries / Executive Officers**

Years	President	Council	Secretary / EO
2020 - 2021	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2019 – 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 – 2018	Mayor Keith Parkes ^g	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg ^f Mayor Ann Ferguson	Adelaide Hills Council DC Mount Barker	Graeme Martin
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler ^d Graeme Martin ^e
2010 - 2011	Mayor Ann Ferguson ^c Mayor Brian Hurn OAM	DC Mount Barker The Barossa Council	Fred Pedler ^b
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2002 - 2003	Mayor John Crompton ^a	City of Victor Harbor	Fred Pedler ^b
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler ^b
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler ^b
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 th July 1969	First Constitution for S&HLGA Adopted		

Attendance register maintained for annual and half yearly conferences from 1968 to 1990

^a Until 12th May 2003 ^b Executive Officer ^c From February 2011 ^d To December 2011 ^e From January 2012

^f From February 2015 ^g From December 2017

REPORTING AND ACCOUNTABILITY

S&HLGA Reporting flow and performance monitoring

S&HLGA Administration - Flow



The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain firsthand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
21 August 2020	Mt Barker
23 October 2020	Adelaide Hills
11 December 2020	Alexandrina
26 February 2021	Kangaroo Island
16 April 2021	Adelaide Hills
18 June 2021	City of Victor Harbor

Key Issues acted on by the Board included:

- o Transferring, updating and maintaining of the S&HLGA Website to the new LGA Squiz platform
- o Implementing and monitoring the S&HLGA Regional Public Health Plan
- o Continued the development of the Community Wellbeing indicators project
- o Commenced the two ILC disability and social inclusion projects
- o Implementing and monitoring the S&HLGA Regional Climate Change Adaptation Plan and 2020-25 Regional Action Plan
- o Co-ordinated and signed new Climate Change regional sector agreement with DEW
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and the South East Transport Corridor review
- o **The South Australian Regional Organisation of Councils (SAROC)** is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Commissioned the new 2030 Regional Transport Plan, Special Local Roads Program applications as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o Assisted in the development of the South Australian Coastal Councils strategy and funding model
- o Continued to discuss and develop an updated Charter for S&HLGA

Regional Consultations and briefings were usually coordinated to occur on the day of Board meetings. 5 various speakers addressed meetings of the Board.

The Board reviewed its achievements to date via the 2020-2021 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2021-2022

At the commencement of 2019-2020 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

S&HLGA Value proposition

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The table1 below summarise the ongoing value per council and for the region as a total.

2021 Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$363,062	\$2,178,372
Capacity building	\$7,025	\$42,151
Total	\$390,087	\$2,340,523

Table 1

The table 2 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past years

	2018	2019	2020	2021
Av Council membership	\$12,529	\$12,279	\$13,536	\$15,202
Value per Council	\$427,871	\$430,953	\$401,809	\$390,087
Return on Investment	3,375%	3,385%	2,968%	2,466%

Table 2

COMMITTEES, PROGRAMS AND PROJECTS

S&HLGA Committees, work groups and the programs and projects
undertaken during 2020-2021

Committees and Working/Task Groups

The S&HLGA EO was a member of the following Committees and Working Groups during the course of the year:

Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
Resilient Hills & Coast - Climate change Adaptation	Secretarial/Administration	Every 2 months	ongoing
Regional Economic Development Officers	Committee member	Every 2 months	ongoing
Regional EO Management Group	Committee member	Every 2 months	Precedes SAROC
S&HLGA Advisory Group	Secretarial/Administration	As necessary	Precedes S&HLGA Board
S&HLGA Roads Works Group	Secretarial/Administration	Ad hoc but at least 3 times per annum	ongoing
S&HLGA CWMS User Group	Secretarial/Administration	As necessary	ongoing
SAROC	Advisor/Observer	Every 2 months	ongoing



S&HLGA Roads Working Group

The Roads Working Party (RWP) has its membership drawn from directors /managers of technical services of Councils and as required regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure.

The RWP held meetings on:

Date	Host
15 December 2021	LGA Offices
22 April 2021	HDS (Aust) Pty Ltd offices

Key achievements and outcomes:

- Evaluated the tenders and appointed the consultant for the development of the 2030 S&HLGA Transport Plan
- Co-ordinated the application process of Councils to the SLRP.
- Made recommendations for the SLRP 2021 – 2022 based on the 2020 Transport Plan critical Roads database.

- Reviewed Part A drafts of the next 2030 S&HLGA Transport plan due for completion in 2021
- Further input into the South Coast Freight Corridor concept
- The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2021 – 2022

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Wedgewood/Hickmans Rd	Kangaroo Island	\$1,650,000	\$1,100,00	\$550,000	Stage 4 of 4
Forktree Rd	District Council of Yankalilla	\$1,130,000	\$753,300	\$376,700	Stage 2 of 2
The Lane	Kangaroo Island	\$1,024,000	\$682,666	\$341,334	Stage 1 of 2
Total		\$3,804,000	\$2,535,966	\$1,268,034	



S&HLGA Regional Public Health Plan

S&HLGA Regional Public Health Committee (RPHC) has its membership drawn from Health, Environment and social planning officers of the member Councils

The S&HLGA RPHC held meetings on:

Date	Host
14 July 2020	Alexandrina, Goolwa
8 December 2020	Alexandrina, Strathalbyn
2 March 2021	City of Victor Harbor
18 May 2021	Video Conference

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implement and monitor the Wellbeing in Our Community- Regional Public Health Plan
- Liaise with LGA officers responsible for Public Health Programs
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- Liaise with Public Health Researchers
- Prepare funding submissions for regional Public Health projects

Key achievements and outcomes:

- Of significant importance was the further development and administration of the Community Wellbeing Indicators project
- In addition, the region successfully commenced the two ILC grants for disability and inclusion projects for Communications and Destinations.



S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills and Coasts)

Resilient Hills and Coasts has its membership drawn from Environmental officers of the member Councils, RDA, Department of Water and Environment, Green Adelaide and Landscapes Board

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

Date	Host
8 October 2020	District Council of Yankalilla
2 December 2020	Adelaide Hills, Stirling
11 March 2021	Alexandrina, Goolwa
25 May 2021	Adelaide Hills, Stirling

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:
- S&HLGA presentations as required
- Implement and monitor the 2020-2025 Regional Action Plan
- Represent the region at forums and workshops
- Liaise with various "Climate Change" State Government agencies and authorities

Key achievements and outcomes:

- Developed and signed off on 2020-2025 Regional Sector Agreement
- Assisted South Australian Coastal Councils with funding and governance model
- Worked with SAROC developing a Little Corella management strategy
- Liaised with Hills and Fleurieu Landscape Board and had input into its Strategic Plan and annual business plan



Regional Economic Development Network Committee

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

This Committee has been formed with the Economic Development Officers from the S&HLGA Member Councils under the guidance of the RDA.

The RDA Economic Development Network Committee held meetings on:

Date	Host
10 August 2020	Video Conference
12 November 2020	Yankalilla, Normanville
8 February 2021	McLaren Vale
17 May 2021	Lobethal

Primary tasks and focus for this committee:

- To share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan
- Identify and collating infrastructure projects from Council plans
- Grade them according to Local, District or Regional category, dollar value and impact and probability
- Review the criteria to insure relevant social and environmental impacts are captured
- Generally, identify and develop regional economic growth strategies and opportunities

Key achievements and outcomes:

- Continued advocacy on behalf of effected Councils for bushfire recovery funding
- Assisted and guided applicants with their Federal Government Building Better Regions Fund
- Worked through the meeting Action items
- Shared information and knowledge about individual Council projects and programs



Regional LGA Organisations EO Management Group

The Regional LGA EO group has its membership drawn from each of the Executive Officers of the respective regional LGA organisations

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
2 July 2020	LGA House
27 August 2020	Whyalla
16 December 2020	LGA House
3 February 2021	Video Conference
28 April 2021	In - studio Adelaide

Primary tasks and focus for this committee:

- To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:
- Have input into SAROC Business Plans and the Agenda
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- Share information and provide collegiate support
- Develop a priority issues and action list

Key achievements and outcomes:

- Input into the SAROC 2020-2021 Business Plan
- Identified critical regional issues with CWMS and Waste recovery and developed research discussion papers on same
- Lead reviews of Special Local Roads Program and LGA Regional Capacity Building Grant program



SAROC

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils that included:

Key achievements and outcomes:

- Review of the 2020 SAROC Annual Business Plan and development of the 2021 SAROC Annual Business Plan
- Working on the management and control of abundant pest species particularly Little Corellas
- Assist and input into the development and rollout of the new Planning and Design Code

- Continued working on Coastal Council Alliance project and the development of its Governance structure, strategic plan and funding model
- Taking a leadership position on Waste and recycling strategy
- Continued its work with the State Government on support for the second tranche of Climate Change and adaptation sector partner agreements
- Continued working with the State Government on the role of the LG sector in any economic recovery and stimulus programs
- Advocated to address deteriorating medical services in regional areas



MP Relationships

In conjunction with the CEO and Chair of the RDA, the EO S&HLGA met regularly with the regions State government MPs (Finniss, Kavel and Heysen) to discuss key priorities and policy impact for the region.

Federal MP Rebekha Sharkie (Mayo) and/or members of her team were regular attendees at S&HLGA Board meetings

Regional Research Papers and Submissions

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- 2021 Value proposition
- Review of the S&HLGA Charter
- Response and input into the Hudson Howell review of the Special Local Roads Program
- Report for the signing of the second Climate Change Regional Sector agreement
- Report for the continuance of the exemption for an Audit Committee

Workshops and seminars

The Executive officer represented the member Councils at various workshops and seminars during the course of the year:

Date	Event
September 2020	LGA Reform workshop
October 2020	RDA Rail Corridor meeting
October 2020	LGA AGM
February 2021	Hills Transport passenger group workshop
February 2021	Premiers Climate Change Council of SA Leaders Awards
March 2021	Hills Transport freight group workshop
April 2021	Bailey Abbott opportunities meeting
May 2021	LGA SLRP workshop

LGA Board

Mayor Jan – Claire Wisdom (Adelaide Hills Council) along with Mayor Keith Parkes (Alexandrina Council) have represented the Southern and Hills Region at the Local Government Association State Board meetings.

Resources

The continuation of the capacity building grant from the Local Government Research and Development Scheme has improved the capacity of the Executive Officer that has been applied across a range of Association projects and programs during the year.

Part of the additional capacity has supported the administrative processes and project outcomes around the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, involvement with SAROC, the regional EO group, the regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Penny Worland has provided under contract, project oversight of the S&HLGA Community Wellbeing Indicators project, ILC Champions for accessible destinations, ILC Champions for accessible communications and a preliminary review of the current S&HLGA Regional Public Health plan in anticipation of a new S&HLGA 2021 Regional Public Health plan as required under legislation.

2020-2021 KEY ANNUAL ACTION PLAN

S&HLGA Key Annual Action Plan report for 2020-2021



KEY CATEGORIES & THEMES

THE 2017-2021 S&HLGA BUSINESS PLAN

OBJECTIVE
1. To provide leadership and advocacy for Member Councils on regional issues.
2. To market & promote the Southern & Hills Local Government Association
3. To support sustainable economic, environmental and social development in the region
4. To improve infrastructure to meet the community's needs.
5. To strengthen the capacity of the Association to meet its service obligations.

THE 2020-2021 S&HLGA ANNUAL KEY ACTION PLAN











Key themes

The LGA member's 2019 poll highlighted three major themes- Local Government reform, Waste strategy and Environmental/Climate change issues.

S&HLGA response:

- Managing in a post COVID 19 environment with expected revenue headwinds for member Councils – doing with less!
- The assessment of the history of S&HLGA value proposition demonstrates the high value of regional collaboration
- Be prepared for the “other side” and build in flexibility and nimbleness to respond to post COVID 19 recovery. Focus on the likely infrastructure opportunities via the co-operation with our RDA in refining our regional Infrastructure Priorities list
- Identify those projects and committees which may have to hibernate during 2020-2021. Actively seek external funding.
- Along with Business as usual in the administration area the Key 2020-2021 Action is the project scoping, appointment and production of the 2030 Regional Transport Plan
- Focus on any priority areas which have been on the radar but so far received minor attention. e.g., Waste

Theme	Items & Actions
General Administration (sound financial and compliance management)	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals.
Projects and support (sustainability and development)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Community Wellbeing Indicators project, 2030 Regional Transport Plan
Leadership, advocacy and marketing	LG reform, Continue relationship building with Government MPs, Website transition & maintenance, Peri-Urban grouping
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, External Funding, Regional Development Assessment Panel, Telecommunications and 5G

Theme	Items & Actions	Item	Status	Comment
General Administration (sound financial and compliance management)	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals, 3 year S&HLGA forward forecast	Budget		2020-2021 Budget adopted June 2020
		Charter review		Awaiting approval April 2021
		Subscriptions & levies		Members invoiced July 2020
		Audit		Completed July-August 2020
		Annual Report		Completed and distributed by 30 September 2020
		LGA Grants		Annual LGA Regional Capacity application submitted and received by 30 Sept 2020
		Website		Transitioned to Squiz. Maintained during 2020-21. Updated March 2021.
Projects and support (sustainability and development)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport Plan	Regional Public Health Plan		Defer new Regional Public Health Plan until 2021-2022. Maintain Committee and conclude Community Wellbeing Indicators project
		Resilient Hills & Coast Climate adaptation Plan		Defer appointment of regional Co-ordinator unless it is externally funded. Maintain Committee and continue to implement the Regional Climate Change adaptation plan.
		Regional Transport Plan		2020-21 SLRP applications submitted and successful. 2021-22 due 28 May 2021. South Coast Freight corridor concept review. New 2030 Transport Plan being developed

Theme	Items & Actions	Item	Status	Comment
Leadership, advocacy and marketing	LGA Peri-Urban Governance review, New Government Policies and LG Reform, Relationship building with State Government MPs,	LGA peri Urban Governance review		Peri-urban regional organisation to be investigated
		LG reform		Continue to work with the LGA/SAOC
		Relationship with MPs		Regularly meeting
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, External Funding and telecommunications	CWMS		Committee to meet regularly. Liaise with Legatus
		Waste		Liaise with the regional Waste Authorities to co-ordinate the regional strategy around waste management and the circular economy
		Infrastructure Plan		Recent RDA priority project forum/ Committee meeting regularly
		External funding		Project based and WIP. Overabundant species research required. Funding for Climate Change Officer required
		Telecommunications		Seek funding opportunities as presented

Key		Not on track/overdue / yet to commence
		Past due date but some minor action commenced
		Past due date / action commenced and on track
		completed / no further action required

Category	S&HLGA Role	Item	Comment/Description
Administration	Active/Lead	Charter Review	Draft tabled Dec 2020. Draft Charter out with Member Councils for consideration. All Council feedback now received. Estimated completion date now Sept 2021
	Active/Lead	Budget 2020-2021	Endorsed by Board 19/06/2020. 2021-2022 Budget out for information.
	Active/Lead	Key Action 2020-2021	Endorsed by Board 19/06/2020. 2021-2022 Key Action plan out for comment

Category	S&HLGA Role	Item	Comment/Description
	Active/Lead	Regional Capacity grant acquittal 2019-2020	Completed 21/07/2020
	Active/Lead	Audit 2019-2020	Completed 31/08/2020
	Active/Lead	Annual Report 2019-2020	Completed
	Active/Lead	2021-2022 year forward financial forecast	Draft 2021-2022 Budget issued April 2021 for discussion. Engagement plan with member elected bodies on offer. SAG to consider a draft 3 year Budget and funding model.
Projects – Lead/S&HLGA Committee	Active/Lead	Regional Public Health Plan	Ongoing. Committee has recommended a refresh to the Regional Plan due in 2021. Looking for an internal resource to undertake this task
	Active/Lead	Resilient Hills & Coast	On going
	Active/Lead	S&HLGA Advisory Group	Focus to move to 2021-2025 Business Plan, 2021-2022 Budget and Annual Key Action Plan have been discussed and recommended for endorsement at June Board meeting
	Active/Lead	Road Works Party	S&HLGA 2030 Transport Plan in progress with HDS and GTA. EO currently working with LGA on the LGA/Hudson Howell SLRP paper and recommendations
	Active/Influence	CWMS	Legatus Group now leading sector review
Projects – Lead	Active/Lead	Grants Commission methodology review	Ongoing
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects in conjunction with SAROC
Projects - Partner	Partner/Influence	Coastal Alliance project	Adam Gray appointed as project consultant Jan 2020. Strategic & Business Plans developed. Governance and Funding paper out for discussion. Decision required by S&HLGA Coastal councils re: funding
	Partner/Advocate	Telecommunications	Advocating for regional black spot funding and ready for 5G
	Partner/Influence	Economic Development Officers Forum	RDA lead but focus on Regional Infrastructure plan, Federal stimulus opportunities and Public

Category	S&HLGA Role	Item	Comment/Description
			Transport. Last meeting 17 May 2021
	Partner/Influence	Waste Management Strategy	EO on the Steering Committee. Project completed and with LGA for decision and action
	Partner/Advocate	Northern Freight Bypass	Co-ordinating next phase with RDA. Workshop completed 1 Dec. Ongoing review of the SE Hills Transport Corridor. Two sub committees formed Meetings 23 and 26 March 2021. Report being finalised
	Partner/Influence	Overabundant Species	S&HLGA/LGA/Landscapes Board working on collaborative project for managing Little Corellas
Relationships	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2020-2021
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation. Meeting convened by Gawler Council August 2019. Information conveyed to Adelaide Plains Mayor Nov 2019 Planned meeting with Barossa in 2021

Acronyms

AICD.....	Australian Institute of Company Directors
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEW.....	Department of Environment and Water
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
GAROC.....	Greater Adelaide Region of Councils
LGA.....	Local Government Association
MDBA.....	Murray Darling Basin Authority
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RH&C.....	Resilient Hills and Coasts Committee
RDA.....	Regional Development Australia
RPHC.....	Regional Public Health Committee
RWP.....	Roads Works Party
SA.....	South Australia
SAROC.....	South Australian Regional Organisation of Councils
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

FINANCIALS

S&HLGA Audited Financial statement for 2020-2021

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ended 30th June 2021

	Notes	2021 \$	2020 \$
Income			
Subscriptions	1.8	91,214	81,214
Operating Grants	2.2	42,151	423,581
Investment Income	1.7	1,258	2,282
Other		39,832	54,478
		<hr/>	<hr/>
Total Income		174,455	561,555
Expenditure			
Contractual Services	3	153,741	243,951
Finance Charges		4,036	3,958
Other		202,560	173,850
		<hr/>	<hr/>
Total Expenditure		360,338	421,759
		<hr/>	<hr/>
Surplus (Deficit) from Operations		(185,882)	139,796

The above Income Statement should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2021

	2021	2020
Notes	\$	\$
Current Assets		
Investments	201,700	376,271
Debtors		10,450
	<hr/>	<hr/>
Total Current Assets	201,700	386,721
	<hr/>	<hr/>
Current Liabilities		
Accounts Payable	0	14,300
GST	(9,912)	(6,179)
PAYG Payable	2,576	2,760
Employee provisions	23,194	4,117
Rounding	(15)	(15)
Superannuation payable	906	906
Wages payable	3,406	3,406
	<hr/>	<hr/>
Total Current Liabilities	20,156	19,295
	<hr/>	<hr/>
Net Current Assets	181,544	367,426
	<hr/>	<hr/>
	<hr/>	<hr/>
Net Assets	181,544	367,426
	<hr/>	<hr/>
Equity		
Accumulated Surplus	181,544	367,426
	<hr/>	<hr/>
Total Equity	181,544	367,426
	<hr/>	<hr/>

The above Balance Sheet should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Changes in Equity for the Year Ended 30th June 2021

	2021	2020
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	367,426	227,630
Net Surplus / (Deficit)	(185,882)	139,796
	181,544	367,426
	181,544	367,426
Total Equity	181,544	367,426

The above Statement of Change in Equity should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2021

	2021	2020
Notes	\$	\$
Cash Flows from Operating Activities		
Receipts	202,013	678,147
Payments	(390,984)	(448,083)
GST Paid (received)	17,179	(33,398)
Finance Costs	(4,037)	(3,958)
Interest Receipts	1,258	2,282
	<hr/>	<hr/>
Net Cash Provided by (Used in) Operating Activities	(174,571)	194,990
Net increase/(decrease) in Cash Held	(174,571)	194,990
	<hr/>	<hr/>
Cash at the beginning of the reporting period	376,271	181,281
	<hr/>	<hr/>
Cash at the end of the reporting period	201,700	376,271
	<hr/>	<hr/>

Reconciliation of Change in Net Assets to Cash from operating activities

	2021	2020
		\$
Net Surplus	(185,882)	139,796
Decrease / (Increase) in Debtors	10,450	137,225
(Decrease) / Increase in Accounts Payable	860	(2,031)
(Decrease) / Increase in Grants in Advance	-	(80,000)
	<hr/>	<hr/>
Net Cash provided by Operating Activities	(174,571)	194,990
	<hr/>	<hr/>

The above Statement of cash Flows should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Note 1 - Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, interpretations and relevant South Australian legislation

The Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

1.2 Historical Cost Convention

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar

1.5 Non Current Assets and Non Current Liabilities

The Association has no non current assets or non current liabilities.

1.6 Employees

The Association has one employee having converted the EO from contractor to employee in February 2019.

1.7 Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal.

Constituent Council Subscription 2021	\$13,667
Constituent Council Subscription 2020	\$12,000

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.9 Income recognition

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

1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

Administration:	The operation of the Office of the Association and its decision making forums.
Special projects:	The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

Administration

Year	Revenue				Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue	%	Expenses Total	%	
2021	0	92,472	92,472	53.0%	205,278	56.9%	(112,806)
2020	104,959	120,640	225,599	40.2%	176,808	41.9%	48,791

Projects

2021	62,251	19,732	81,983	47.0%	155,060	45.4%	(73,077)
2020	318,622	17,334	335,956	59.8%	244,951	58.1%	91,005

Total

2021	62,251	112,204	174,455	100%	360,338	100%	(185,882)
2020	423,581	137,974	561,555	100%	421,759	100%	139,796

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

		2021	2020
Consultants:	Jeanette Pope	\$20,400	\$0
	URPS	\$47,496	\$0
	HDS Australia Pty Ltd	\$28,810	\$5,653
	Centre for Inclusive design	\$10,500	\$0
	Seed Consulting	\$0	\$117,182
	Jack Jensen	\$17,500	\$60,222
	Penny Worland Consulting	\$27,455	\$60,894
	ILC Advisors	\$1,580	\$0
<hr/> Totals		\$153,741	\$243,951

4. Comparison of Budget and Actual Results

	2021		2020	
	Budget \$	Actual \$	Budget \$	Actual \$
Revenue				
Administration	92,214	92,472	152,914	225,599
Projects	63,910	81,983	20,033	335,956
Total Revenue	156,124	174,455	172,947	561,555
Expenditure				
Administration	184,449	205,278	175,750	176,808
Projects	100,559	155,060	77,400	244,951
Total Expenditure	285,008	360,338	253,150	421,759
Surplus (Deficit)	(128,884)	(185,882)	(80,203)	139,796

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

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

Dated 31st August 2021



Graeme Martin
EXECUTIVE OFFICER



Mayor Keith Parkes
PRESIDENT

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2020, the Association's Auditor, HLB Mann Judd, 169 Fullarton Rd, Adelaide, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Dated 31st August 2021



Graeme Martin
EXECUTIVE OFFICER



Mayor Keith Parkes
PRESIDENT

The Board
C/- Graeme Martin
Executive Officer
Southern & Hills Local Government Association
13 Ringmer Drive
Burnside SA 5066

TO THE BOARD MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

**STATEMENT OF AUDITORS INDEPENDENCE
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2021**

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2021, 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.

A stylized blue ink signature of 'HLB Mann Judd'.

**HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants**

Adelaide, South Australia
31 August 2021

A stylized blue ink signature of 'Jon Colquhoun'.

**Jon Colquhoun
Director**

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Independent Auditor's Report to the Members of Southern & Hills Local Government Association

Opinion

We have audited the financial report of Southern & Hills Local Government Association ("the Association") which comprises the Balance Sheet as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2021, and its financial performance and its cash flow for the year then ended in accordance with Australian Accounting Standards.

Basis for Opinion

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

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

Responsibilities of Management and Board Members for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Board Members are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
31 August 2021



Jon Colquhoun
Director

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**Southern and Hills Local Government Association
Independent Assurance Report**

Qualified Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Southern and Hills Local Government Association ('Association') 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 2020 to 30 June 2021 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, in all material respects:

- (a) The controls established by the Association 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 2020 to 30 June 2021.

Basis for Qualified Opinion

The Association sought exemption from the requirement in clause 30 of Schedule 2 of the *Local Government Act 1999*. The Minister granted the exemption on the basis that the Association would periodically review and update its internal controls and encouraged the use of the practical and contemporary guidance material on internal controls issued by the Local Government Association's 'Better Practice Model – Internal Financial Controls'.

The Association's 'Operations Manual – Finance Policy' is available on the Association's website and was last updated in October 2014.

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. 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 qualified opinion.

The Associations Responsibility for Internal Control

The Association 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.

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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 2020 to 30 June 2021. 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.

Limitations 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.



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
31 August 2021



Jon Colquhoun
Director

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**Invite us to speak**

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