The Barossa Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024

The Barossa Council

General Purpose Financial Statements
for the year ended 30 June 2024

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The Barossa Council

General Purpose Financial Statements
for the year ended 30 June 2024

Council certificate

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 2024 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.

Martin McCarthy
Chief Executive Officer

27 November 2024

Michael (Bim) Lange OAM
Mayor

27 November 2024

Statement of Comprehensive Income

for the year ended 30 June 2024

$ '000	Notes	2024	2023
Income			
Rates	2a	37,956	35,800
Statutory charges	2b	830	803
User charges	2c	3,827	3,601
Grants, subsidies and contributions - operating	2g	1,903	4,311
Investment income	2d	217	415
Reimbursements	2e	63	9
Other income	2f	1,243	806
Total income		46,039	45,745
Expenses			
Employee costs	3a	17,817	15,897
Materials, contracts and other expenses	3b	17,533	17,887
Depreciation, amortisation and impairment	3c	11,010	10,553
Finance costs	3d	771	441
Net loss - equity accounted council businesses	19	47	18
Total expenses		47,178	44,796
Operating surplus / (deficit)		(1,139)	949
Physical resources received free of charge	2i	2,832	3,131
Asset disposal and fair value adjustments	4	(2,497)	(1,097)
Amounts received specifically for new or upgraded assets	2g	2,339	5,420
Net surplus / (deficit)		1,535	8,403
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - infrastructure, property, plant and equipment	9a	469	(4,714)
Share of other comprehensive income - equity accounted council businesses	19	2,302	–
Impairment (expense) / recoupments offset to asset revaluation reserve	9a	–	(4)
Total amounts which will not be reclassified subsequently to operating result		2,771	(4,718)
Total other comprehensive income		2,771	(4,718)
Total comprehensive income		4,306	3,685

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

Statement of Financial Position
as at 30 June 2024

$ '000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	3,153	4,618
Trade and other receivables	5b	3,248	2,946
Inventories	5c	123	245
Total current assets		6,524	7,809
Non-current assets			
Trade and other receivables	6a	1,228	1,312
Equity accounted investments in council businesses	6b	4,518	2,263
Other non-current assets	6c	5,724	15,893
Infrastructure, property, plant and equipment	7	414,613	394,340
Total non-current assets		426,083	413,808
TOTAL ASSETS		432,607	421,617
LIABILITIES			
Current liabilities			
Trade and other payables	8a	5,355	5,116
Borrowings	8b	3,558	1,945
Provisions	8c	3,292	3,358
Total current liabilities		12,205	10,419
Non-current liabilities			
Borrowings	8b	11,871	7,013
Provisions	8c	722	682
Total non-current liabilities		12,593	7,695
TOTAL LIABILITIES		24,798	18,114
Net assets		407,809	403,503
EQUITY			
Accumulated surplus		106,561	105,026
Asset revaluation reserve	9a	285,676	282,905
Other reserves	9b	15,572	15,572
Total equity		407,809	403,503

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 2024

$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2024					
Balance as at 1 July		105,026	282,905	15,572	403,503
Net surplus / (deficit) for year		1,535	–	–	1,535
Other comprehensive income					
Gain (loss) on revaluation of infrastructure, property, plant and equipment	7a	–	469	–	469
Share of other comprehensive income - equity accounted council businesses		–	2,302	–	2,302
Other comprehensive income		–	2,771	–	2,771
Total comprehensive income		1,535	2,771	–	4,306
Transfers to reserves		–	–	–	–
Balance at the end of period		106,561	285,676	15,572	407,809
2023					
Balance as at 1 July		98,215	287,623	13,980	399,818
Net surplus / (deficit) for year		8,403	–	–	8,403
Other comprehensive income					
Gain (loss) on revaluation of infrastructure, property, plant and equipment	7a	–	(4,714)	–	(4,714)
Impairment (expense) / recoupments offset to asset revaluation reserve	7a	–	(4)	–	(4)
Other comprehensive income		–	(4,718)	–	(4,718)
Total comprehensive income		8,403	(4,718)	–	3,685
Transfers to reserves		(1,592)	–	1,592	–
Balance at the end of period		105,026	282,905	15,572	403,503

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 2024

$ '000	Notes	2024	2023
Cash flows from operating activities			
Receipts			
Rates receipts		37,609	35,589
Statutory charges		830	803
User charges		4,210	3,961
Grants, subsidies and contributions		1,903	4,276
Investment receipts		217	415
Reimbursements		63	9
Other receipts		5,872	4,472
Payments			
Payments to employees		(17,779)	(15,814)
Payments for materials, contracts and other expenses		(21,603)	(22,301)
Finance payments		(771)	(441)
Net cash provided by (or used in) operating activities	11b	10,551	10,969
Cash flows from investing activities			
Receipts			
Amounts received specifically for new or upgraded assets		1,966	3,435
Sale of replaced assets		281	257
Repayments of loans by community groups		103	103
Payments			
Expenditure on renewal/replacement of assets		(6,940)	(6,284)
Expenditure on new/upgraded assets		(13,651)	(18,524)
Loans made to community groups		(16)	(300)
Net cash provided (or used in) investing activities		(18,257)	(21,313)
Cash flows from financing activities			
Receipts			
Proceeds from loans		7,419	2,200
Proceeds from bonds and deposits		340	530
Payments			
Repayments of loans		(880)	(936)
Repayment of principal portion lease liabilities		(68)	(74)
Repayment of bonds and deposits		(570)	(22)
Net cash provided by (or used in) financing activities		6,241	1,698
Net increase (decrease) in cash held		(1,465)	(8,646)
Plus: cash & cash equivalents at beginning of period		4,618	13,264
Cash and cash equivalents held at end of period	11a	3,153	4,618

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Contents of the Notes accompanying the General Purpose Financial Statements

The Barossa Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies

The principal accounting policies adopted by the Barossa Council (the 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 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.

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

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

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

1.3 Critical Accounting Estimates
The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying Council’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these notes.

1.4 Rounding
All amounts in the financial statements have been rounded to the nearest thousand dollars ($’000).

(2) The local government reporting entity

The Council is incorporated under the *Local Government Act 1999* and has its principal place of business at 43-51 Tanunda Road, Nuriootpa. These consolidated financial statements include the Council’s direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

(3) Subsidiary Operation

Under the L*ocal Government Act 1999*, Section 42, the Council oversees the Nuriootpa Centennial Park Authority (the Authority) which is a subsidiary that operates and maintains both the Barossa Valley Tourist Park and its surrounding park lands. The Authority's information as at the reporting date has been consolidated in the accounts within this report.

(4) 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 occurs first.

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

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

In other cases, AASB 1058 applies when a not-for-profit entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any ‘related amounts’ is recognised as income immediately, except in the case where a financial asset has been received to enable the Council to acquire or construct a recognisable non-financial asset that is to

continued on next page ...

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

be controlled by the Council. In this case, the Council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are included in these notes.

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

Year	*Cash Payment Received*	*Annual Allocation*	*Difference*
2019/20	$1,322,566	$1,555,963	($233,397)
2020/21	$1,536,605	$1,654,037	($117,432)
2021/22	$2,435,662	$1,894,550	$541,112
2022/23	$2,859,679	$2,078,321	$781,358
2023/24	$410,757	$2,400,108	($1,989,351)

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

The adjusted 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 grant 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. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as payments received in advance.

(5) 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 (including community loans) are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

(6) Inventories

Inventories held in respect of depot stores (fuel and rubble) have been valued by using the weighted average cost on a continual basis or at cost for the Barossa Regional Gallery, Barossa Visitor Centre and the Authority, 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.

continued on next page ...

(7) Infrastructure, property, plant and equipment

7.1 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 architect 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 overheads.

Capital works still in progress at balance date are recognised as other non-current assets and are transferred to the relevant asset class when completed and ready for use.

7.2 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. Capitalisation thresholds applied during the year are as follows (no capitalisation threshold is applied to the acquisition of land or interests in land). Any new or upgrade work below these threshold amounts will be expensed as incurred.

	$
Buildings *	
- Buildings (including Toilets)	$20,000
- Sheds, Pergolas, Cabins, Carports and Other Structures	$10,000
- Buildings and Componentisation	$50,000
Sealed Roads *	
- Reconstruction and Renewal Work	$20,000
Sheeted Roads	
- Resheeting, Major Patch Repair and Road Shoulders	$15,000
Footpaths, Kerbs and Carpark Surfaces	$10,000
Community Wastewater Management Systems (CWMS)	$5,000
Stormwater and Drainage	$5,000
Bridges, Floodways and Major Culverts	$15,000
Parks and Reserves Development	$5,000
Plant and Equipment	$5,000
Furniture and Fittings	$5,000
Core Software Programs	$15,000
Right-of-Use Assets	$15,000
Leasehold Improvements	$20,000
All Other Assets	$5,000

* These assets are capitalised when replacing/renewing assets that are >10% of the Depreciable Replacement Value

7.3 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. Further detail of existing valuations, methods and valuers are provided at Note 7.

7.4 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 shown in the following table. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire

Note 1. Summary of Material Accounting Policies (continued)

life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Buildings	
Complete	20 to 100 years
Substructure	40 to 300 years
Superstructure	20 to 300 years
Roof Structure	40 to 60 years
Internal Fit Out	20 to 25 years
Services	20 to 100 years
Town Hall Solid Flooring Only	150 years
Transport	
Unformed Roads (Earthworks) *	Unlimited
Sheeted Roads *	12 to 50 years
Sealed Roads - Pavement *	40 to 200 years
Sealed Roads - Surface *	10 to 50 years
Footpaths *	Up to 100 years
Kerb	50 to 100 years
Car Park Surfaces *	30 to 50 years
Bridges	
Bridges *	Up to 100 years
Major Culverts *	Up to 100 years
Floodways *	Up to 100 years
Footbridges *	Up to 100 years
CWMS	
Pump Stations - Components	10 to 50 years
Lagoons - Components	40 to 100 years
Waste Water Treatment Plant - Components	5 to 50 years
Pipes	60 to 100 years
Recreation / Community Infrastructure	
Fences	40 years
Monuments	100 years
Other	10 to 100 years
Stormwater and Drainage	
Drainage Channels	20 to 150 years
Other	150 years
Plant and Equipment	
Plant and Machines	3 to 20 years
Vehicles	3 to 33 years
Computer Equipment	5 to 33 years
Hill and Son Historic Pipe Organ	300 years
Furniture and Fittings	10 to 25 years
Leasehold improvements	Term of Lease
Right-of-use assets	Term of Lease

continued on next page ...

* These asset types are made up of two components. The useful lives listed above are for the first component. The second component being a long life asset with lives ranging from 150 to 750 years. Please refer to Council's adopted Asset Accounting Policy for further information.

* Road Earthworks should not be depreciated in line with AASB 1055 (interpretation). Council Policy shows an unlimited useful life for these assets and current practice is not to depreciate them.

7.5 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 of them, 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 the asset revaluation reserve, any excess being recognised as an expense.

(8) Payables

8.1 Goods and 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.

8.2 Payments received in advance and deposits

Amounts 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.

(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 and 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 average discount rate: 4.08% (2023: 5.5%)
Weighted average settlement period: 0.42 years (2023: 0.19 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.

10.2 Superannuation

Council makes employer superannuation contributions in respect of its employees to schemes selected by employees under the choice of fund legislation. Council uses Hostplus as its default superannuation fund. This scheme has two types of membership, each of which is funded differently. Council's subsidiary, Nuriootpa Centennial Park Authority makes contributions to other superannuation schemes. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

(11) Leases
11.1 Council as a lessee

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

i) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets - refer Item 7.4 for details.

The right-of-use assets are also subject to impairment - refer to item 7.5 for details.

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 plant 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 plant and 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.

Council is lessee for various peppercorn leases and licenses that have not been included for AASB 16. The function, period(s) to and potential costs are as follows:

Function/Purpose	Period to	$/pa each
Barossa Visitor Centre and Library - Tanunda	30/06/2026	$1 on demand
Kroemer Crossing, Tanunda - Reserve	30/03/2039	$1 on demand
Nuriootpa to Angaston (bike-walking path)	09/04/2035	$1 on demand
Barossa Trail (bike-walking path) - 2 licenses	2034	$1 on demand
Barossa Trail (bike-walking path) - 2 licenses	2035	$1 on demand
Barossa Trail (bike-walking path) - 1 license	31/07/2052	$1 on demand
Barossa Trail (bike-walking path) - numerous licenses	2062	$1 on demand
Barossa Trail (bike-walking path) - 1 license	26/04/2064	$1 on demand
Railway line Barossa Valley Way between Tanunda /Nuriootpa (Rose Hedge)	No lease	$201
Williamstown land used for car park	Lease under negotiation	$460

(12) Equity accounted Council businesses

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

(13) GST implications

In accordance with AASB Interpretation UIG Abstract 1031 Accounting for the Goods and 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.

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Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 1. Summary of Material Accounting Policies (continued)

(14) New accounting standards and UIG interpretations

New accounting standards, amendments to existing standards and UIG Interpretations

Council applied for the first time certain new standards and amendments to existing standards, which are effective for annual periods beginning on or after 1 January 2023. Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

Council adopted AASB 2021-2, which makes some small amendments to a number of standards including the following: AASB 7, AASB 101, AASB 108, AASB 134 and AASB Practice Statement 2.

AASB 2022-6: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

Council adopted AASB 2022-6, which introduces specific disclosure requirements for loan liabilities. These requirements apply when the right to defer settlement for at least twelve months from the reporting date is subject to conditions in the arrangement.

AASB 2022-7: Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards

AASB 2022-7 makes various editorial corrections to a number of standards effective for reporting periods beginning on of after 1 January 2023.

Council has adopted all amendments mentioned above required for the year ended 30 June 2024. The adoption of these amendments did not have a material impact on the financial statements.

Standards issued by the AASB not yet effective

The AASB has issued new and amended Australian Accounting Standards and Interpretations that are not effective as of 30 June 2024. These standards have not yet been adopted by Council and will be incorporated into the financial statements upon their effective dates. The following list identifies all applicable new and amended Australian Accounting Standards and Interpretations that were issued but are not yet effective as of 30 June 2024.

Effective for annual report periods beginning on or after 1 January 2024

AASB 2020-1: *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*
AASB 2022-5: *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback*
AASB 2022-*10: Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.*

Effective for annual report periods beginning on or after 1 January 2025.

AASB 2014-10: *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an investor and its Associate or Joint Venture*

Council has assessed the impact of new and changed Australian Accounting Standards and Interpretations not yet effective and concluded that they will not have a material impact on the financial statements.

(15) Comparative figures

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

(16) Disclaimer

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

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 2. Income

$ '000	2024	2023

(a) Rates

General rates		
General rates	31,332	30,081
Less: mandatory rebates	(562)	(533)
Less: Discretionary rebates, remissions and write offs	(174)	(328)
Total general rates	30,596	29,220
Other rates (including service charges)		
Landscape SA levy	822	560
Waste, recycling and green organics collection	3,004	2,728
Community wastewater management systems	3,316	3,140
Total other rates (including service charges)	7,142	6,428
Other charges		
Penalties for late payment	188	120
Legal and other costs recovered	30	32
Total other charges	218	152
Total rates	37,956	35,800

(b) Statutory charges

Development Act and town planning fees	447	425
Septic tank inspection fees	69	76
Animal registration fees and fines	281	268
Parking fines / expiation fees	7	2
Other licences, fees and fines	26	32
Total statutory charges	830	803

(c) User charges

Bushgarden seed/seedling sales	40	26
Caravan park fees	2,734	2,558
Cemetery fees	99	121
CWMS reuse water sales	261	200
Hall and equipment hire	26	20
Immunisation fees	31	30
Lease fees	61	91
Photocopying fees	21	19
Property search fees	48	46
Recreation park fees	51	36
Sundry	58	59
Tourism - souvenir and other sales	209	212
Transport scheme fees	126	119
Waste collection bins	34	39
Waste disposal/transfer station fees	28	25
Total user charges	3,827	3,601

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Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 2. Income (continued)

$ '000	2024	2023
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	82	239
- Banks and other	78	118
- Loans to community groups	57	58
Total investment income	217	415
(e) Reimbursements		
Employee costs	60	5
Other	3	4
Total reimbursements	63	9
(f) Other income		
Insurance and other recoupments	160	68
Rebates received	69	49
Donations received	18	32
Contributions	390	83
Sundry	606	574
Total other income	1,243	806
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	2,339	5,420
Total amounts received for new or upgraded assets	2,339	5,420
Operating grants, subsidies and contributions		
Roads to Recovery	483	483
Other grants, subsidies and contributions	1,420	1,742
Additional Grants Commission payment	–	2,086
Total other grants, subsidies and contributions - operating	1,903	4,311

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

Total grants, subsidies and contributions	4,242	9,731
(i) Sources of grants		
Commonwealth Government	1,124	3,493
State Government	1,742	5,857
Other	1,376	381
Total	4,242	9,731

Note 2. Income (continued)

(h) Conditions over grants and 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, and are required to be repaid to the funding body if not expended, are as follows:

$ '000	2024	2023
Unexpended at the close of the previous reporting period	877	2,828
Less:		
Expended during the current period from revenues recognised in previous reporting periods		
Roads infrastructure	–	(564)
Recreation	(812)	(2,234)
Culture	(15)	(17)
Environment	(50)	(9)
Subtotal	(877)	(2,824)
Plus:		
Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
Recreation	–	812
Community Services	30	–
Culture	17	16
Environment	13	45
Subtotal	60	873
Unexpended at the close of this reporting period	60	877
Net increase (decrease) in assets subject to conditions in the current reporting period	(817)	(1,951)

(i) Physical resources received free of charge

$ '000	2024	2023
Land and land improvements	173	439
Buildings	1	–
Transport	1,527	1,753
Community wastewater management system	405	243
Stormwater and drainage	674	696
Plant and equipment	48	–
Recreation	4	–
Total physical resources received free of charge	2,832	3,131

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 3. Expenses

$ '000	Notes	2024	2023
(a) Employee costs			
Salaries and wages		15,560	14,264
Employee leave expense movement		268	(13)
Superannuation - defined contribution plan contributions	18	1,533	1,292
Superannuation - defined benefit plan contributions	18	136	179
Workers compensation insurance		465	411
Less: capitalised and distributed costs		(145)	(236)
Total employee costs		**17,817**	**15,897**
Total number of employees (full time equivalent at end of reporting period)		173.0	161.5
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		39	25
Elected Member expenses		307	288
Lease expense - low value assets / short term leases		191	201
Subtotal - prescribed expenses		**537**	**514**
(ii) Other materials, contracts and expenses			
Contractors		3,360	4,058
Bank charges		113	109
Energy (including fuel)		2,365	2,053
Maintenance		1,320	1,838
Legal expenses		159	120
Levies paid to Government - Landscape Levy		884	626
Levies - other		18	19
Parts, accessories and consumables		1,268	1,269
Professional services		403	639
Communications and information technology		1,146	1,011
Contributions and donations		530	634
Water		543	464
Advertising and printing		148	174
Insurance		1,014	916
Sundry		954	910
Waste services		2,876	2,760
Less: capitalised and distributed Costs		(105)	(227)
Subtotal - Other materials, contracts and expenses		**16,996**	**17,373**
Total materials, contracts and other expenses		**17,533**	**17,887**

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Note 3. Expenses (continued)

$ '000	2024	2023
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	2,208	2,173
Infrastructure		
- Bridges, floodways and major culverts	563	559
- Stormwater drainage	422	408
- Community wastewater management system	1,480	1,460
- Transport	4,241	4,075
- Recreation	539	505
- Community infrastructure	45	45
Right-of-use assets	67	75
Plant and equipment	1,380	1,215
Furniture and fittings	61	34
Leasehold improvements	4	4
Total depreciation, amortisation and impairment	11,010	10,553
(d) Finance costs		
Interest on loans	771	441
Total finance costs	771	441

Note 4. Asset disposal and fair value adjustments

$ '000	2024	2023
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	281	257
Less: carrying amount of assets sold	(2,523)	(1,354)
Gain (loss) on disposal	(2,242)	(1,097)
(ii) Assets surplus to requirements		
Carrying amount of assets sold	(255)	–
Gain (loss) on disposal	(255)	–
Net gain (loss) on disposal or revaluation of assets	(2,497)	(1,097)

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 5. Current assets

$ '000	2024	2023
(a) Cash and cash equivalent assets		
Cash on hand and at bank	2,513	1,373
Deposits at call	640	3,245
Total cash and cash equivalent assets	3,153	4,618
(b) Trade and other receivables		
Rates - general and other	1,863	1,519
Accrued revenues	362	279
Debtors - general	246	278
GST recoupment	298	561
Prepayments	360	190
Loans to community organisations	119	119
Subtotal	3,248	2,946
Total trade and other receivables	3,248	2,946

Amounts included in receivables that are not expected to be received within 12 months of reporting date are disclosed in Note 13.

$ '000	2024	2023
(c) Inventories		
Stores and materials	25	145
Trading stock	98	100
Total inventories	123	245

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 6. Non-current assets

$ '000		2024	2023
(a) Trade and other receivables			
Receivables			
Council rates postponement scheme		175	172
Loans to community organisations		1,053	1,140
Total financial assets		1,228	1,312
(b) Equity accounted investments in council businesses			
Gawler River Floodplain Management Authority	19	4,488	2,230
Northern and Yorke Local Government Association	19	30	33
Total equity accounted investments in Council businesses		4,518	2,263
(c) Other non-current assets			
Capital work in progress		5,724	15,893
Total other non-current assets		5,724	15,893

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 7. Infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment

$ '000	Fair Value Level	as at 30/06/23				Asset movements during the reporting period								as at 30/06/24			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in Equity) (Note 9)	Adjustments & Transfers	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land - community	3	54,671	1,164	–	55,835	–	1,945	(255)	–	–	–	(1,107)	1,144	56,225	1,337	–	57,562
Land - other	2	4,162	228	–	4,390	–	–	–	–	–	–	–	–	4,162	228	–	4,390
Buildings and other structures	3	88,944	5,779	(54,882)	39,841	11,610	175	(962)	(2,074)	–	7	–	191	96,795	5,779	(53,786)	48,788
Buildings and other structures	2	9,801	524	(7,529)	2,796	–	–	–	(134)	–	12	–	–	9,813	524	(7,663)	2,674
Leasehold improvements	3	–	107	(49)	58	–	–	–	(4)	–	–	–	–	–	107	(53)	54
Infrastructure																	
- Bridges, floodways and major culverts		53,211	472	(26,611)	27,072	–	84	(71)	(563)	–	–	–	2	53,202	472	(27,150)	26,524
- Stormwater and drainage		53,705	3,258	(11,409)	45,554	1,616	44	(16)	(422)	–	18	–	95	54,822	3,911	(11,844)	46,889
- Community wastewater management system		72,693	377	(30,550)	42,520	445	286	(95)	(1,480)	–	–	–	193	73,039	782	(31,952)	41,869
- Transport		266,319	7,452	(120,904)	152,867	2,865	7,064	(783)	(4,241)	–	(28)	(49)	–	272,297	8,997	(123,599)	157,695
- Recreation		14,905	7,327	(8,462)	13,770	4,662	295	(470)	(539)	–	11	–	–	18,847	7,327	(8,445)	17,729
- Community infrastructure		973	1,470	(612)	1,831	6	–	–	(45)	–	–	–	–	979	1,470	(657)	1,792
Right-of-use assets		–	315	(218)	97	–	–	–	(67)	–	–	–	–	–	315	(285)	30
Plant and equipment	3	–	16,987	(9,726)	7,261	2,312	26	(126)	(1,380)	–	4	–	–	–	16,576	(8,479)	8,097
Furniture and fittings	3	–	1,507	(1,059)	448	133	–	–	(61)	–	–	–	–	–	1,638	(1,118)	520
Total infrastructure, property, plant and equipment		**619,384**	**46,967**	**(272,011)**	**394,340**	**23,649**	**9,919**	**(2,778)**	**(11,010)**	**–**	**24**	**(1,156)**	**1,625**	**640,181**	**49,463**	**(275,031)**	**414,613**
Comparatives		565,707	42,282	(215,173)	392,816	13,626	4,523	(1,354)	(10,553)	(4)	–	(22,053)	17,339	619,384	46,967	(272,011)	394,340

continued on next page ...

Valuation of infrastructure, property, plant & equipment

Valuation of assets

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

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

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

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

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

Refer to Note 7a for the disclosure of the fair value levels of Infrastructure, Property, Plant and Equipment Assets.

Information on valuations

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

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

There is normally no known market for Council buildings, infrastructure and other assets (with the exception of properties at level 2 valued using Market Fair Value inputs). 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 Council, or on industry construction guides where these are more appropriate.

Other information

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

Highest and best use

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

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

- Basis of valuation: Fair Value Level 3, Market Value Level 2, additions are recognised at cost
- Date of valuation: Level 3: 1 July 2023, Level 2: 1 July 2019
- Valuer: Level 3: desktop valuation using Valuer-General values, Level 2: JLL Public Sector Valuations

Buildings & Other Structures

- Basis of valuation: Fair Value Level 3, Market Value Level 2; additions are recognised at cost
- Date of valuation: 1 July 2020
- Valuer: JLL Public Sector Valuations and Barossa Council in-house staff expertise using Rawlinsons Australian Construction Handbook Edition 37, 2019

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Note 7. Infrastructure, property, plant and equipment (continued)

Transport
- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2022
- Valuer: Tonkin Consulting
- Condition Assessment: Infrastructure Management Group assessed Sealed and Sheeted Roads in 2022/23, Council Officers assessed Kerb and Gutter in 2017/18 and Car Parks were assessed in 2015/16

Bridges, Floodways and Major Culverts
- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2022
- Valuer: Council Officers applied LGPI (Local Government Price Index) 17.5% on the previous valuation 1 July 2017
- Condition Assessment: WSP Australia Pty Ltd assessed Bridges, Footbridges and some Major Culverts in 2017/18

Community Wastewater Management System
- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2022
- Valuer: Council Officers
- Condition Assessment: Council Officers assessed CWMS Assets, Waste Water Treatment Plant and Lagoons in 2022/23.

Stormwater
- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2021
- Valuer: Tonkin Consulting

Recreation Infrastructure
- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2020
- Valuer: JLL Public Sector Valuations and Barossa Council in-house staff expertise using Rawlinsons Australian Construction Handbook Edition 37, 2019

Community Infrastructure
- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2010
- Valuer: Asset and Valuation Consulting Pty Ltd

This asset class is immaterial to the total asset value representing only 0.30% of the total value so revaluations are not necessary and should not occur. Only periodic audits will be conducted to ensure the assets are required for Council business and in the condition needed.

Plant, Equipment, Furniture and Fittings
- Basis of valuation: Cost basis

Leasehold Improvements
- Basis of valuation: Written down current replacement cost; additions are recognised at cost, based on term of lease

This asset class is immaterial to the total asset value representing only 0.02% of the total value so revaluations are not necessary and should not occur. Only periodic audits will be conducted to ensure the assets are required for Council business and in the condition needed.

Right-of-Use Assets
- Basis of valuation: Lease and associated costs basis per AASB 16

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 8. Liabilities

$ '000		2024 Current	2024 Non Current	2023 Current	2023 Non Current
(a) Trade and other payables					
Goods and services		2,661	–	2,284	–
Payments received in advance		504	–	877	–
Accrued expenses - employee entitlements		720	–	633	–
Accrued expenses - other		934	–	556	–
Deposits, retentions and bonds		536	–	766	–
Total trade and other payables		5,355	–	5,116	–

Amounts included in trade and other payables that are not expected to be settled within 12 months of reporting date are disclosed in Note 13

(b) Borrowings

$ '000		2024 Current	2024 Non Current	2023 Current	2023 Non Current
Loans		3,540	11,858	1,877	6,982
Lease liabilities	17b	18	13	68	31
Total Borrowings		3,558	11,871	1,945	7,013

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

(c) Provisions

$ '000	2024 Current	2024 Non Current	2023 Current	2023 Non Current
Employee entitlements (including oncosts)	3,292	222	3,358	205
Future Reinstatement - Landfill	–	500	–	477
Total provisions	3,292	722	3,358	682

Movements in provisions

2024 (current and non-current) $ '000	Future reinstatement 2024
Opening balance	477
Add: additional amounts recognised	23
Closing balance	500

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 9. Reserves

$ '000	as at 30/06/23 Opening Balance	Increments (Decrements)	Impairments	as at 30/06/24 Closing Balance
(a) Asset revaluation reserve				
Land - community	44,562	37	–	44,599
Land - other	478	–	–	478
Buildings and other structures	21,922	191	–	22,113
Infrastructure				
- Bridges, floodways & major culverts	17,785	2	–	17,787
- Stormwater and drainage	32,903	95	–	32,998
- Community wastewater management system	32,854	193	–	33,047
- Transport	124,214	(49)	–	124,165
- Recreation	6,706	–	–	6,706
- Community infrastructure	647	–	–	647
Plant and equipment	(4)	–	–	(4)
JVs / associates - other comprehensive income	838	2,302	–	3,140
Total asset revaluation reserve	282,905	2,771	–	285,676
Comparatives	287,623	(4,714)	(4)	282,905

$ '000	as at 30/06/23 Opening Balance	Tfrs to Reserve	Tfrs from Reserve	as at 30/06/24 Closing Balance
(b) Other reserves				
Community wastewater management	13,783	–	(77)	13,706
Refuse, recycling and green waste	223	76	(79)	220
Recreation facilities	172	–	–	172
Cultural services	510	6	(66)	450
Caravan parks	63	–	–	63
Economic development	170	–	–	170
Plant and equipment replacement	140	–	–	140
Other reserves	511	140	–	651
Total other reserves	15,572	222	(222)	15,572
Comparatives	13,980	1,782	(190)	15,572

Purposes of reserves

Asset revaluation reserve
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).

Community wastewater management
Community wastewater management scheme service charges raised under Section 155 of the *Local Government Act 1999*.

Refuse, recycling and green waste
Collection of refuse, recycling and green waste service charges raised under Section 155 of the *Local Government Act 1999*.

Recreation facilities
Recreation Facilities reserves are used to fund capital improvements at Council owned recreation parks.

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Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 9. Reserves (continued)

Cultural services
Cultural services reserves are used to fund capital improvements at Council owned community halls.

Caravan parks
Caravan park reserves are used towards the upgrade of caravan park and surrounding recreation park facilities.

Economic development
Economic development reserves are used to fund specific initiatives including Council main streets.

Plant and equipment replacement
Plant and equipment replacement reserves are used to fund the replacement of Council's community transport cars and buses, funded by grants.

Other reserves
Other reserves are used to account for developer contributions received towards future capital works, funds held in trust and other minor reserves not elsewhere allocated.

Note 10. Assets subject to restrictions

$ '000	2024	2023
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.		
Grant funding or contributions which were received during the year ended 30 June 2024 (or in previous years) but which remain unspent, are also subject to restrictions - these funds would need to be repaid if the required expenditure does not go ahead in the future.		
Cash and financial assets		
Open space contributions	1	1
Developer contributions	642	502
Grant Funding - Commonwealth	–	–
Grant Funding - State	503	562
Total cash and financial assets	1,146	1,065
Total assets subject to externally imposed restrictions	1,146	1,065

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 11. Reconciliation to Statement of Cash Flows

$ '000	Notes	2024	2023
(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 Statement of Financial Position as follows:			
Total cash and equivalent assets	5a	3,153	4,618
Balances per Statement of Cash Flows		3,153	4,618
(b) Reconciliation of Operating Result			
Net surplus/(deficit)		1,535	8,403
Non-cash items in income statements			
Depreciation, amortisation and impairment		11,010	10,553
Movements in equity accounted investments (increase)/decrease		47	18
Physical resources received free of charge		(2,832)	(3,131)
Grants for capital acquisitions treated as investing activity		(1,966)	(3,435)
Net (gain)/loss on disposals		2,497	1,097
		10,291	13,505
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		(305)	(228)
Net (increase)/decrease in inventories		122	146
Net increase/(decrease) in trade and other payables		469	(2,510)
Net increase/(decrease) in unpaid employee benefits		(49)	25
Net increase/(decrease) in other provisions		23	31
Net cash provided by (or used in) operations		10,551	10,969
(c) Non-cash financing and investing activities			
Acquisition of assets by means of:			
Physical resources received free of charge	2i	2,832	3,131
Amounts recognised in income statement		2,832	3,131
Total non-cash financing and investing activities		2,832	3,131
(d) Financing arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank overdrafts		300	300
Corporate credit cards		79	79
LGFA cash advance debenture facility		10,700	20,016

The Barossa Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

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	OPERATING INCOME 2024	OPERATING INCOME 2023	OPERATING EXPENSES 2024	OPERATING EXPENSES 2023	OPERATING SURPLUS (DEFICIT) 2024	OPERATING SURPLUS (DEFICIT) 2023	GRANTS INCLUDED IN OPERATING INCOME 2024	GRANTS INCLUDED IN OPERATING INCOME 2023	TOTAL ASSETS HELD (CURRENT AND NON-CURRENT) 2024	TOTAL ASSETS HELD (CURRENT AND NON-CURRENT) 2023
Functions/Activities										
Business undertakings	6,481	6,358	6,158	5,682	323	676	–	–	50,705	51,776
Community services	1,039	1,077	3,640	3,171	(2,601)	(2,094)	696	700	9,522	10,563
Culture	339	330	3,134	3,152	(2,795)	(2,822)	205	192	14,033	14,069
Economic development	240	253	1,691	1,252	(1,451)	(999)	–	–	–	–
Environment	4,160	3,531	7,535	6,582	(3,375)	(3,051)	108	54	65,022	62,157
Recreation	321	461	6,820	6,841	(6,499)	(6,380)	–	–	92,341	81,424
Regulatory services	728	740	2,845	2,380	(2,117)	(1,640)	–	22	156	167
Transport	733	1,485	7,106	7,190	(6,373)	(5,705)	765	1,485	184,174	184,874
Plant hire and depot/indirect	139	111	1,313	841	(1,174)	(730)	–	–	3,124	4,184
Council administration	31,859	31,399	6,889	7,687	24,970	23,712	129	1,858	9,012	10,140
Joint ventures	–	–	47	18	(47)	(18)	–	–	4,518	2,263
Total Functions/Activities	46,039	45,745	47,178	44,796	(1,139)	949	1,903	4,311	432,607	421,617

Income and expenses exclude amounts received specifically for new or upgraded assets and physical resources received free of charge.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 12(b). Components of functions

The activities relating to Council functions are as follows:

Business undertakings
Caravan parks, gravel pits/quarries, private works and sewerage/CWMS.

Community services
Public order and safety, emergency services, other fire protection, other public order and safety, health services, pest control – health, immunisation, preventive health services, other health services, community support, elderly citizens facilities, home assistance scheme, other services for the aged and disabled, children and youth services, community assistance, community transport, other community support, community amenities, bus shelters, cemeteries, public conveniences, car parking – non-fee-paying and other community amenities.

Culture
Library services, mobile libraries and housebound services, static libraries, other library services, cultural services, cultural venues, heritage, museums and art galleries and other cultural services.

Economic development
Regional development, support to local businesses, tourism and other economic development.

Environment
Agricultural services, landcare, other agricultural services, waste management, domestic waste, green waste, recycling, transfer stations, waste disposal facility, other waste management, other environment, stormwater and drainage, street cleaning, street lighting, streetscaping, Northern and Yorke Landscape Levy and other environment.

Recreation
Parks and gardens, sports facilities – indoor, sports facilities – outdoor, swimming centres – indoor, swimming centres – outdoor and other recreation, major projects

Regulatory services
Dog and cat control, building control, town planning, litter control, health inspection, 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 and depot
Plant, machinery and depot.

Council administration
Governance, administration, 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, separate and special rates, audit andd assurance, planning and performance, legal services.

Joint Ventures
Gawler River Floodplain Management Authority and Northern and Yorke Local Government Association.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

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 returning fixed interest rates between 4.3% and 4.55% (2023: 4.30% and 4.90%). Short term deposits returned interest rates of 4.9% (2023: 4.30% and 4.90%).

Carrying Amount:
Approximates fair value due to the short term to maturity.

Receivables - rates and 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 9.05% (2023: 5.80%). Seniors who postpone their rates pay 3% less per annum. 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 and 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:

continued on next page ...

Note 13. Financial instruments (continued)

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

Terms & Conditions:
Liabilities are normally settled on 30 day terms.

Carrying Amount:
Approximates fair value.

Liabilities - interest bearing borrowings

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

Terms & Conditions:
Secured over future revenues, fixed borrowings are repayable by equal half yearly instalments of principal and interest; interest is charged at fixed rates between 2.05% and 7.02% (2023: 2.05% and 7.02%). Variable borrowings accessed during 2023/24 from the Local Government Finance Authority cash advance debenture is charged at variable rates between 5.3% and 6.15% (2023: 5.30% and 6.05%).

Carrying Amount:
Approximates fair value.

Liabilities - leases

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

continued on next page ...

Note 13. Financial instruments (continued)

$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2024					
Financial assets					
Cash and cash equivalents	3,153	–	–	3,153	3,153
Receivables	2,941	–	–	2,941	2,888
Other financial assets	–	772	600	1,372	1,228
Total financial assets	6,094	772	600	7,466	7,269
Financial liabilities					
Payables	4,851	–	–	4,851	4,851
Current borrowings	3,767	–	–	3,767	3,540
Non-current borrowings	–	2,044	10,158	12,202	11,858
Lease liabilities	–	–	–	–	31
Total financial liabilities	8,618	2,044	10,158	20,820	20,280
Total financial assets and liabilities	14,712	2,816	10,758	28,286	27,549
2023					
Financial assets					
Cash and cash equivalents	4,618	–	–	4,618	4,618
Receivables	2,818	–	–	2,818	2,756
Other financial assets	–	872	726	1,598	1,312
Total financial assets	7,436	872	726	9,034	8,686
Financial liabilities					
Payables	3,606	–	–	3,606	3,606
Current borrowings	2,251	–	–	2,251	1,877
Non-current borrowings	–	5,391	2,136	7,527	6,982
Lease liabilities	70	32	–	102	99
Total financial liabilities	5,927	5,423	2,136	13,486	12,564
Total financial assets and liabilities	13,363	6,295	2,862	22,520	21,250

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

$ '000	2024 Weighted Avg Interest Rate	2024 Carrying Value	2023 Weighted Avg Interest Rate	2023 Carrying Value
Fixed interest rates	5.94%	5,999	5.65%	6,876
		5,999		6,876

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.

continued on next page ...

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 and 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 Mangement Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

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.

Expected credit losses (ECLs)

Council uses an allowance matrix to measure expected credit losses for receivables from individual customers, which comprise a large number of small balances. As rates and annual charges are secured over subject land no allowance for such receivables is made. Impairment analysis is performed each reporting date. ECLs are based on credit history adjusted for forward looking estimates and economic conditions.

Note 14. Capital expenditure commitments

$ '000	2024	2023
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	437	349
Information technology	429	–
Plant and equipment	386	–
Recreation	5,900	3,743
Roads	2,708	4,535
Stormwater and drainage	62	–
Tourism	938	691
	10,860	9,318
These expenditures are payable:		
Not later than one year	8,564	7,022
Later than one year and not later than 5 years	2,296	2,296
	10,860	9,318

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 15. Financial indicators

$ '000	Amounts 2024	Indicator 2024	Indicators 2023	2022
Financial Indicators overview *These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.*				
1. Operating Surplus Ratio				
Operating surplus	(1,139)	(2.5)%	2.1%	6.4%
Total operating income	46,039			
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				
Net financial liabilities	17,169	37%	20%	4%
Total operating income	46,039			
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.				
Adjustments to Ratios				
In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.				
Adjusted Operating Surplus Ratio				
Adjusted operating surplus	947	2.0%	0.5%	5.2%
Adjusted total operating income	48,125			
Adjusted Net Financial Liabilities Ratio				
Net financial liabilities	17,169	36%	25%	7%
Adjusted total operating income	48,125			
3. Asset Renewal Funding Ratio				
Asset renewals	6,940	123%	113%	89%
Infrastructure and Asset Management Plan required expenditure	5,626			

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.

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 16. Uniform presentation of finances

$ '000	2024	2023
The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.		
All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.		
The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.		
Income		
Rates	37,956	35,800
Statutory charges	830	803
User charges	3,827	3,601
Grants, subsidies and contributions - operating	1,903	4,311
Investment income	217	415
Reimbursements	63	9
Other income	1,243	806
Total Income	46,039	45,745
Expenses		
Employee costs	17,817	15,897
Materials, contracts and other expenses	17,533	17,887
Depreciation, amortisation and impairment	11,010	10,553
Finance costs	771	441
Net loss - equity accounted council businesses	47	18
Total Expenses	47,178	44,796
Operating surplus / (deficit)	(1,139)	949
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(6,940)	(6,284)
Add back depreciation, amortisation and impairment	11,010	10,553
Add back proceeds from sale of replaced assets	281	257
	4,351	4,526
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets	(13,651)	(18,524)
Add back amounts received specifically for new and upgraded assets	1,966	3,435
	(11,685)	(15,089)
Annual net impact to financing activities (surplus/(deficit))	(8,473)	(9,614)

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Right-of-use assets - terms and conditions
Refer to Note 1 for further details.

Land
Right-of-use assets leased include land at Angaston for a radio transmission site.

Plant and Equipment
Right-of-use assets include photocopiers, a mower and computer servers.

(a) Right-of-use assets

$ '000	Land	Plant and equipment	Total
2024			
Set out below are the carrying amounts of right-of-use assets recognised within the above asset categories and the movements during the period:			
Opening balance	1	97	98
Additions to right-of-use assets	–	–	–
Depreciation charge	(1)	(67)	(68)
Disposal carrying value	–	–	–
Balance at 30 June	–	30	30
2023			
Opening balance	1	172	173
Additions to right-of-use assets	–	–	–
Depreciation charge	–	(75)	(75)
Disposal carrying value	–	–	–
Balance at 30 June	1	97	98

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under Borrowings) and the movements during the period:

$ '000	2024	2023
Balance at 1 July	99	173
Additions	–	–
Accretion of interest	1	4
Payments	(69)	(78)
Disposal liability due	–	–
Balance at 30 June	31	99
Classified as:		
Current	18	68
Non-current	13	31

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

continued on next page ...

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 17. Leases (continued)

$ '000	2024	2023
The Council had total cash outflows for leases of $259,000 (2023: $275,000). The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	67	75
Interest expense on lease liabilities	1	4
Expenses relating to leases of low-value assets/short-term leases	190	197
Total amount recognised in profit or loss	258	276

(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 included in Note 2 as Lease fees, hall or equipment hire and recreation park fees.

$ '000	2024	2023
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	46	63
Later than one year and not later than 5 years	128	114
Later than 5 years	142	143
	316	320

The Barossa Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 18. Superannuation

Council makes employer superannuation contributions in respect of its employees to schemes selected by employees under "choice of fund" legislation. Council uses Statewide Super as its default superannuation fund. With Statewide Super, 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 who are Statewide Super members (including casuals) have all contributions allocated to the Accumulation section (Marketlink).

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 (11.00% in 2023/24; 10.50% in 2022/23). 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 2022/23) 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 2023. 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.

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 2024	2023	Council's share of net assets 2024	2023
Council's share of net income				
Joint ventures	(47)	(18)	4,518	2,263
Total Council's share of net income	(47)	(18)	4,518	2,263

(a) Carrying amounts

$ '000	Principal activity	2024	2023
Gawler River Floodplain Management Authority	Flood mitigation	4,488	2,230
Northern and Yorke Local Government Association	Local Government regional collaboration	30	33
Total carrying amounts - joint ventures and associates		4,518	2,263

Gawler River Floodplain Management Authority
Established in 2002, this organisation is responsible for the construction, operation and maintenance of flood mitigation infrastructure in the Gawler River area.

Northern and Yorke Local Government Association
Established in 1998, this organisation is formed under Section 43 of the *Local Government Act 1999* to allow membership Councils to approach regional issues in a collaborative manner.

(b) Relevant interests

	Interest in operating result 2024	2023	Ownership share of equity 2024	2023	Proportion of voting power 2024	2023
Gawler River Floodplain Management Authority	10.61%	10.50%	10.61%	10.50%	15.38%	15.38%
Northern and Yorke Local Government Association	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%

(c) Movement in investment in joint venture or associate

$ '000	Gawler River Floodplain Management Authority 2024	2023	Northern and Yorke Local Government Association 2024	2023
Opening balance	2,230	2,240	33	41
Share in operating result	(66)	(41)	(3)	(8)
Share in other comprehensive income	2,302	–	–	–
Adjustments to equity	22	31	–	–
Council's equity share in the joint venture or associate	4,488	2,230	30	33

continued on next page ...

Notes to and forming part of the Financial Statements
for the year ended 30 June 2024

Note 19. Interests in other entities (continued)

(d) Summarised financial information of the equity accounted business

$ '000	Gawler River Floodplain Management Authority 2024	Gawler River Floodplain Management Authority 2023	Northern and Yorke Local Government Association 2024	Northern and Yorke Local Government Association 2023
Statement of Financial Position				
Cash and cash equivalents	41	29	486	504
Other current assets	211	91	2	91
Non-current assets	42,607	21,614	10	13
Total assets	42,859	21,734	498	608
Current trade and other payables	202	68	8	74
Current financial liabilities	353	440	–	–
Current provisions	–	–	41	13
Non-current provisions	–	–	–	21
Total liabilities	555	508	49	108
Net Assets	42,304	21,226	449	500
Statement of Comprehensive Income				
Other income	271	–	245	192
Subscriptions, grants, subsidies and other contributions	289	261	107	108
Investment Income	1	1	28	22
Total income	561	262	380	322
Employee costs	–	–	239	273
Materials, contracts & other expenses	421	249	189	167
Depreciation, amortisation and impairment	706	329	3	1
Other	56	61	–	–
Total expenses	1,183	639	431	441
Operating result	(622)	(377)	(51)	(119)
Other comprehensive income	21,699	(17)	–	–
Total comprehensive income	21,077	(394)	(51)	(119)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2024

Note 20. Contingencies and assets/liabilities not recognised in the balance sheet

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

1. Land under roads

Council has elected not to recognise land under roads as an asset in accordance with AASB 1051 Land Under Roads. 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 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.

At reporting date, Council controlled 991km of road reserves of average width of 20 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's Assessment Panel is the planning consent authority for its area under the *Planning, Development and Infrastructure Act 2016*. Under the Act, certain persons aggrieved by a planning decision of the Assessment Panel may appeal. It is normal practice that parties bear their own legal costs. Appeals may be conducted as a result of decisions by the Assessment Panel, or by Council on behalf of residents in relation to enforcement of use conditions, or by Council acting on behalf of the community in relation to proposed development that would adversely affect the region. There were appeals against the Barossa Assessment Panel in 2023/24.

A Judicial Review in the Supreme Court has been determined, post 1 July 2023, for an appeal received in 2021/22 to quash the decision of the Barossa Assessment Panel and costs have been awarded to the applicant. The quantum of costs against the Barossa Assessment Panel remains undetermined therefore no provision has been made in the accounts as no reliable measure of costs is available.

The Barossa Council is a party to a supreme court challenge seeking damages from Council under a contract with the company TTEG related to street lighting charges. Councils potential exposure is estimated to be $90,719.64 in damages plus costs and interest if the court rules against the Council's defence. This exposure is not disclosed in the financial accounts of Council as there is no liability that has or as at 30 June is likely to arise to any certainty that meets the relevant accounting standard.

Note 21. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2024, 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 Auditor's Report as the appropriate authorised for issue date relating to these General Purpose Financial Statements.

Council is unaware of any material or significant 'non-adjusting events' that require disclosure.

Note 22. Related party transactions

Key management personnel

Transactions with key management personnel

The key management personnel of the Council include the Mayor, 11 Councillors, CEO, 7 employees who were part of the Executive Leadership Team or who acted in positions which met the definition of a key management personnel throughout the year, and 8 Board Members and employees of the Nuriootpa Centennial Park Authority - Total 28 (2023: 29).

All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform. The Council employs 171 (FTE) staff of which only 1 is a close family member of a key management personnel.

$'000	2024	2023
Key management personnel employee expenses for close family members	96	131
Total	96	131

$ '000	2024	2023
The compensation paid to key management personnel comprises:		
Employee Benefits	1,207	1,831
Total	1,207	1,831

Other related party transactions

Council provides work and support in-kind for accounting, governance, asset management and executive services, along with being the conduit for electricity, insurance, loans, CWMS and other services for its subsidiary Nuriootpa Centennial Park Authority. The Authority maintains a Council recreation park at Nuriootpa for community benefit purposes including various sporting activities. The Authority's information as at the reporting date has been included in the accounts within this report and any inter-company transactions have been eliminated on consolidation.

Galpins
Accountants, Auditors
& Business Consultants

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INDEPENDENT AUDITOR'S REPORT

To the members of the Barossa Council

Opinion

We have audited the accompanying financial report of the Barossa Council (the Council), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of the Barossa Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2024, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council 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 ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council's responsibility for the financial report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Council 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, Council is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's responsibility for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor
Partner

28 November 2024

Galpins
Accountants, Auditors
& Business Consultants

To the members of The Barossa Council

Opinion

We have audited the compliance of the Barossa Council (the Council) with the requirements of 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 for the period 1 July 2023 to 30 June 2024 have been conducted properly and in accordance with law.

In our opinion, the Barossa 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 law for the period 1 July 2023 to 30 June 2024.

Basis for opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagements 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 2023 to 30 June 2024. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Council's responsibility for internal controls

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

Our independence and quality control

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

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Galpins Trading Pty Ltd
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Auditor's 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 receipt, expenditure and investment of money, 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 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 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 2023 to 30 June 2024. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

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

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

Limitation of use
This report has been prepared for the members of the Council 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 Council, or for any purpose other than that for which it was prepared.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor
Partner

28 November 2024

The Barossa Council

General Purpose Financial Statements
for the year ended 30 June 2024

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Barossa Council for the year ended 30 June 2024, the Council's Auditor, Galpins Accountants, Auditors and Business Consultants 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.*

Martin McCarthy	Peter Brass
Chief Executive Officer	**Presiding Member, Audit and Risk Committee**

Date: 26 November 2024

Galpins
Accountants, Auditors
& Business Consultants

CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

THE BAROSSA COUNCIL

GENERAL PURPOSE FINANCIAL STATEMENTS
For the year ended 30 June 2024

Statement by Auditor

I confirm that, for the audit of the financial statements of the Barossa Council for the year ended 30 June 2024, 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) Regulation 2011*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor

Partner

28 November 2024

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