



The Barossa Council



2019-20 ANNUAL REPORT

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The Barossa Council

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On behalf of Council I'm proud to present the 2019-20 Annual Report, a snapshot of our performance and achievements over the past year.

We started the year with a lot of optimism and opportunities. However, early in 2020 COVID-19 was identified in our region which resulted in difficult and stressful times for many. We launched Barossa Cares in April to help those people impacted and continued to work to support the community through initiatives such as rate relief and the development of our COVID-19 Recovery Plan.

There were some exciting developments as we emerged from this period, such as the launch of the much anticipated Barossa Adventure Station.

We have so much to be proud of, and so much more to look forward to. Out of diversity has come opportunity and as we look to the year ahead, we will continue to engage in meaningful conversations to shape our community for the future.

Mayor, Bim Lange



Cr Cathy Troup, Cr Richard Miller, Cr Tony Hurn, Cr Carla Wiese-Smith, Cr John Angas, Cr Kathryn Schilling, Mayor Bim Lange, Cr Leonie Boothby, Cr Russell Johnstone, Cr David de Vries, Cr David Haebich, Cr Don Barrett.

The Barossa Council is one of the largest regional local government authorities in South Australia, covering the internationally renowned Barossa wine region.

The Barossa Council was originally formed in 1996 after the amalgamation of the District Councils of Barossa, Tanunda and Angaston. The majority of the District Council of Mount Pleasant was later amalgamated in 1997.

The Barossa region was and continues to be inhabited by the Kaurna, Ngadjuri and Peramangk people. Colonel William Light first visited the area in 1837, naming the Barossa Range from which the region derives its name. The settlement of the Barossa region began in 1840, with Lutheran settlers escaping religious persecution from the British Isles, Prussia and Silesia, through the sponsorship of George Fife Angas and the aid of Pastor August Kavel.

Early farmers of the Barossa established vineyards in the 1840s and 1850s to supplement their primary activities of wool and livestock production and crop farming. In the late 1880s and 1890s there were substantial increases in the production of wine in the region.

The cultural landscape of the present day Barossa is reflective of the substantial influence of the early British and German settlers. Vineyards and paddocks dominate the landscape but historical towns, churches, wineries and stone artifacts contribute substantially to its charm and character. The natural vegetation of the Barossa has been retained in many areas and underpins the visual appearance and biological diversity of the area.

In addition to our premier wine and food attractions are unique nature trails, parks and historical points of interest. The rich pastoral lands of the historic towns of Mount Pleasant and Williamstown produce fine wool, dairy products and livestock. Forestry is also a significant industry, and together with three reservoirs and national parks, provides recreational opportunities. The tourism industry has become a major focus for the continued development of the region with the Barossa being acknowledged as one of the five most recognised wine regions in the world.



23,410
POPULATION



912 SQ KM
COUNCIL
AREA



13,272
PROPERTIES

Altona, Angaston, Barossa Goldfields, Bethany, Cockatoo Valley, Concordia, Craneford, Cromer, Dorrien, Eden Valley, Flaxman Valley, Kalbeeba, Krondorf, Light Pass, Lyndoch, Moculta, Mount Crawford, Mount McKenzie, Mount Pleasant, Nuriootpa, Penrice, Pewsey Vale, Rosedale, Rowland Flat, Sandy Creek, Springton, Stockwell, Tanunda, Taunton, Vine Vale and Williamstown.

**Enhancing our premium
wine, food and tourism
region and its unique
lifestyle, heritage and
community spirit**



AUSTRALIA DAY AWARDS



Citizen of the Year Julie Combe



Young Citizen of the Year Olivia Sharp

Our Australia Day award recipients were **Citizen of the Year** - Julie Combe, **Young Citizen of the Year** - Olivia Sharp, **Community Project of the Year** - Reconciliation Barossa and **Community Event of the Year** - Lyndoch CFS demonstration. The awards were presented at the free annual Australia Day breakfast event.

CITIZENSHIP CEREMONIES



Mayor Michael 'Bim' Lange, as the authorised person to receive the pledge, conducts the public ceremonies and formally welcomes new citizens as members of the Australian community.

16 citizens were conferred on Australia Day (26 January) 2020. Due to COVID-19 restrictions Council held a limited number of ceremonies during 2020.

Each year members of the community are provided with a number of opportunities to put forward their views and have their say on particular issues and projects before Council.

During the past 12 months, Council has consulted with the community and sought feedback from the community on the following matters and projects:

- Memorials on community land
- Event management policy
- Jutland Reserve management plan
- Volunteer management policy
- Public consultation policy
- Mobile food vendor location rules and policy

Members of the community were able to share their views in a variety of ways including:

- *Written requests* - Members of the public can write to the Council on any Council policy, activity or service.
- *Elected Members* - Members of the public can contact their Elected Members of Council to discuss any issue relevant to Council.
- *Staff Members* - Members of the public can contact Council staff to discuss any issue relevant to Council.
- *Social media* - by engaging on Council's Facebook page facebook.com/thebarossacouncil
- *Community drop ins and pop ups* - Members of the public can actively engage and have a direct say at scheduled public community information sessions
- *Online engagement portal* - dedicated online engagement platform at yoursay.barossa.sa.gov.au for community to provide feedback on specific Council engagements or consultations.

THE BIG PROJECT

Work on The Big Project continued to progress, most notably with the delivery of the Barossa Adventure Station (previously known as the Angaston Railway Precinct redevelopment) - a \$2.5 million dollar project, of which \$1.1 million in funding was provided through the State Government.

Significant work commenced on the sporting complex changeroom facilities at Nuriootpa Centennial Park - a \$890,000 project, supported by \$340,000 in State Government grant funding, and the Tanunda Recreation Park Show Hall - a \$1.7 million project, supported by \$206,250 in State Government funding, including significant refurbishment of the Show Hall, LED floodlighting to the oval and an electrical capacity upgrade for the Park.

In April 2020 Council received \$881,000 in State Government funding to support the \$2.9 million upgrade of the Angas Recreation Park, which includes a new junior sporting oval, cricket nets, changeroom facilities and community spaces.

In May 2020 Council received \$255,000 in State Government funding to support the \$510,000 redevelopment of open space at Stockwell Recreation Park. Council sought community feedback in June 2020 on design elements of the project including a BMX/pump track, fitness stations, trail and lighting infrastructure.

Funding applications were also made to progress:

- Talunga Park and Old Talunga Park - upgrade of courts and flood lighting
- Southern Barossa Hub - upgrade to LED lighting, oval and cricket nets

Council continue to seek grant funding to deliver the Barossa Culture Hub which is proposed to include:

- Broadcasting, production and workshop facilities
- Exhibition, function and event spaces
- Digital and contemporary heritage library facility
- External performance, art and community spaces

Artist accommodation at Tanunda Community Club and a proposed culinary institute at Chateau Tanunda winery are also proposed for the Barossa Culture Hub.





Images 1 - 4: Barossa Adventure Station, Angaston.

Image 5: Tanunda Oval LED flood lighting.

Image 6: Nuriootpa sporting complex changeroom facilities progress.





ANGASTON RAILWAY STATION RESTORATION

Restoration of the State heritage listed Angaston Railway Station was completed in December 2019. Council invested \$735,000 in the restoration which has returned the building to its former glory.

The 1910 station building has been refurbished in keeping with its original form and function, with many uses anticipated for the landmark building - as a community, events, heritage and retail space, as well as a landing place for visitors to the precinct.

Restoring a building of this calibre has been a rare opportunity, making best use of what was an almost derelict building to support tourism and the local economy.

"After many years of negotiations and discussions with the Angaston Community and Business Alliance group it is extremely pleasing to see the vision become a reality," said Mayor Bim Lange.

The restoration of the Angaston Railway Station building is part of the \$2.7 million dollar project to revitalize the precinct which includes the Barossa Adventure Station and encompasses restoration of the Station's original turntable and crane.

The State Government invested \$1.1 million to the project with Council also securing a \$20,000 grant from Heritage South Australia to support the restoration of the Station roof.

OUR ACHIEVEMENTS

DEVELOPMENT APPLICATIONS

793

DEVELOPMENT
APPLICATIONS
LODGED

\$101M

TOTAL VALUE OF
DEVELOPMENT
APPLICATIONS
LODGED

36

LAND DIVISION
CONSENTS
RECEIVED

6

CROWN LAND
ASSESSMENTS

LOCAL NUISANCE & LITTER CONTROL

232

LOCAL NUISANCE
& LITTER CONTROL
REQUESTS

120

LITTER CONTROL

27

SMOKE
COMPLAINTS

2

OFFENCES UNDER THE
ACT WERE EXPIATED*

21

ODOUR, FUMES,
SPRAY DRIFT

8

UNSIGHTLY
CONDITIONS

0

NUISANCE ABATEMENT
NOTICES OR LITTER
ABATEMENT NOTICES
ISSUED

0

APPLICATIONS BY
COUNCIL TO THE
COURT FOR ORDERS
FOR CIVIL PENALTIES
UNDER SECTION 34 OF
THE ACT

12

BIRD
SCARERS

22

NON-FIXED TOOLS &
MACHINE NOISE

3

FIXED
MACHINES

48

GENERAL
NOISE

0

OFFENCES UNDER
THE ACT WERE
PROSECUTED

0

CIVIL PENALTIES
NEGOTIATED UNDER
SECTION 34 OF THE
ACT

*UNDER THE LOCAL NUISANCE AND LITTER
CONTROL ACT 2017 EXPIATIONS WERE ISSUED FOR
DISPOSAL OF UP TO 50L GENERAL LITTER & CLASS B
HAZARDOUS LITTER

NATURAL RESOURCE EDUCATION

970

STAFF & STUDENTS
ENGAGED VIA
SITE VISITS &
EVENTS

1,200

SEEDLINGS
GROWN FOR
PINERY SCHOOLS
REVEG PROJECT

5

SCHOOLS
INVOLVED IN
STUDENT VOICE
SUMMITS

2

STUDENT REPS
ON THE YOUTH
ENVIRONMENT
COUNCIL

BAROSSA BUSHGARDENS NATURAL RESOURCE CENTRE

75

VOLUNTEERS

5,744

VOLUNTEER HOURS
CONTRIBUTED

418

PARTICIPANTS
ATTENDING
38 EVENTS

5,400

VISITORS
ANNUALLY

INSPECTIONS

375

BUILDING
INSPECTIONS

183

PRIVATE POOL
INSPECTIONS

GRANT SUPPORT

\$10,100

FOR 8 HERITAGE
GRANTS





BAROSSA FRINGE ON TOUR

Billed as 'a party like no other' the inaugural 2020 Barossa Fringe on Tour attracted over 9,000 people across the four day event program.

Barossa's creative community, in collaboration with Adelaide Fringe, delivered 13 events spanning across music, cabaret, magic, comedy, art and wellness, with a number of events drawing sold out crowds.

The Barossa Fringe Launch Party, the program's flagship event, activated Tanunda's town centre with free activities and entertainment for all ages.

"The Barossa Fringe on Tour event shone a spotlight on our thriving arts community and is another great example of the Barossa as an events destination which contributes to our local economy," said Mayor Bim Lange.

Barossa Fringe on Tour was a joint collaboration between The Barossa Council, Tourism Barossa, Barossa Grape and Wine, Regional Development Australia and the Government of South Australia, supported by Legatus Group, and The Leader Newspaper.

OUR ACHIEVEMENTS

BAROSSA REGIONAL GALLERY

40
COMMUNITY
EVENTS

23
GALLERY
WORKSHOPS

3,218
GALLERY
VISITORS

\$9,193
ITEMS SOLD

LIBRARY

101,121
LIBRARY VISITORS

176,272
ITEMS LOANED

7,689
ACTIVE LIBRARY
MEMBERS

8,718
PC & WIFI
USERS

13,762 EVENT PARTICIPANTS

VOLUNTEERS

7
VOLUNTEER
RESOURCE CENTRE
VISITORS

372
REGISTERED
COUNCIL
VOLUNTEERS

17,818
VOLUNTEER
HOURS

YOUTH

5
MAJOR YOUTH
EVENTS
202
EVENT
PARTICIPANTS

GRANTS

\$2,975
YOUTH
GRANTS

\$22,363
COMMUNITY
GRANTS

15 YOUTH GRANT AND 8 COMMUNITY
GRANT APPLICATIONS APPROVED



BAROSSA ADVENTURE STATION

The Barossa Adventure Station, a \$2.5 million dollar project which is part of Council's The Big Project, was completed in June 2020.

The family friendly adventure facility features a one kilometre mountain bike trail, zip-line, accessible trampolines, bespoke tower and slide, skate ramps, bouldering wall, half-court basketball, sensory sound forest poles and serene picnic spaces.

The highly anticipated facility grew from community consultation undertaken in 2016 on the redevelopment of the Angaston Railway Precinct and through strong partnerships with community groups which were significant in the planning and execution of the project.

A grant of \$1.1 million through the State Government Open Space/Place for People program was instrumental in funding the project.

"The Barossa Adventure Station is a fantastic mixed outdoors facility not only for our locals to enjoy but is another attraction to encourage tourists to stay and play in the region," said Mayor Bim Lange.

OUR ACHIEVEMENTS

ROAD UPGRADES & IMPROVEMENTS

\$55,154
FOOTPATH
UPGRADES

\$2.6M
ROAD
RESEALING

\$628,849
ROAD RESHEETING

PLAYGROUNDS & SKATE PARKS

\$110,202
PLAYGROUND
UPGRADES

\$102,805
SKATE PARK & BIKE
/ PUMP TRACK
UPGRADES

CUSTOMER REQUESTS

146
FOOTPATH
MAINTENANCE
& HAZARDS

426
TRAFFIC & ROAD
REQUESTS

753
PARKS &
GARDENS
REQUESTS



BAROSSA CARES CONNECTING COMMUNITY

In a local response to the wide reaching effects of the Coronavirus (COVID-19) pandemic The Barossa Council, supported by the Southern Barossa Alliance, Tourism Barossa, Feros Care, RDA Barossa and Barossa & Districts Health Advisory Council launched a website, aptly known as Barossa Cares, in April 2020 to connect vulnerable community members with services during the pandemic crisis.

Barossa Cares was developed with the aim to:

- Engage community support providers to ensure that Barossans in need can access the practical support they need
- Provide access to a wide range of trustworthy support providers both on a local and state level
- Promote community engagement through connectivity and kindness

"The Barossa Cares website is a 'one-stop-shop' approach which enables community to easily and quickly connect with the services they need with the peace of mind that they are accessing reliable and qualified providers," explains Mayor Bim Lange.

From its launch until 30 June 2020 Barossa Cares has been accessed by 2,762 users, peaking at 179 users a day in April 2020.

It is anticipated that barossacares.com.au will continue to grow and be utilised as a support hub for the community in times of crisis.

Bar  *SSa* cares

OUR ACHIEVEMENTS

COMMUNITY TRANSPORT & HOME ASSIST

222
DISABILITY ACCESS
CAB TRIPS

6,578
HOURS OF HOME
ASSISTANCE

625
HOME ASSIST
CLIENTS

6,434
COMMUNITY
TRANSPORT
VOLUNTEER HOURS

1,150
SHOPPING BUS
CLIENT TRIPS

4,097
COMMUNITY CAR
PASSENGER
TRIPS

234,171 KM COVERED BY VOLUNTEER DRIVERS

ANIMAL MANAGEMENT

239
DOGS FOUND &
RETURNED

5,697
DOGS
REGISTERED

721
DOG RELATED
CUSTOMER
REQUESTS

WASTE MANAGEMENT

4,808
TONNES OF
GENERAL WASTE

1,474
TONNES OF
GREEN WASTE

1,967
TONNES OF
RECYCLING

INSPECTIONS

199

WASTEWATER
APPLICATIONS

108

ROUTINE FOOD
INSPECTIONS

IMMUNISATIONS

1,467

VACCINES
ADMINISTERED

9

STUDENT
VACCINES

BUSHFIRE PREVENTION

95

REPORTS OF
LONG GRASS FIRE
HAZARDS

1,071

FUEL REDUCTION
INSPECTIONS







COVID-19 RECOVERY SUPPORT

At the Special Council Meeting on 19 May 2020, Council approved a Barossa COVID-19 Recovery Plan which outlined a \$470,000 investment to support community and regional economic recovery from the impacts of the COVID-19 pandemic and the 'Barossa Cluster'.

Key initiatives within the plan include:

- A \$50,000 community and club restart grant program
- Tourism and marketing campaigns
- Small business support with a \$100,000 grant program
- Event activation
- Volunteer re-engagement
- A dedicated resource to deliver community, recreation and sport development programs and support clubs and groups to restart

"We have listened to community and stakeholder feedback, and prioritised activities that will deliver genuine, targeted, grassroots support where it's needed most.

While some projects will take time to activate, we are confident over the next 12 months we will see significant upturn in community and economic wellbeing," said Mayor Bim Lange.

While the plan is for 12 months of activity the nature of COVID-19 may mean the plan spans over a longer period, and will therefore be reviewed and updated as new information becomes available, new needs develop or funding opportunities arise.

The plan also outlines longer term strategies for investment and the recovery of Council's budget and sustainability of operations post the COVID-19 recovery process.

OUR ACHIEVEMENTS

BAROSSA VISITOR CENTRE

37,808

FACE-TO-FACE
ENQUIRIES

1,210

TOUR, TICKET &
ACCOMMODATION
BOOKINGS

3,770

MERCHANDISE
TRANSACTIONS

42,575

VISITOR ENQUIRIES

573 BIKES HIRED

CARAVAN PARKS

\$148,293

WILLIAMSTOWN CARAVAN PARK
ACCOMMODATION BOOKINGS

\$129,893

MT PLEASANT CARAVAN PARK
ACCOMMODATION BOOKINGS

\$1,552,748

BAROSSA VALLEY TOURIST PARK
ACCOMMODATION BOOKINGS

\$58,115

EDEN VALLEY CARAVAN PARK
ACCOMMODATION BOOKINGS

EVENTS - SANTOS TOUR DOWN UNDER

120,000

SPECTATORS
MEN'S ZIPTRACK
STAGE 1

\$66.4M

IN ECONOMIC
IMPACT FOR THE
STATE

\$114,942

IN COUNCIL
FUNDING



YOUR SAY BAROSSA - COMMUNITY ENGAGEMENT PLATFORM

In June 2020 Council launched a new online engagement platform, *Your Say Barossa*, providing community a convenient and accessible way to share ideas, provide feedback on a range of Council projects and discuss important topics and issues that shape and impact the region.

Your Say Barossa enables more community members to have a say and get involved in shaping the future of the region by allowing contribution at a time and place that suits them.

The online engagement platform is equipped with a range of interactive tools which can be tailored to best suit the type of consultation and the communication style of the target audience.

"Council is committed to promoting greater community engagement and want to know how key issues affect residents. Hearing from the community helps us to make more informed decisions - we want to work in partnership with community to shape the future of the Barossa" said Mayor Bim Lange.

To further drive community participation, *Your Say Barossa* launched with the incentive to sign up to the platform to win one of five \$50 Co-Op gift vouchers. From the platform launch of 19 June until 30 June 2020 *Your Say Barossa* recorded 227 users to the site.

Your Say Barossa complements the variety of other ways which community can share their views, including making written submissions such as surveys, emails or letters, or attending information sessions, focus groups, public meetings, pop-ups and Council meetings.

OUR ACHIEVEMENTS

CUSTOMER SUPPORT

15,452

CUSTOMER
REQUESTS
RECEIVED

11,851

REQUESTS COMPLETED
IN NOMINATED TIME
FRAME

15,743

TOTAL CUSTOMER
REQUESTS
COMPLETED

*Includes 2018-19 requests
completed in 2019-20.

COMMUNITY SUPPORT

385

COUNCIL FACILITY
BOOKINGS

\$7,825

BOOKING
DISCOUNTS

COMMUNICATIONS & ENGAGEMENT

2,797

FACEBOOK
FOLLOWERS

233

E-NEWS
SUBSCRIBERS

79

MEDIA
RELEASES
PUBLISHED

11,803

USERS ENGAGED
VIA FACEBOOK

RISK

\$2,924

INCURRED COST
FOR 13 LIABILITY
CLAIMS

\$37,322

INCURRED COST FOR
16 MOTOR LIABILITY
CLAIMS

\$6,274

INCURRED COST
FOR 4 PROPERTY
CLAIMS

ELECTED MEMBER ACCOUNTABILITY

Ordinary meetings of the full Council are held in the Council Chambers, 43-51 Tanunda Road, Nuriootpa on the third Tuesday of every month at 9.00am.

Between 1 July 2019 and 30 June 2020 a total of 12 ordinary and nine special meetings were held.

ELECTED MEMBER	Ordinary Council meetings	Special Council meetings	Total meetings	Leave of absence	Apology	Absent
Maximum Number of Meetings	12	9	21			
Mayor Michael 'Bim' Lange	12	9	21			
Cr John Angas	12	9	21			
Cr Cathy Troup	11	8	19		2	
Cr Richard Miller	11	9	20	1		
Cr David de Vries	10	7	17	1	3	
Cr Carla Wiese-Smith	11	7	18		3	
Cr David Haebich	12	9	21			
Cr Don Barrett	12	9	21			
Cr Tony Hurn	11	9	20	1		
Cr Kathryn Schilling	11	7	18	2	1	
Cr Leonie Boothby	9	8	17	3	1	
Cr Russell Johnstone	12	8	20		1	

MEMBER ALLOWANCES

Council has processes in place to ensure that the reimbursement of expenses and the provision of allowances, facilities and support to the Elected Members are accountable, transparent and in accordance with relevant legislation.

Section 76 of the *Local Government Act 1999* ("the LG Act") and Regulation 4 of the Local Government (Members Allowances and Benefits) Regulations 2010 provides that Elected Members are entitled to receive annual allowances to help cover the cost of performing and discharging their official functions and duties. Elected Member allowances for The Barossa Council are determined by the Remuneration Tribunal of South Australia with allowances adjusted annually on the first, second and third anniversary of the 2018 Local Government Election to reflect changes in the Consumer Price Index as is defined at Section 76(15) of the LG Act.

The allowances for The Barossa Council as set by the Remuneration Tribunal of South Australia on **30 August 2019**, plus CPI increases where applicable:

Elected Members	\$17,912 p/annum
Deputy Mayor	\$22,392 p/annum
Mayor	\$71,648 p/annum

ELECTED MEMBER TRAINING

Elected Members are provided with training opportunities through the Local Government Association and other bodies which they undertake on an as needs basis. The total cost of training and development for Elected Members in 2019-20 was \$4190 (+GST). Council maintains a register of training and development activities attended by Elected Members.

Over the past 12 months a number of Elected Members undertook additional training and development as follows:

Mayor Bim Lange

LGA Roads and Works Conference
LGA Conference and AGM

Cr Cathy Troup

Elected Members Leadership Session

Cr Russell Johnstone

Elected Members Leadership Session

Council is responsible for the administration of many Acts of Parliament (or parts of Acts), that impact on local residents and their properties. Council also has in force, by-laws that regulate various matters, and impact local residents and their properties. In addition to legislation, Council's Development Plan has legal force in determining types of development and how land is used.

Council's Works Program also impacts on local residents in terms of stormwater drainage, flood mitigation, construction and maintenance of roads and footpaths and common effluent drainage systems.

The Council decision making structure consists of:

- The elected body, which consists of the Mayor and 11 Elected Members
- Council Committees established under the *Development Act and Planning and Development Infrastructure Act*, including the Barossa Assessment Panel, the Building Fire Safety Committee and the Strategic Planning and Development Policy Committee
- Committees and Subsidiaries as established under Sections 41, 42 and 43 of the *Local Government Act*
- Council Staff and authorised persons

The Chief Executive Officer has been given delegated authority from Council to make decisions in relation to those matters that fall within the scope of the delegations.

The Chief Executive Officer has, in turn, sub-delegated certain powers and functions to qualified Council staff to make decisions. Council has made direct delegations to the Barossa Assessment Panel and the Strategic Planning and Policy Development Committee to also make decisions under the *Development Act and Planning and Development Infrastructure Act*. The delegations and sub-delegations are listed in Council's Delegations Register and are reviewed within 12 months of the conclusion of a periodic election as required under Section 44 of the *Local Government Act*.

ICAC ACT

In December 2012, the *Independent Commissioner Against Corruption Act* ("ICAC Act") was proclaimed with the purpose of investigating corruption, serious and systemic misconduct and maladministration in public administration which includes local government.

Outcomes of the ICAC Act which affect local government commenced on 1 September 2013 and included uniform and mandated Codes of Conduct for Council Members and Council Employees. Matters of corruption, serious and systemic misconduct and maladministration must be reported by Public Officers, which includes all Elected Members, Council Employees and contractors, to the Office of Public Integrity for investigation. All new staff receive instruction in ICAC reporting.

PUBLIC INTEREST DISCLOSURE

Council is committed to upholding principles of transparency and accountability in its administrative and management practices and, therefore, encourages the making of Disclosures that reveal Public Interest Information, in accordance with the Public Interest Disclosure Act (the "Act").

Disclosures of Public Interest Information, which consists of Environmental and Health Information or Public Administration Information, can be made to a relevant authority, including Council's responsible officers. Protections are provided to those who make a disclosure, including:

- immunity from liability;
- protection of the person's identity;
- protection against victimisation; and
- protection against hindering, obstructing or preventing persons from making a disclosure.

Details of Council's responsible officers and Public Interest Disclosure policy and process is publicly available at barossa.sa.gov.au

INTERNAL REVIEW OF COUNCIL DECISIONS

Council is committed to transparent decision making processes and to providing access to a fair and objective process for the internal review of its decisions.

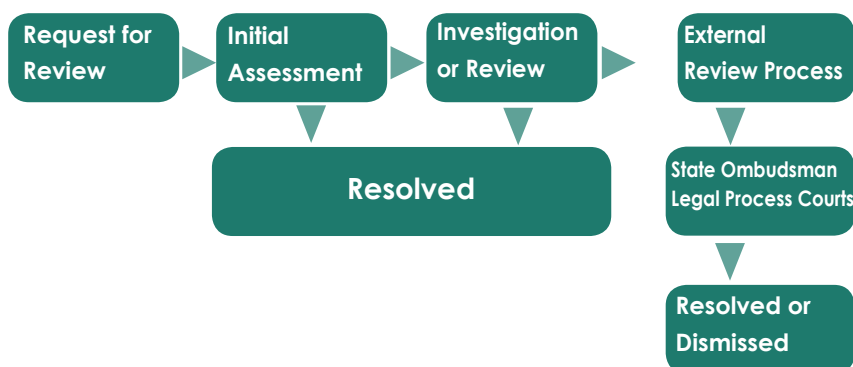
Complaints may arise as a result of dissatisfaction with a decision about a policy, process, service or fee. All attempts will be made to resolve complaints quickly and efficiently without the need for formal applications for review to be lodged.

The processes are established under Section 270 of the Local Government Act and provide guidance for dealing with formal requests for internal review of decisions of Council, its employees and other people acting on behalf of Council.

During this reporting period, Council received four (4) formal requests for internal review of a decision, which were all with respect to decisions made by Council relating to the Chateau Tanunda land swap and Barossa Culture Hub project:

1. Review of the 20 August 2019 Council decision regarding approval to authorise the draft Contract for the Exchange of land; proceed with final negotiations of the Keil Estate Indenture Deed; and proceed with the settlement of the land exchange;
2. Review of the 20 August 2019 Council decision regarding the next steps of The Big Project prioritisation and financial modelling – Barossa Culture Hub;
3. Review of the 28 January 2020 Council decision to authorise the execution of the Keil Estate Indenture Deed;
4. Review of the 20 August 2019 Council decision regarding the next steps of The Big Project prioritisation and financial modeling – Barossa Culture Hub.

The following diagram demonstrates the processes available for the review of Council decisions:



BAROSSA ASSESSMENT PANEL

Pursuant to Section 83 of the *Planning, Development and Infrastructure Act 2016*, The Barossa Council has established a Council Assessment Panel to be known as the Barossa Assessment Panel (BAP), for the purpose of acting as delegate of the Council in its role as a “relevant authority” pursuant to the *Development Act 1993*.

The BAP has its own Terms of Reference, procedures and protocols. The BAP makes decisions independently from the Council.

The BAP has a total of five members appointed by the Council. These are:

Bruce Ballantyne - Presiding Member
Rob Veitch
Deirdre Reiman
Grant Hewitt
Cr Richard Miller
Deputy Member: Cr Russell Johnstone (for Cr Miller in his absence)

Assessment Panel members can be appointed for up to two years and be reappointed thereafter. The current term of office has been extended to 30 September 2020.

AUDIT COMMITTEE

Council maintains an Audit Committee to monitor the participation of management and the external auditors in the financial reporting process; oversee and make recommendations on the approach used by management to address business risks; review and make recommendations on how Council's corporate, financial governance and legal responsibilities are addressed.

The Committee has the following structure:

Independent Members: Mr Peter Brass (Chair)
Mr Ian Swan
Ms Ellen Ewing

Elected Members: Cr John Angas
Cr Russell Johnstone

Elected Members were appointed to the Audit Committee at the Council Meeting held 26 November 2018 for the term of the current Council.

At the Council meeting held 22 January 2019, Council appointed Mr Peter Brass and Ms Ellen Ewing as Independent Members for a two year term. The current term of Independent Member, Ian Swan expires in January 2022. Appointments have been staggered to secure consistency of Independent Members on the Committee.

Meetings are held at least four times a year – timing dependent on work in progress - and have also been attended by the Chief Executive Officer, Manager Financial Services, Risk Advisor, Coordinator Internal Control and representatives from Bentleys SA (Council's External Auditor).

The Audit Committee's complete Annual Report is available at barossa.sa.gov.au

AUDITOR INDEPENDENCE

Payments during 2019-20, totaling \$21,340 (excl GST) were made to Council's External Auditor, Bentleys SA, for Council's and Nuriootpa Centennial Park Authority's audits.

NATIONAL COMPETITION POLICY

Council is required to report on the extent to which activities of the Council have been subject to the National Competition Policy.

Council established a subsidiary under Section 42 of the *Local Government Act 1999* to undertake the management, care and control of the Nuriootpa Centennial Park Authority.

This is the only subsidiary of Council undertaking significant business activities. No new by-laws restricting competition were proposed during the reporting period, nor was any structural reform of public monopolies necessary. No complaints were received for the 2019-20 reporting period.

The Subsidiary Board reviews competitive neutrality matters to the Authority.

COMPETITIVE TENDERING ARRANGEMENTS

Council is required to report on Competitive Tendering Arrangements and other means to ensure services are delivered cost effectively.

Council's procurement framework establishes a holistic approach for end to end management of the procurement lifecycle. At the head of the framework, Council's Procurement Policy provides overarching principle based guidance on Council's procurement activity in accordance with Section 49 of the *Local Government Act 1999* and best practice principles in procurement.

The policy sets out principles aimed at ensuring probity, accountability, responsibility, fairness, equity, consistency of approach and effective outcomes for Council. The policy is available for inspection at Council's Principal Office or on its website at barossa.sa.gov.au.

A range of administrative processes provide operational guidance for the practical implementation of the Procurement Policy including:

1. Procurement Planning, Sourcing and Selection Process
2. Purchasing Process
3. Contractor and Contract Management Process

A summary of procurement methodologies and associated expenditure thresholds is below:

BAROSSA COUNCIL PROCUREMENT METHODOLOGY THRESHOLDS

All purchases up to the value of \$100,000 can be procured via Council's Panel Contracts in the first instance. In the event that Goods, Works or Services are not serviced by Council's Panel Contracts, or it is deemed prudent to go out to the broader market, or the value of the purchase exceeds \$250,000 the following thresholds apply:

Value of Purchase	Method of Procurement	Approver
Up to \$20,000	Direct purchase based on advertised price or written quotation	As per Council Delegation Register
\$20,001 - \$100,000	Three written quotations or one written quotation from Panel	As per Council Delegation Register
\$100,001 - \$250,000	Open tender or select tender (minimum three tenders) where justification exists or three written quotations from panel	Relevant Director, unless determined by the CEO that the tender is of commercial or community sensitivity whereby approval must be via the CEO
\$250,001 - \$1,000,000	Open tender or select tender (minimum three tenders) where justification exists	CEO, unless determined by CEO that the tender is of commercial or community sensitivity whereby approval must be via Council
\$1,000,001 and above	Open tender	Council

COMMUNITY LAND MANAGEMENT PLANS

Under Section 193 of the *Local Government Act 1999* (the Act), all local government land that is owned by Council or under Council's care and control (excluding roads) is classified as Community Land. Section 207 of the Act requires Council to develop and maintain a Community Land Register, which is available for inspection on Council's website www.barossa.sa.gov.au.

Section 196 of the Act requires Council to develop management plans for all Community Land. Categories of Community Land area not specifically defined in the Act, but for the purposes of management plans, include areas that are set aside for community use or conservation purposes. All queries about Council's Community Land can be referred to Council's Governance Advisor at barossa@barossa.sa.gov.au.

Current Community Land Management Plans are:

1. Council Reserves and Gardens (Developed)
2. Council Reserves and Gardens (Undeveloped or with Minor Improvements)
3. Recreation Reserves
4. Institutes and Community Halls
5. Car Park Land
6. Cemetery Land
7. Established Trails, Walkways and Bikeways
8. Talunga Village

STRATEGIC & BUSINESS PLANNING

During 2019-20 Council continued implementation of the Community Plan 2016-2036 and its Corporate Plan for 2016-17 to 2019-20.

The Community Plan is the foundation for all strategic decisions made by Council over 20 years, providing a clear strategic direction across a range of areas as well as serving as an overarching guide to measure Council's decision making and successful service delivery.

The Corporate Plan outlines how Council's administration will deliver the Barossa Community Plan 2016-2036 and connects the organisation's strategic directions to what is needed practically on the ground to give effect to Council's vision.

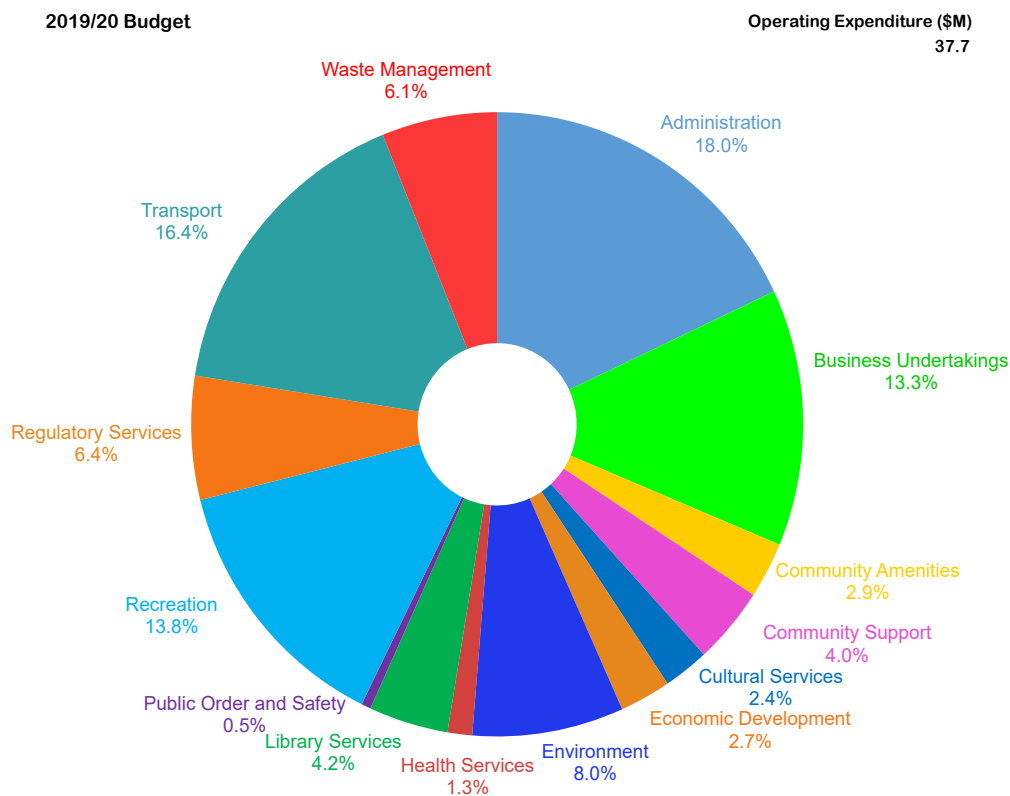
Council continued its Holistic Reporting Framework through the Quarterly Performance Report which includes a suite of activity measures, providing a snapshot of activity undertaken over the quarter or year to date in the delivery of key internal and external services under each Community Plan Theme.

Council's Quarterly Performance and Activity Report visually aligns with the themes identified within the Community Plan and operations within the Corporate Plan to provide a clear line of sight to Council strategy and accountability in the measurement of organisational performance under the overarching planning framework. Reports are available via Council's website.

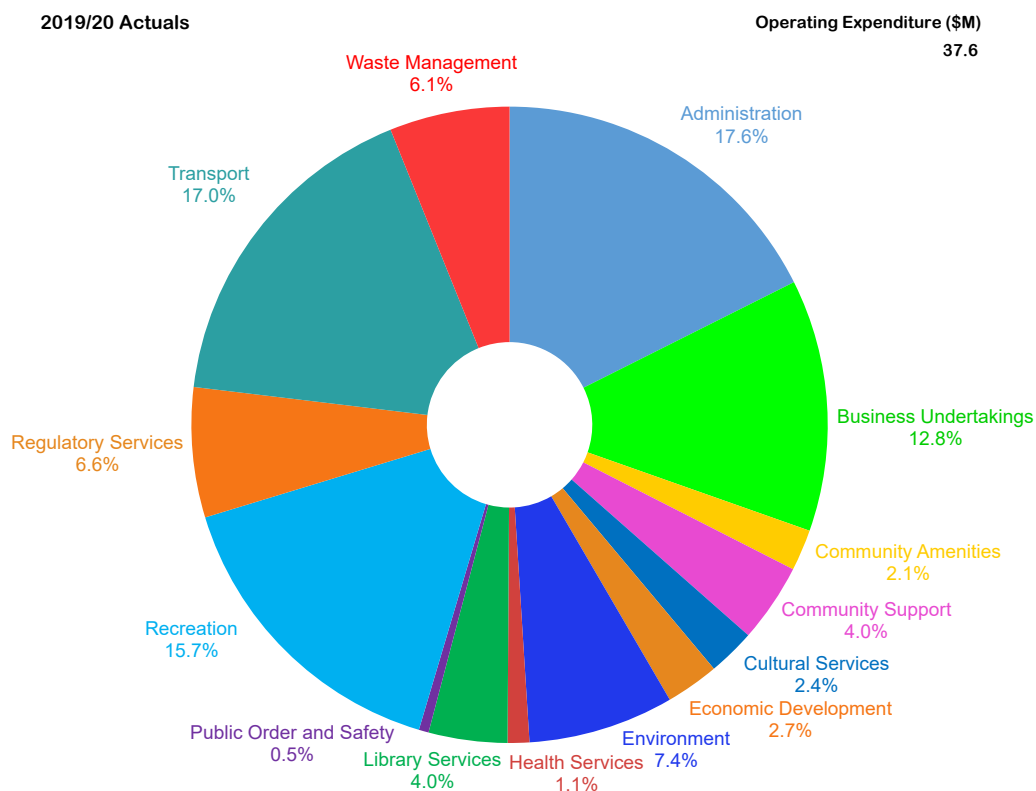
2019-20 ANNUAL BUSINESS PLAN INITIATIVES PERFORMANCE

Reflects performance outcomes against the original annual business plan for 2019-20 as at 30 June 2020.

FUNCTIONAL OUTCOMES TARGET



ACTUAL FUNCTIONAL OUTCOME



KEY ACTIVITIES FOR 2019-20 PERFORMANCE

Description of activity and Community and Corporate Plan theme	Status
Natural Environment and Built Heritage	
Support implementation of State Planning Code	Underway
Advocate for relevant local policy as part of the new State Planning Code	Underway
Continue implementation of actions from energy audit e.g. solar and LED solutions	Underway*
Support Heritage Grant program	Completed
Advocate for sound planning system changes and reform that promote desirable development	Underway
Facilitate works and discussion on the development of the Concordia Growth Area master plan under an agreed governance framework	Underway
Implementation of the ePlanning framework	Underway
Community and Culture	
Improve customer request response times and embed Customer Service Charter	Completed 2019/20 program – Ongoing *
Complete the implementation of RFID (Radio frequency identification) efficiencies in Libraries	Completed
Continue review of Council customer service foyer redevelopment at Nuriootpa Office	Deferred
Community initiative improvement - Lyndoch Recreational Park lighting improvements	Underway
Support Community and Youth Grants programs	Completed
Maintain full time Gallery Project Officer Resource - Barossa Regional Gallery	Completed*
Continue support of Council's Volunteer Management coordination	Completed*
Infrastructure	
Implement 90% of targeted planned infrastructure capital program	Completed
Complete all plant and equipment utilisation and commence implementation	Underway
Complete accelerated works - Tanunda Recreation Park (show hall, electrical upgrades, oval widening)	Underway
Complete Angaston Railway Precinct upgrade works	Practically Completed
Scope Car Parking works - Barossa Visitor Centre	Completed
Oval irrigation - Talunga Recreation Park	Completed
Pursue suitable grant funding opportunities and partnerships for the continued implementation of "The Big Project" prioritised projects	Completed for 2019/20 – Ongoing
Health and Wellbeing	
Undertake a review of the Animal Management Plan	Underway
Ensure effective operation of the kerbside waste collection system in line with contract arrangements	Completed

KEY ACTIVITIES FOR 2019-20 PERFORMANCE - CONTINUED

Description of activity and Community and Corporate Plan theme	Status
Health and Wellbeing	
Continue to strive to improve waste collection systems including final investigations of a hard waste system	Underway*
Provide or facilitate collection/disposal services for other waste streams (i.e. soft plastics, e-waste)	Underway*
Undertake a review of the Regional Public Health Plan	Underway*
Continue improving and implement community education programs around waste management	Completed
Embed implementation of Disability Action and Inclusion Plan agreed actions	Completed for 2019/20 plan – Ongoing
Resource Social Planning Project to promote social inclusion outcomes - Project Officer hours	Completed
Prioritise and source funding or alliances to implement Community Emergency Management Plans	Deferred*
Business and Employment	
Complete Economic Development Strategy	Deferred*
Complete implementation of Tanunda Barossa Visitor Centre and Library upgrade to improve customer experience and tourism growth	Completed
Continue to identify areas of red tape reduction and implement solutions to make doing business with The Barossa Council as easy as possible (within legislative frameworks)	Completed
Good Governance	
Continued implementation of the approved efficiency, customer service and digital future Change Program	Completed for 2019/20 program - Ongoing*
Complete review of Community Plan and Asset Management Plans	Underway*
Implement identified components of the Workforce Plan	Deferred*
Continued implementation of organisational culture action plans	Ongoing*
Advocate for legislative changes to improve efficiency of Local Government	Completed
Research and planning for Geographic Information Systems (GIS) Software upgrade	Completed

*Impacted by COVID-19 restrictions.

CAPITAL WORKS PERFORMANCE

Reflects performance outcomes on the originally adopted plan in July 2019.

Corporate and Community Services	
Community Services - Community Transport	
Community Transport Vehicles	Completed
Library Services	
Library books	Completed
Barossa Regional Gallery	
Barossa Regional Gallery Air Conditioning	Carried forward – grant application not successful
Offices and Community Facilities	
Talunga Recreation Park - Hybrid Power Solution	Carried forward
Talunga Tennis Courts - Reseal/Drainage	Carried forward
Tanunda Recreation Park - Show Hall Upgrade	Completed
The Big Project - Phase 1 Implementation - Buildings	General allocation balance carried forward to match grant applications
The Big Project - Phase 1 Implementation - Recreation	
The Big Project Implementation Costs	
Executive Services	
Offices and Community Facilities	
Nuriootpa Office - LED Lighting Replacement	Underway
Nuriootpa Office - Solar Panels	Underway
The Rex Barossa Aquatic and Fitness Centre - LED Lighting Replacement	Underway
The Rex Barossa Aquatic and Fitness Centre - Solar Panels	Underway
Nuriootpa Centennial Park Authority	
Camp Kitchen Upgrade	Deferred COVID-19 Impacted
Internal Roadworks	Deferred COVID-19 Impacted
Multi-use Change Rooms	Practically complete
Works and Engineering	
Bridges	
Shannon Road Bridge	Completed
Stockwell Road Bridge Detailed Design	Completed
Buildings	
Building Renewal and Replacement	Completed

CAPITAL WORKS PERFORMANCE - CONTINUED

Nuriootpa Office and Library Air Conditioning Renewal Program	Completed
Tanunda and Williamstown Depot Renewal	Completed
Tanunda and Williamstown Depot Upgrade	Completed
Cemeteries	
Angaston Cemetery - Niche Wall	Completed
Footpaths	
Schaedel Street Nuriootpa	Completed
Motor Vehicles, Plant and Equipment	
Depot - Elevated Work Platform	Not required
Depot - Fuel Tanker Trailer	Completed
Depot - Minor Plant	Completed
Depot - Tipper Truck	Completed
Motor Vehicles Renewal	Completed
Parks and Gardens	
Irrigation Improvement - Reserves	Completed
Playground Equipment Renewal and Upgrade	Completed
Talunga Recreation Park - Oval Irrigation	Completed
Tolley Reserve Nuriootpa Skate Park Half Pipe Renewal	Completed
Road Resheeting	
Bastion Hill Road Moculta	Completed
Corryton Park Road Flaxman Valley	Completed
E Lorkes Road Springton	Completed
Harris Road Concordia	Completed
Kalbeeba Road Concordia	Completed
Koch Road Krondorf	Completed
McCallum Road Concordia	Completed
Nitschke Road Krondorf	Completed
Para Wirra Road Williamstown	Completed
Sandland Road Cockatoo Valley	Completed
Trial Hill Road Altona	Completed
Woodlands Road Cockatoo Valley	Completed
Resheeting Budget	Completed
Road Resealing	
Altona Road Altona	Completed

CAPITAL WORKS PERFORMANCE - CONTINUED

Angas Street Tanunda	Completed
Barossa Visitor Centre Car Park Sealing - Design	Completed
Bike Path - Atze Parade to Furnell Street (Carried Forward)	Not Completed – carry forward
Burings Road Tanunda	Completed (under DPTI Roundabout Scope)
Caleb Virgo Court Nuriootpa	Completed
Calton Road Kalbeeba	Completed
Coronation Avenue Tanunda	Completed
Craneford Road Eden Valley	Completed
Creek Road Cockatoo Valley	Completed
Daly Street Springton	Completed
Dempster Street Nuriootpa	Completed
Edward Street Springton	Completed
Evans Street Angaston	Completed
Falkenberg Road Nuriootpa	Completed
Ferdinand Street Springton	Completed
Flaxmans Valley Road Angaston	Completed
Gilbert Street Lyndoch	Completed
Glen Devon Road Mt Pleasant	Completed
Hamiltons Road Springton	Completed
Helene Street Nuriootpa	Completed
Hocknull Place Mt Pleasant	Completed
Internal Recreation Park Roads Renewal	Completed
Jollytown Road Lyndoch	Deferred – road reconstruction required
Kalimna Road Nuriootpa CWMS Trench Reconstruction	Completed
Krondorf Road Tanunda	Completed
Lorke Road Williamstown	Completed
McBeans Range Road Springton	Completed
Menge Road Tanunda	Completed
Meshach Burge Terrace Lyndoch	Completed
Phillip Street Tanunda	Completed
Railway Terrace Tanunda	Completed
Research Road Nuriootpa	Completed

CAPITAL WORKS PERFORMANCE - CONTINUED

Rifle Range Road, Krondorf	Completed
Road Shoulders Renewal	Completed
Rushall Road Lyndoch	Completed
Saleyard Road Mt Pleasant	Deferred - road reconstruction required
Sale Yards Road Nuriootpa	Completed
Samuel Potter Lane Lyndoch	Completed
Springton Road Williamstown	Completed
Stockwell Road Vine Vale	Completed
Talunga Park Road Mt Pleasant	Completed
The Crescent Nuriootpa	Completed
Tower Road Pewsey Vale	Completed
Traeger Court Tanunda	Completed
Weckert Street Tanunda	Completed
Whiteman Road Williamstown	Completed
Williamstown Road Springton	Completed
Yettie Road Williamstown	Completed
Reseal Budget (Part Carried Forward \$351,470)	Completed
Stormwater	
Calton Road to Hameister Court Drainage Kalbeeba	Carried forward
James Sim Court Kalbeeba Drainage	Completed
Kroehn Road Culvert Upgrade	Completed
MacDonnell Street Tanunda Cross Drain Upgrade	Completed
Para Road Tanunda Drainage Upgrade	Completed
Yettie Road Williamstown Drainage Upgrade	Completed
Streetscaping	
Mount Pleasant Main Street	Completed
Murray Street Angaston	Carried forward
Community Wastewater Management System (CWMS)	
CWMS Vehicle Replacement - Co-ordinator	Carried forward
CWMS Vehicle Replacement - Northern Operations	Carried forward
CWMS Vehicle Replacement - Southern Operations	Carried forward
Gravity Mains Operation Construction of New Inspection Points (IP)	Completed
Gravity Mains Operation Emergency IP and Manhole Repairs/Replacement	Completed
Tanunda Waste Water Treatment Plant (Part Carried Forward \$719,248)	Completed

2019-20 NON-FINANCIAL MEASURES

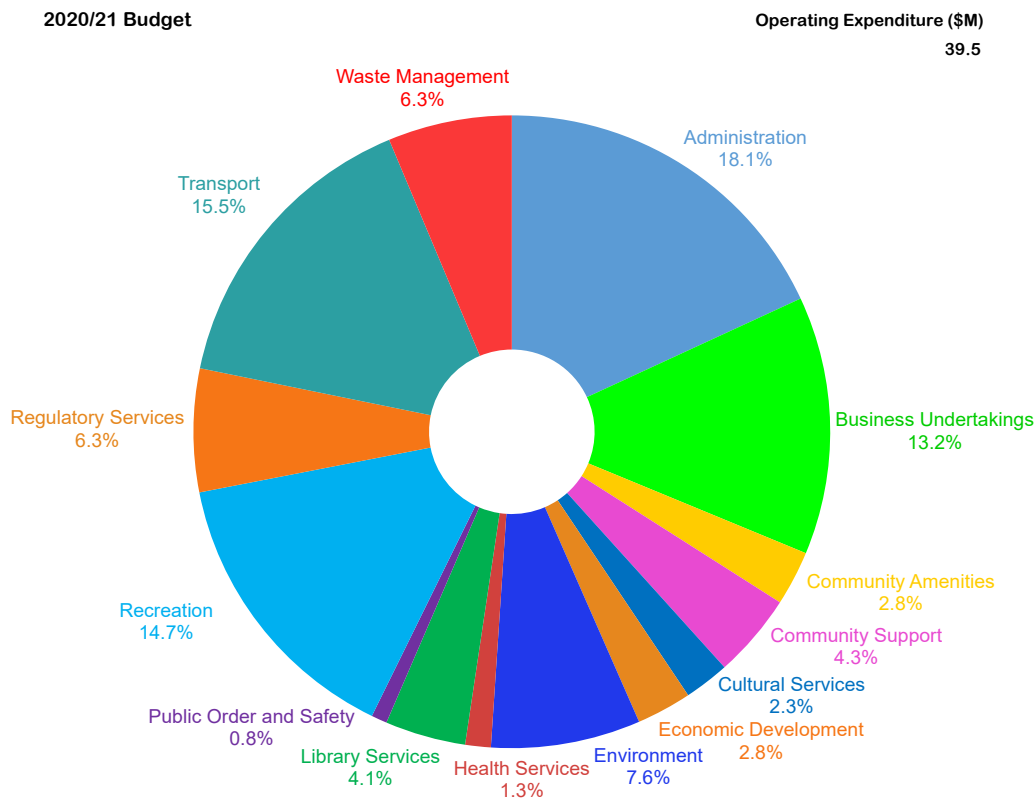
Indicator	Description	Target	Result
Theme 1 - Natural and Built Heritage			
Building Rules Consent Processing	The percentage of Building Rules Consent Applications completed within three months of lodgement.	90%	Data Not Available
Planning Consent Processing	The percentage of Planning Consent Applications completed within three months of lodgement	90%	Data Not Available
Theme 2 - Community and Culture			
Library Visits	The number of library visits and participation within The Barossa Council area.	5 visits per capita	Not met 4.31 COVID-19 Impacted
Mutual Liability Claims	Number of successful Mutual Liability Claims against Council.	3 or less per annum	Achieved 2 claims successful
Theme 3 - Infrastructure			
Asset Spending Ratio	Ratio of asset expenditure on renewal, replacement and upgraded assets and maintenance on assets	Between 100% and 150% of depreciation	Achieved 128.2%
Theme 4 - Health and Wellbeing			
Nuisance and Environmental Complaint Resolution Rate	Percentage resolved within due date	75%	Not Met 70.7%
Waste Disposal Rate	Percentage of waste disposed to landfill	Less than 65%	Exceeded 58.3%
Recycling Rate	Percentage of waste recycled	More than 35%	Exceeded 41.7%
Theme 5 - Business and Employment			
Tourism Customer Satisfaction with Visitor Information Services	Average Customer Satisfaction Rating	4 or above	Exceeded 4.9 Average
Visitor Information Centre Bookings	Annual Booking Revenue (Accommodation / Tours / Tickets)	100% of Budget	Not Met 38.9% COVID-19 Impacted
Cycle Hub - Bike Hire Revenue	Annual Sales Revenue	100% of Budget	Not Met 60.9% COVID-19 Impacted
How We Work - Good Governance			
LGA KPI Audit Action Plan	Percentage of KPI Audit Actions Complete	90% Note: Scheme amended Target during 2019/20 to 33% in response to COVID-19.	Result 66%
LGA Risk Review	Percentage risk review conformance	90%	Not Met 29% (Focus has been on Work Health Safety & Business Continuity Plan due to COVID-19)

2019-20 NON-FINANCIAL MEASURES - CONTINUED

Indicator	Description	Target	Result
How We Work - Good Governance			
Customer Request Completion Rate	Percentage of Customer Requests completed (on Time and overdue)	85%	Not Met Significant Improvement in 2019-20 83.5%
Customer Request Resolution Rate	Percentage of Customer Requests resolved on time	85%	Exceeded 103.2%
Operational Expenditure Against Budget	Actual Operating Expenditure as a % of Budgeted Operating Expenditure	100%	Achieved 98.8%
Capital Expenditure Against Budget	Actual Capital Expenditure as a % of Budgeted Capital Expenditure	90%	Achieved 90.9% Including budgets where grant applications unsuccessful and dependant projects did not proceed 73.9%
Organisational Culture Improvement	Percentage percentile shift in the culture survey results to an organisation of progressively improving achievement and self-actualising style of operation	Constructive styles above 50th percentile Defensive styles below 50th percentile	Measure no longer relevant. Alternative high performance system program in place since early 2020.
Staff Development - Training	Percentage of staff with an approved training needs analysis	85%	Exceeded 88%
Staff Development - Performance Partnering	Percentage of staff who have completed performance partnering	85%	Not Met 40% COVID-19 impacted.
Staff Retention	Percentage of employees retained	90%	Exceeded 92%

2020-21 ANNUAL BUSINESS PLAN INITIATIVES

FUNCTIONAL OUTCOMES TARGET 2020-21



2020-21 KEY ACTIVITIES

Description	Community/ Corporate Plan Theme
Support implementation of State Planning Code	 Natural Environment & Built Heritage
Advocate for relevant local policy as part of the new State Planning and Design Code	
Continue implementation of actions from energy audit e.g. solar and LED solutions	
Support Heritage Grant program	
Advocate for sound planning system changes and reform that promote desirable development	
Facilitate works and discussion on the development of the Concordia Growth Area master plan under an agreed governance framework	
Implementation of the ePlanning framework	 Community & Culture
Improve customer request response time and embed Customer Service Charter	
Implement community, recreational and sport COVID-19 recovery program	
Delivery of approved The Big Project activities	
Complete review and commence implementation of library and heritage service reforms	
Support Community and Youth Grants program	
Maintain full time Gallery Project Officer Resource - Barossa Regional Gallery	 Infrastructure
Continue support of Council's Volunteer Management coordination	
Implement 90% of Targeted Capital Program	
Delivery of approved The Big Project activities	
Pursue suitable grant funding opportunities and partnerships for the continued implementation of "The Big Project" prioritised projects	
Pursue suitable grant funding opportunities and partnerships for freight route, bridges and other key road, footpath and urban development projects.	
Implement infrastructure components of the COVID-19 recovery program	 Health & Wellbeing
Implement infrastructure components of the Drought Communities Programme	
Complete a review of the Animal Management Plan	
Ensure effective operation of the kerbside waste collection system in line with contract arrangements	
Continue to strive to improve waste collection systems including final investigations of a hard waste system	
Provide or facilitate collection/disposal services for other waste streams (i.e. soft plastics, eWaste)	
Complete the review (Stage 2) of the Regional Public Health Plan	 Business & Employment
Continue improving and implement community education programs around waste management	
Continue to identify areas of red tape reduction and implement solutions to make doing business with The Barossa Council as easy as possible (within legislative frameworks)	 Good Governance
Implement business and other support components of the COVID-19 recovery program including visitor marketing	
Continued implementation of the approved efficiency, customer service and digital future Change Program	
Complete review of Community Plan, Corporate Plan and Asset Management Plans	
Commence review of Workforce Plan	
Continued implementation of organisational culture action plans	
Advocate for legislative changes to improve efficiency of Local Government	

* This is a list of key activities that are included in the operating or capital budget and form part of the summarised service provisions included in this Business Plan.



KEY FINANCIAL PERFORMANCE INDICATORS

Council has a number of Key Financial Performance Indicators (KPIs) which measure the impact of the annual budget on Council's financial position.

Legend:	Target Not Met	Target At Risk	Target Met
			

Key Performance Indicator 1: Operating Result (\$'000)

Council has set the following target - **To achieve an operating breakeven position, or better, over any five year period.** Operating Surplus increased as a result of various unexpected income including Financial Assistance Grant \$722k (F) for future years but paid in June 2020 and decreases to expenditure, including contractors costs \$593k (F) together with budget carry forward (for approval) expenditure net \$233k, (F) and increases to depreciation charge \$533k (U).

Year	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Actual
Result (\$'000)	2,255	1,843	720	1,511
Status				

Key Performance Indicator 2: Operating Surplus/(Deficit) Ratio

Expresses the projected Operating Surplus/(Deficit) result as a percentage of general rate revenue. Council has set the following target - **To achieve an operating surplus ratio of between -2% to 10%.** The ratio is better than expected and within the target range. This indicator is showing a sustainable operating surplus position well within Council's target range, for 2019/20 operating revenue was \$39,175k. See comments on the previous KPI and the variance reporting in this report for further explanation.

Year	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Actual
Result	5.9%	4.74%	1.9%	3.86%
Status				

Key Performance Indicator 3-1: Net Financial Liabilities (\$'000)

Council has set the following target - **Council's level of net financial liabilities is no greater than its annual operating revenue and not less than zero.** Refer to comments from Operating Surplus indicator above along with a decrease to liabilities, additional cash holdings brought forward from the previous year, savings from budget projections and Capital and Operating expenditure not spent loans not drawn down and expenditure carried forward to next year at \$5.6m.

Year	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Actual
Result (\$'000)	2,603	3,833	16,184	5,231
Status				

Key Performance Indicator 3-2: Net Financial Liabilities Ratio

Expresses the projected Net Financial Liabilities as a percentage of total operating revenue for each year. It is Council policy (and industry best practice) that this ratio shall not exceed 100%. Council has set the following target - **Net financial liabilities ratio is greater than zero but less than 100% of total operating revenue.** *This ratio has decreased; refer to the comments in the Net Financial Liabilities indicator above.*

Year	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Actual
Result (\$'000)	7%	10%	42%	13%
Status				

Key Performance Indicator 4: Asset Renewal Funding Ratio

Expresses the rate by which assets are wearing out and being replaced by comparing capital outlays on renewal/replacement of existing assets to the Renewal expenditure Infrastructure Asset Management Plan (IAMP) - **Capital outlays on renewing/replacing assets is greater than 80% but less than 110% of IAMPs.** *The ratios shown above as at 30 June 2020 is for one year only; not averaged over 3 years. The result is much better than the adopted targets as the Infrastructure Asset Management Plan (IAMP) renewal spend for 2019/20 was \$4,964k whereas the actual spend was \$4,571k. The IAMPs are being reviewed in 2021; it is expected that this will improve the data and therefore this indicator accuracy and application. Note: there are substantial new and renewal capital projects approved and proposed as carry forward to next year, \$5.4m (refer to the relevant comments in this report).*

Year	2017-18 Actual	2018-19 Actual	2019-20 Budget	2019-20 Actual
Result	373%	443%	124%	92%
Status				

OPEN GOVERNMENT & TRANSPARENCY INITIATIVES

Ordinary meetings of the full Council are held in the Council Chambers, 43-51 Tanunda Road, Nuriootpa on the third Tuesday of every month at 9am.

All meetings are open to the public and Council agendas and minutes are on display for public inspection and available online at barossa.sa.gov.au

Section 90(1) of the *Local Government Act* specifies that Council meetings are held in a public place but on occasions this principle is outweighed by the need to keep the information or discussion confidential.

During this financial year, 14 confidential reports were presented to Council, zero (0) to the Audit Committee and four (4) to the Barossa Assessment Panel.

Each application of confidentiality clause was in accordance with Council's Code of Practice.

The occasions when Council or Committees used Sections 90(2) and (3) of the Act to consider confidential matters are listed below:

Category	Reason to exclude public from Council meeting pursuant to Section 90(3)	No. Items
90(3)(a)	information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);	6
90(3)(b)	information the disclosure of which— (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and (ii) would, on balance, be contrary to the public interest;	1
90(3)(c)	information the disclosure of which would reveal a trade secret	-
90(3)(d)	commercial information of a confidential nature (not being a trade secret) the disclosure of which— (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and (ii) would, on balance, be contrary to the public interest;	1
90(3)(e)	matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person; information the disclosure of which could reasonably be expected to prejudice the maintenance of law, including by affecting (or potentially affecting) the prevention, detection or investigation of a criminal offence, or the right to a fair trial;	1
90(3)(f)	information the disclosure of which could reasonably be expected to prejudice the maintenance of law, including by affecting (or potentially affecting) the prevention, detection or investigation of a criminal offence, or the right to a fair trial;	-
90(3)(g)	matters that must be considered in confidence in order to ensure that the council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty;	-
90(3)(h)	legal advice;	3

Category	Reason to exclude public from Council meeting pursuant to Section 90(3)	No. Items
90(3)(i)	information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council;	-
90(3)(h) & 90(3)(i)	legal advice; and information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council;	-
90(3)(j)	information the disclosure of which— (i) would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and (ii) would, on balance, be contrary to the public interest;	1
90(3)(k)	tenders for the supply of goods, the provision of services or the carrying out of works	3
90(3)(m)	information relating to a proposed amendment to a Development Plan under the <i>Development Act 1993</i> before a Development Plan Amendment proposal relating to the amendment is released for public consultation under that Act;	-
90(3)(n)	information relevant to the review of a determination of a council under the <i>Freedom of Information Act 1991</i> .	-

Date and subject of matters:

Date	Report Title	Reason / Sec. No.
16/7/2019	Chief Executive Officer's 2018/19 Performance and conditions of Contract Review	90(3)(a)
20/8/2019	Barossa Grape and Wine Association (BGWA) – Sale of Property – Murray St, Tanunda – Council's First Right of Refusal Under the Lease	90(3)(d)
20/8/2019	Tender – Tanunda Recreation Park Show Hall Extension and Refurbishment T0102/2019	90(3)(k)
15/10/2019	Tender – Construction Tanunda Tertiary Treatment Plant	90(3)(k)
6/11/2019	Tender – Angaston Railway Precinct, Playground, Open Space and Associated Civil Works – T111-2019	90(3)(k)
17/12/2019	Australia Day Awards 2020 – Citizen of the Year and Young Citizen of the Year	90(3)(a)
17/12/2019	Australia Day Awards 2020 – Community Event of the Year	90(3)(a)
17/12/2019	Australia Day Awards 2020 – Community Project of the Year	90(3)(a)
17/12/2019	Sale of Land for Non-Payment of Rates - Acceptance of Offer	90(3)(h) 90(3)(a)
28/1/2020	Biosecurity Bill – Stakeholder Feedback Report	90(3)(j)
28/1/2020	Santos Tour Down Under 2021	90(3)(h)
17/3/2020	Section 270 Local Government Act – Internal Review - Consideration of Legal Advice to Council	90(3)(h)
21/4/2020	Section 270 Local Government Act – Internal Review - Consideration of Legal Advice to Council	90(3)(h)
19/5/2020	Submission – Gottwald Road Williamstown – Roadside Memorial	90(3)(a) 90(3)(e)

Other confidential order information for Council under section 91(7):

Other confidential order information for Council

Number of orders that remained operative at the end of the financial year	61
Number of orders that expired, ceased to apply, or were revoked during the financial year	0
Number of matters where the documents were also kept confidential	61

Other confidential order information for Audit Committee

Number of orders that remained operative at the end of the financial year	0
Number of matters that are to remain confidential for a certain period of time	0
Number of orders that expired, ceased to apply, or were revoked during the financial year	0
Number of matters where the documents were also kept confidential	0

Other confidential order information for Barossa Assessment Panel

Number of orders that remained operative at the end of the financial year	4
Number of matters that are to remain confidential for a certain period of time	0
Number of orders that expired, ceased to apply, or were revoked during the financial year	0
Number of matters where the documents were also kept confidential	1

CONFIDENTIAL ITEMS PERCENTAGE

Council/ Committee	# of agenda items	# of confidential items	% confidential
Barossa Assessment Panel	63	4	6.3
Council	335	14	4.1
Audit Committee	47	0	0

Review of Confidentiality Orders

Council, or the Chief Executive Officer if delegated, reviews orders on an as-required basis as items are due for review. The confidential register is assessed on a monthly basis for orders that require assessment for review. Items that require review by Council are presented in the Council agenda. Items that expire or cease to apply and do not require further review are released on the publicly available confidentiality register.

Freedom of Information (FOI) Requests

Council is pleased to comply with the *Freedom of Information Act 1991* and process applications for public access to official documents and records under its control and provide for the correction of public documents and records in appropriate cases. Council's Freedom of Information Statement is updated annually – refer Appendix 1.

The total number of applications received during the reporting period in accordance with Section 13 of the *Freedom of Information Act 1991* was 13 with all finalised.

General Information Applications	11
Personal Information related application:	2
Total number of FOI Applications	13

EXECUTIVE MANAGEMENT TEAM



Martin McCarthy
Chief Executive
Officer



Matt Elding
Director
Works and
Engineering
Services



Joanne Thomas
Director Corporate
and Community
Services



Gary Mavrinac
Director
Development and
Environmental
Services

HUMAN RESOURCES & WORKFORCE DEVELOPMENT

Staff profile by gender	Male	Female
CEO	1	0
Directors	2	1
Managers	7	6
Employees	60	79
Total headcount	70	86
FTE	133.04	

HUMAN RESOURCE MANAGEMENT & EQUAL OPPORTUNITY PROGRAMS

Pursuant to Section 107 of the *Local Government Act*, the Chief Executive Officer has implemented, maintained and reviewed the human resource framework of the organisation on an ongoing basis including the management, training and induction of employees. Policy and processes of the organisation promote sound practice including recruitment, performance appraisal, equal opportunity, grievance and disciplinary matters.

REGISTER OF REMUNERATION, SALARIES & BENEFITS

Pursuant to Section 105 of the *Local Government Act (1999)*, Council maintains a Register of Remuneration, which is available for inspection at the Principal Office, with extracts available for a fixed fee.

The Chief Executive Officer and Directors receive remuneration, superannuation and leave entitlements in accordance with their contracts of employment, access to appropriate portable computer technology, provision of a mobile phone and a motor vehicle for private use (in lieu of overtime).

Appendix One

Freedom of Information Statement and Legal Disclosures

This Freedom of Information Statement is published by The Barossa Council in accordance with the *Freedom of Information Act 1991*.

Introduction

Subject to certain restrictions, the Freedom of Information Act ("the FOI Act") gives members of the public a legally enforceable right to access information held by South Australian Local Government agencies such as councils. The purpose of this Freedom of Information Statement is to assist members of the public to identify the functions and decision making processes of The Barossa Council ("Council"), detail the type of information held by Council and how it can be accessed by the public.

Council is pleased to comply with the FOI Act and welcomes enquiries. An updated Information Statement will be published on Council's website each financial year. This Information Statement is reflective of Council's Administration as at 30 June 2020.

1. STRUCTURE AND FUNCTIONS OF THE COUNCIL

1.1 FULL COUNCIL AND PROVISIONS FOR MEETING PROCEDURES

Full Council is the decision making body on all Council policy matters. Full Council currently consists of the Mayor and 11 Councillors also known as Elected Members. Council is not divided into Wards.

The following table compares The Barossa Council's representation quota with neighbouring and other comparable councils. The representation quota is obtained by dividing the total number of electors for each council by the number of Elected Members.

Council	Number of Councillors (including Mayor)	Eligible Electors	Electors per representative
Alexandrina	12	20,830	1,735
Barossa Council	12	17,947	1,495
Berri Barmera	9	7,330	814
Copper Coast	10	11,405	1,140
Light Regional	11	10,536	957
Loxton Waikerie	11	8,171	742
Murray Bridge	10	14,625	1,462
Port Pirie	10	12,881	1,288
Victor Harbour	10	12,463	1,246
Wattle Range	12	8,471	705
Yorke Peninsula	12	8,878	739

In accordance with the *Local Government Act 1999* ("the LG Act"), Council is required to hold representation reviews at prescribed intervals, to determine whether the community would benefit from altering Council's composition or ward structure.

During the review, community members are invited to make written submissions on a report prepared by a qualified person, that assesses the representation options available, and also on Council's proposal for future composition and structure (which is based on the initial options report and public feedback). The Barossa Council's next representation review is scheduled to occur from April 2024 to April 2025.

The operations of Council are primarily determined by requirements of the *Local Government Act 1999* ("the LG Act").

Council is established to provide for the government and management of its area at the local level and, in particular:

- (a) To act as a representative, informed and responsible decision-maker in the interests of the community;

- (b) To provide and co-ordinate various public services and facilities and to develop its community and resources in a socially just and ecologically sustainable manner;
- (c) To encourage and develop initiatives within its community for improving the quality of life of the community;
- (d) To represent the interests of its community to the wider community; and
- (e) To exercise, perform and discharge the powers, functions and duties of local government under the Local Government Act and other acts in relation to the area for which it is constituted (section 6 LG Act).

The provisions of the LG Act are supported by the Local Government (Procedures at Meetings) Regulations (the 'Regulations') 2013. The Regulations apply to all Council Meetings and Committees with the exception of the Barossa Assessment Panel (BAP) which is established in accordance with the provisions of the Development Act 1993. In 2020, the BAP was established under the provisions of the Planning, Development and Infrastructure Act 2016 ("PDI Act"). The BAP Terms of Reference are endorsed by Council and the BAP has established its own Operating and Meeting Procedures.

Ordinary meetings of Council are held in the Council Chambers, 43-51 Tanunda Road, Nuriootpa, on the third Tuesday of every month at 9.00am. All meetings are open to the public, with the exception of any matters subject to an order of confidentiality under section 90 of the LG Act. Notices of all meetings of Council and its Committees are available on Council's website at www.barossa.sa.gov.au.

The community can access information about the business of Council through the agendas and associated reports prepared for Council and Committee meetings. Agendas, including Minutes of the previous meetings and supporting documents, are placed on public display no less than three days prior to Council meetings and are available on Council's website and at the Principal Office and branches of Council. Minutes of meetings are available on the website within five days of the Council meeting.

1.2 COUNCIL COMMITTEES AND SUBSIDIARIES

Schedule 1 of this Statement lists the various committees of Council and identifies under which section of the LG Act, Development Act or PDI Act they have been formed. It also lists Council's advisory groups and working parties which advise Council of important issues within the community.

Committees streamline Council business and assist in the performance of its functions. Committees meet at intervals determined in their Terms of Reference and make recommendations to Council. Meetings are open to the public with the exception of any matters subject to an order of confidentiality under section 90 of the LG Act.

Chapter 6 of the LG Act and the Regulations prescribe the way meetings of a Council and its Committees are to be conducted.

1.3 EXTERNAL COMMITTEES/BOARDS/ASSOCIATIONS

Council participates in a number of Committees, Boards and Associations, which have been established outside of the LG Act or are hosted beyond Barossa borders, comprising Elected Members, staff, and the public, and these are listed in Schedule 1.

1.4 DELEGATIONS

In accordance with sections 44 and 101 of the LG Act, the Council has delegated relevant powers and/or functions to the Chief Executive Officer who then sub-delegates to an employee, a Committee, or an authorised person. Council has also delegated relevant powers and/or functions directly to the Barossa Assessment Panel and the Strategic Planning and Development Policy Committee.

Council's Delegations Register reflects the delegated authority from the Council to the Chief Executive Officer (and subsequently any further sub-delegations), and any delegated authority directly from Council to Committees and officers. The Delegations Register is required to be reviewed within 12 months after the conclusion of a periodic election. During the reporting period, the Delegations Register was updated as legislation changes and is available to be viewed by the public on request at the Principal Office during ordinary working hours or anytime on Council's website at www.barossa.sa.gov.au.

1.5 FUNCTIONS OF COUNCIL

The functions of Council are set out in section 7 of the LG Act and are listed below:

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

Section 41 of the LG Act empowers Council to establish Committees:

- o To assist Council in performance of its functions.
- o To inquire into and report to Council on matters within the ambit of Council's responsibilities.
- o To provide advice to Council.
- o To exercise, perform or discharge delegated powers, functions or duties.

1.6 SERVICES FOR THE COMMUNITY

Council is required by legislation to:

- o determine policies to be applied by Council
- o develop and adopt Strategic Management Plans
- o prepare and adopt annual business plans and budgets
- o establish an Audit Committee
- o develop appropriate policies, practices and processes of internal control
- o set performance objectives
- o establish processes for the internal review of Council actions
- o determine the type, range and scope of projects to be undertaken by the Council
- o deliver planning and development services

- o deliver dog and cat management services
- o deliver fire prevention services and
- o provide any necessary administrative services to support Council's functions.

Other services and activities are provided through the decision making processes of Council in response to the local needs, interests and aspirations of individuals and groups within its community to ensure that Council resources are used equitably.

Other services provided by Council:

Arts Programs	Public Cemeteries
Car Parks	Public Libraries
Civic Affairs – Citizenship Ceremonies	Public Seating
Community Halls	Public Swimming Pools
Community Home Assistance Services	Public Toilets
Cycle Tracks	Rate Collection
Customer Service Information	Recreational / Sporting Facilities / Reserves
Development Controls	Recycling
Dry Zones	Road / Footpath / Kerbing
Emergency Services	School Crossings / Traffic Lights
Environmental Health	Septic Tank Effluent Disposal Schemes
Flood Prevention	Street Beautification
Food Inspections	Street Closures
Gallery Exhibitions	Street Lighting
Garbage Collection	Street Sweeping
Heritage Preservation	Stormwater Drainage
Litter Bins	Traffic Control Devices
Immunisation Programs	Transport Assistance
Parking Bays	Visitor / Tourist Information
Parking Controls	Volunteer Coordination
Parks and Reserves	Youth Development
Playground Equipment	War Memorials

2. PUBLIC PARTICIPATION

Members of the public have a number of opportunities to put forward their views on particular issues before Council.

- o **Deputations at Meetings** - With the permission of the Mayor or Committee Chair, a member of the public can address the Council or a Committee on any issue within the Council's jurisdiction.
- o **Petitions** - Written petitions can be addressed to the Council on any issue within the Council's jurisdiction.
- o **Written requests** - A member of the public can write to the Council on any Council policy, activity or service.
- o **Elected Members** - Members of the public can contact any Elected Member of Council to discuss any issue relevant to Council.
- o **Staff Members** - Members of the public can contact Council staff to discuss any issue relevant to Council.
- o **Participation** - Any member of the public can provide feedback to Council during a community consultation process.
- o **Council's website** – Members of the public can leave a customer request on Council's website at www.barossa.sa.gov.au and at Council's online engagement portal <https://yoursay.barossa.sa.gov.au/>
- o **Social Media** – Members of the public can discuss issues of concern via Council's Facebook page at <https://www.facebook.com/thebarossacouncil/>

2.1 PUBLIC CONSULTATION POLICY

Public consultation is undertaken and promoted in accordance with Council's Public Consultation Policy and section 50 of the LG Act. Section 50 requires the Policy to identify steps Council intends to take where the Act requires consultation and provides for the steps to vary according to the class of decisions to be made by Council. A copy of Council's Public Consultation Policy is available on Council's website. To fulfil the requirements of this Policy, Council has identified a range of options available to it to communicate information to interested persons and invite submissions. Council can add to these options for specific purposes.

As a minimum, Council will publish a Notice in a newspaper circulating in the area, as well as on its website, describing the matter for which public consultation is required, and invite interested persons to make submissions to Council within a period, being at least twenty one days stated in the Notice. Council will consider any submission received as part of its decision making process and will also have regard to any relevant legislation.

On 8 April 2020, a notice was issued by the Minister for Transport, Infrastructure and Local Government pursuant to section 302B of the LG Act, the *Public Access and Public Consultation Notice (No 2) 2020 (Notice No. 2)*, varying or suspending the operation of specific provision of the LG Act as part of the COVID-19 emergency response. Council reviewed and updated its Public Consultation Policy in line with Notice No. 2 on 19 May 2020:

- suspending the statutory requirement to hold public meetings as part of a public consultation process;
- suspending any other requirement to hold public meetings; and
- suspending any other requirement to undertake in person consultation;

These suspensions were in force from Council adopting these changes on 19 May 2020, to the end of the reporting period. The details of these suspensions can be found in Council's Public Consultation Policy, available on the website www.barossa.sa.gov.au.

3. ACCESS TO COUNCIL DOCUMENTS

3.1 DOCUMENTS AVAILABLE FOR INSPECTION

Most information and documentation held by Council is available for public viewing and is readily available without recourse to the Freedom of Information Act and Council invites members of the public to discuss their information needs with staff members.

The documents listed in Schedule 2 of this Statement are available for public inspection at Council's Principal Office, 43-51 Tanunda Road, Nuriootpa, during ordinary office hours (9.00am to 5.00pm, Monday to Friday) free of charge. Members of the public may also purchase copies of these documents at the cost indicated by Council (postage and packing additional if mailed) as detailed on Council's website. Many of these documents are also available on Council's website where the public may view them.

3.2 OTHER INFORMATION REQUESTS UNDER THE FREEDOM OF INFORMATION ("FOI") ACT

3.2.1 Access to Council Records

Requests for other information not included in paragraph 3.1 above will be considered in accordance with the FOI Act.

An application for access to Council information which is not publicly available must meet all of the following criteria before Council's Accredited FOI Officer can process it. The application should:

- o Be in writing (Council has a [Freedom of Information Application](#) available on the website and at all Council offices);
- o Specify that it is made under section 13 of the FOI Act;

- o Be accompanied by an application fee (unless the individual is entitled to have the fee waived and can supply relevant concession card proof);
- o Contain such information concerning the requested document(s) as is reasonably necessary to enable the Council to identify it;
- o Specify an address (which must be in Australia) to which notices regarding the application should be sent; and
- o Be lodged at the Principal Office (43-51 Tanunda Road, PO Box 867, Nuriootpa, SA 5355) or Council branch office during normal opening hours – applications to be marked for the attention of the Accredited Freedom of Information Officer.

If the documents relate to the applicant's personal affairs, proof of identity will be requested.

If the documents are being sought on behalf of another person relating to their personal affairs, Council will ask for a consent form signed by that person.

Forms of access may include:

- o inspection or copies (subject to copyright laws) of documents
- o transcripts of recorded documents
- o a photograph, x-ray, DVD or other medium in or which information is recorded or stored

An application will be dealt with on behalf of Council by the Accredited FOI Officer as soon as practicable and within 30 days after it is received in the required format, unless an extension of time is sought in accordance with the FOI Act. The Accredited FOI Officer may assist the applicant to direct the application to another agency or transfer the application to another agency if appropriate.

If the FOI Officer refuses access to a document, s/he will confirm in writing why the document is restricted.

In accordance with the Freedom of Information (Fees and Charges) Regulations 2018 and the Freedom of Information (Fees) Notice 2020, the following inclusive fees will apply. (No fee required for current concession card holders or if payment of the fee would cause financial hardship). Council retains at all times a discretion to waive, reduce or remit a fee for any reason it thinks fit (section 53(2a) FOI Act).

Application Fee	\$37.50
Administration costs for processing personal affairs application	2 hours free, then \$14.10 per 15 mins
Administration costs for processing all other applications	\$14.10 per 15 mins
Photocopy charge	\$0.20 per A4 page
Written transcript of words recorded or contained in document	\$8.40 per A4 page
Photograph, x-ray, DVD or other medium in or on which information is recorded or stored	The actual charge in producing copy
Postage or delivery charges	Cost as incurred
Application Fee for Internal Review of FOI determination by Council	\$37.50

Fees are accurate at the time of printing but are subject to review of the FOI Regulations and Council's Fees and Charges Register, available on Council's website www.barossa.sa.gov.au.

If, in the FOI Officer's opinion, the cost of dealing with an application is likely to exceed the application fee, an advance deposit may be requested. The request will be accompanied by a notice that sets out the basis on which the amount of the deposit has been calculated. The FOI Officer will endeavour to work with the applicant to define the scope of the request and the costs involved.

3.2.2 Amendment to Council Records

The FOI Act also provides for the amendment of documents held by Council which contain personal information which is incomplete, incorrect, and out of date or misleading. To gain access to these Council records, a person must complete and lodge with Council an application form as outlined in paragraph 3.2.1 above outlining the records that s/he wishes to inspect.

If it is found that the records require amendment, details of the necessary changes are to be lodged with Council's Accredited FOI Officer. There are no fees or charges for the lodgement or the first two hours of processing this type of application and where there is a significant correction of personal records and the mistakes were not the applicant's, any fees and charges paid for the original application will be fully refunded.

Further information regarding the FOI Act can be located at the [State Records website](#).

A handwritten signature in black ink, appearing to read 'M. McCarthy'.

Martin McCarthy
Chief Executive Officer

6 November 2020 *(all information accurate at the time of publishing)*

Schedule 1: Council Committees

COUNCIL COMMITTEES ESTABLISHED UNDER SECTION 41 OF THE LOCAL GOVERNMENT ACT

- o Audit – to monitor the participation of management and the external auditors in the financial reporting process; oversee and make recommendations on the approach used by management to address business risks; review and make recommendations on how Council's corporate, financial governance and legal responsibilities are addressed.

Allowances for external members of the Audit Committee are set by Council, and were as follows for the 2019-2020 financial year:

Chairperson	\$575 (GST exclusive) per meeting
Independent Members	\$370 (GST exclusive) per meeting
Elected Members	NIL

- o Community Assistance Scheme - to manage Heritage Grants, Community Grants and Youth Grants, to non-profit groups, clubs and organisations within the Council district, towards projects and activities that contribute community development.

Facilities Management and Township Committees

- o Barossa Bushgardens
- o Barossa Regional Gallery

COUNCIL ADVISORY GROUPS ESTABLISHED BY COUNCIL RESOLUTION

- o Angaston Recreation Park and Hall Volunteer Group
- o Angaston Town Hall Advisory Group
- o Community Transport and Home Assist Advisory Group
- o Curdnatta Recreation Park Volunteer Group
- o Disability Action and Inclusion Advisory Group
- o Lyndoch & Districts Community Volunteer Group
- o Lyndoch Hall Volunteer Group
- o Moculta Recreation Park and Soldiers' Memorial Hall Volunteer Group
- o Murray Recreation Park Volunteer Group
- o Old Union Chapel Volunteer Group
- o Rowland Flat Memorial Community Centre Volunteer Group
- o Stockwell Recreation Park and Stockwell Hall Volunteer Group
- o Tanunda Recreation Park Volunteer Group
- o Volunteering Barossa and Light Advisory Group
- o Williamstown Community Council Volunteer Group
- o Williamstown Soldiers' Memorial Hall Volunteer Group
- o Williamstown Queen Victoria Jubilee Park Volunteer Group
- o Youth Advisory Committee

Working Parties/Groups

- o Business Continuity
- o Culture Hub Stakeholder Group
- o Dry Zone Working Party
- o Regional Cycle Trail Working Group
- o Tanunda Recreation Park – Landscape Working Group
- o The Big Project – Barossa Regional Culture Hub – Detailed Design Working Group
- o The Big Project – Lyndoch Recreation Park – Detailed Design Working Group
- o COVID-19 Recovery Working Group
- o Boundary Reform Working Group

COUNCIL COMMITTEES ESTABLISHED UNDER SECTION 42 OF LOCAL GOVERNMENT ACT (SINGLE

COUNCIL SUBSIDIARY)

- o **Nuriootpa Centennial Park Authority (trading as the Barossa Valley Tourist Park)** - manages the Caravan Park, and sporting facilities within the Park, on behalf of Council.

COUNCIL COMMITTEES ESTABLISHED UNDER SECTION 43 OF LOCAL GOVERNMENT ACT

- o **Gawler River Floodplain Management Authority** includes the Councils of Adelaide Plains (formerly Mallala), Adelaide Hills, Gawler, Barossa, Light and Playford and co-ordinates the construction, operation and maintenance of flood mitigation in the Gawler River area.
- o **Central Local Government Region (trading as Legatus Group)** consists of Barossa, Barunga West, Clare and Gilbert Valleys, Copper Coast, Flinders Ranges, Light, Adelaide Plains (formerly Mallala), Mount Remarkable, Northern Areas, Orroroo/Carrieton, Peterborough, Port Pirie, Wakefield and Yorke Peninsula and is established to undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level.

COUNCIL COMMITTEES ESTABLISHED UNDER THE DEVELOPMENT ACT 1993

- o **Building Fire Safety Committee** - responsible for all matters arising under section 71 of the Development Act 1993 (and corresponding section 157 of the Planning, Development and Infrastructure Act 2016) which are of a building fire safety nature.
- o **Barossa Assessment Panel** - responsible for all matters arising under Part 4 of the Development Act 1993 and the Development Regulations 1993 which are of a development control nature (subject to prescribed limitations) and as a relevant authority under the Planning Development and Infrastructure Act 2016. Allowances for external Barossa Assessment Panel members are set by Council, and are as follows:

Chairperson	\$500 (GST exclusive) per meeting
Independent Members	\$300 (GST exclusive) per meeting
Elected Members	NIL

- o **Strategic Planning and Development Policy Committee** - to develop strategic planning and development policy and initiate projects for the orderly and sustainable development for all areas of Council.

COUNCIL COMMITTEES ESTABLISHED UNDER THE WORK HEALTH AND SAFETY ACT 2012

- o **Work Health and Safety Committee** - responsible for all matters arising under Part 5, Division 4 of the Work Health and Safety Act 2012.

EXTERNAL COMMITTEES / BOARDS / ASSOCIATIONS

Council participates in a number of External Committees, Boards and Associations, comprising Elected Members, staff and members of the public. They are:

- o Association of Tanunda STEDS Irrigators Inc.
- o Barossa and District Health Advisory Council Inc.
- o Barossa Partnerships
- o Barossa Regional Procurement Group
- o Barossa Zone Emergency Management Committee
- o Eastern Hills and Murray Plains Catchment – Local Action Planning Committee
- o Junction Women's Housing Regional Reference Group
- o Local Government Association
- o Local Government Emergency Liaison Officer
- o Local Government Finance Association of South Australia
- o Penrice Consultative Committee
- o Ranges to River Local Government Advisory Committee
- o Seniors' Collaborative Action Project (SCAP)
- o SA Housing Trust/Adelaide Brighton Cement Cottages Committee
- o South Australian Cricket Infrastructure Strategy Reference Group
- o South Para Natural Resource Management Committee

- o St John Ambulance – Mount Pleasant Division Board
- o The Barossa, Light and Gawler Regional Heritage Network
- o Tourism Barossa Inc.
- o Mount Lofty Ranges World Heritage Bid Project Steering Group

Schedule 2: Documents Available for Inspection

GENERAL

- o Council Agendas
- o Council Minutes
- o Documents and reports to the Council or Council committee that are not of a confidential nature under section 90 of the LG Act
- o Recommendations adopted by resolution of the Council
- o Section 41 Committee Agendas not of a confidential nature under section 90 of the LG Act
- o Section 41 Committee Minutes not of a confidential nature under section 90 of the LG Act
- o Annual Budget
- o Annual Report
- o Annual Financial Statements
- o Council By-Laws
- o Current Plan Amendment Reports
- o Voters' Roll
- o Freedom of Information Statement

CODES OF CONDUCT OR PRACTICE KEPT AS REQUIRED BY THE LOCAL GOVERNMENT ACT 1999

- o Code of Conduct for Council Members
- o Code of Conduct for Employees
- o Code of Practice for Access to Council and Committee Meetings and Associated Documents

REGISTERS KEPT AS REQUIRED BY THE LOCAL GOVERNMENT ACT 1999

- o Authorised Officers and Persons
- o Assessment Book
- o Campaign Donation Returns (for Local Government Elections)
- o Community Land
- o Development Applications
- o Barossa Assessment Panel Members' Interests
- o Delegations
- o Elected Members Allowances and Benefits
- o Elected Members' Gifts and Benefits
- o Elected Members' Interests and online extract of the Register of Interests
- o Dogs
- o Employees' Gifts and Benefits
- o Employees' Interests
- o Employees' Salaries, Wages and Benefits
- o Fees and Charges
- o Public Streets and Roads
- o Parking Controls
- o Released Confidential Items (Council)
- o Released Confidential Items (Audit Committee)

REGISTERS KEPT AS REQUIRED BY THE LOCAL GOVERNMENT (ELECTIONS) ACT 1999

There are no registers required to be kept under this Act. However, campaign donation returns are prepared by candidates and saved in this Register.

KEY PLANS

- o Annual Budget
- o Annual Business Plan
- o Annual Report
- o Audited Financial Statement
- o Community Plan
- o Community Land Management Plans
- o Corporate Plan
- o Disability Access and Inclusion Action Plan
- o Infrastructure and Asset Management Plans
- o Long Term Financial Plan
- o Regional Public Health Plan

POLICIES

- o Access to Council and Committee Meetings and Associated Documents
- o Assessing and Handling Working with Children and Criminal History Information
- o Asset Accounting
- o Asset Management
- o Australian Citizenship Ceremonies
- o Budget and Business Plan and Review
- o Building and Swimming Pool Inspection
- o Building Inspection
- o Building Fire Safety
- o Caretaker
- o Community Assistance Scheme
- o Complaint Handling
- o Council Development assessment panel – Complaints Handling
- o Community Emergency Management
- o Complaint Handling under the Code of Conduct for Council Members
- o Copyright Management
- o Corporate Wardrobe
- o Council Motor Vehicle
- o COVID-19 Recovery- Business Assistance Grant
- o COVID-19 Recovery - Community Assistance Grant
- o Customer Service
- o Debt Recovery
- o Defence Reserve Leave
- o Development Fee Exemptions for Community Organisations
- o Development Plan Consent Delegation Policy
- o Drug and Alcohol
- o Disposal of Land and Other Assets
- o Elected Members' Allowances and Benefits
- o Elected Members' Training and Development
- o Emergency Management
- o Emergency Services Leave
- o Employee Assistance Program
- o Employee Travel and Accommodation
- o Equal Opportunity, Equity, Diversity, and Inclusion
- o Farm Buildings
- o Fraud and Corruption Prevention
- o Funding
- o Graffiti
- o Hazard Management
- o Hazardous Work
- o Health and Wellbeing

- o Health Septic Tanks
- o Hospitality
- o Human Resource Management
- o Induction
- o Informal Gatherings
- o Internal Review of Council Decisions
- o Knowledge Management
- o Lease and License
- o Legacy Policy Statements
- o Long Service Leave
- o Media and Communications
- o Memorials on Community Land
- o Mobile Device
- o Mobile Food Vendor
- o Non-current Asset Accounting
- o Order Making
- o Performance Appraisal
- o Privacy
- o Procurement
- o Property Identification
- o Prudential Management
- o Public Consultation
- o Public Interest Disclosure
- o Rates Hardship
- o Rating
- o Records Management
- o Recognition of Employee Service
- o Register of Interests
- o Request for Service
- o Reviewing and Withdrawing Expiation Notice
- o Risk Management
- o Safety of Children and Vulnerable Adults
- o Selection of Road and Public Names
- o Social Media
- o Supplementary Elections
- o Supplementary Hardship for Residential Water Service Customers
- o Training and Professional Development (Employees)
- o Transportable Buildings
- o Travel and Accommodation (Employees)
- o Treasury Management
- o Use of Council Technology Resources
- o Use of Council Plant for Private Works
- o Volunteer Management
- o Waste Management Services
- o Work Health Safety Administration
- o Work Health Safety Consultation and Communication
- o Work Health Safety Contractor Management
- o Work Health and Safety and Return to Work

A number of other Council documents are made available for public inspection at the Principal Office at 43-51 Tanunda Road, Nuriootpa SA 5355 in accordance with Section 132 and Schedule 5 of the Local Government Act 1999. Members of the public may purchase copies of these documents by payment of the fees set out in the Fees and Charges Register. Many of these documents are also available for viewing on Council's website at www.barossa.sa.gov.au.

Appendix Two

*Financial Statements and
Subsidiary Annual Reports*

The Barossa Council
Consolidated Financial Statements

The Barossa Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2020



The Barossa Council

The Barossa Council

General Purpose Financial Statements for the year ended 30 June 2020

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The Barossa Council

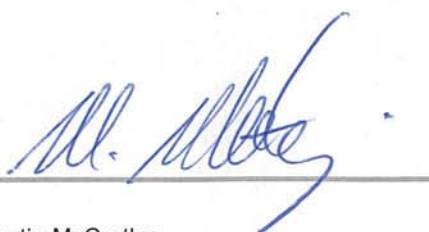
General Purpose Financial Statements for the year ended 30 June 2020

Certification of Financial Statements

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

In our opinion:

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



Martin McCarthy
CHIEF EXECUTIVE OFFICER



Michael (Bim) Lange
MAYOR

Date: 21 October, 2020

The Barossa Council

Statement of Comprehensive Income

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
Income			
Rates	2a	31,415	30,192
Statutory Charges	2b	701	678
User Charges	2c	2,674	2,957
Grants, Subsidies and Contributions	2g	2,971	3,242
Investment Income	2d	255	393
Reimbursements	2e	13	117
Other Income	2f	1,118	1,245
Net Gain - Equity Accounted Council Businesses	19	28	28
Total Income		39,175	38,852
Expenses			
Employee Costs	3a	13,967	13,419
Materials, Contracts and Other Expenses	3b	14,820	15,071
Depreciation, Amortisation and Impairment	3c	8,197	7,717
Finance Costs	3d	680	802
Total Expenses		37,664	37,009
Operating Surplus / (Deficit)		1,511	1,843
Asset Disposal and Fair Value Adjustments	4	(738)	(640)
Amounts Received Specifically for New or Upgraded Assets	2g	2,606	1,526
Physical Resources Received Free of Charge	2i	1,793	4,762
Net Surplus / (Deficit) ¹		5,172	7,491
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - Infrastructure and Property	9a	(8,286)	16,426
Share of Other Comprehensive Income - Equity Accounted Council Businesses	19	-	574
Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	9a	6	(6)
Total Other Comprehensive Income		(8,280)	16,994
Total Comprehensive Income		(3,108)	24,485

¹ Transferred to Statement of Changes in Equity

The Barossa Council

Statement of Financial Position

as at 30 June 2020

\$ '000	Notes	2020	2019
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	10,708	12,817
Trade and Other Receivables	5b	2,680	2,773
Inventories	5d	375	224
Total Current Assets		13,763	15,814
Non-Current Assets			
Financial Assets	6a	867	944
Equity Accounted Investments in Council Businesses	6b	2,299	2,271
Infrastructure, Property, Plant and Equipment	7a	375,542	377,898
Other Non-Current Assets	6c	4,074	3,607
Total Non-Current Assets		382,782	384,720
TOTAL ASSETS		396,545	400,534
LIABILITIES			
Current Liabilities			
Trade and Other Payables	8a	4,918	4,160
Borrowings	8b	1,889	1,923
Provisions	8c	2,832	2,970
Total Current Liabilities		9,639	9,053
Non-Current Liabilities			
Borrowings	8b	8,683	10,490
Provisions	8c	1,164	824
Total Non-Current Liabilities		9,847	11,314
TOTAL LIABILITIES		19,486	20,367
Net Assets		377,059	380,167
EQUITY			
Accumulated Surplus		85,224	80,385
Asset Revaluation Reserves	9a	280,014	288,294
Other Reserves	9b	11,821	11,488
Total Council Equity		377,059	380,167

The Barossa Council

Statement of Changes in Equity

for the year ended 30 June 2020

\$ '000	Notes	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves	Total Equity
2020					
Balance at the end of previous reporting period		80,385	288,294	11,488	380,167
Restated Opening Balance		80,385	288,294	11,488	380,167
Net Surplus / (Deficit) for Year		5,172	-	-	5,172
Other Comprehensive Income					
- Gain (Loss) on Revaluation of Infrastructure and Property	7a	-	(8,286)	-	(8,286)
- Infrastructure, Property, Plant and Equipment Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	7a	-	6	-	6
Other Comprehensive Income		-	(8,280)	-	(8,280)
Total Comprehensive Income		5,172	(8,280)	-	(3,108)
Transfers between Reserves	9	(333)	-	333	-
Balance at the end of period		85,224	280,014	11,821	377,059
2019					
Balance at the end of previous reporting period		74,468	271,300	9,914	355,682
Restated Opening Balance		74,468	271,300	9,914	355,682
Net Surplus / (Deficit) for Year		7,491	-	-	7,491
Other Comprehensive Income					
- Gain (Loss) on Revaluation of Infrastructure and Property	7a	-	16,426	-	16,426
- Infrastructure, Property, Plant and Equipment Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	7a	-	(6)	-	(6)
- Share of Other Comprehensive Income - Equity Accounted Council Businesses	19	-	574	-	574
Other Comprehensive Income		-	16,994	-	16,994
Total Comprehensive Income		7,491	16,994	-	24,485
Transfers between Reserves	9	(1,574)	-	1,574	-
Balance at the end of period		80,385	288,294	11,488	380,167

The Barossa Council

Statement of Cash Flows

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
Cash Flows from Operating Activities			
<u>Receipts</u>			
Rates		31,368	30,234
Statutory Charges		702	718
User Charges		2,941	3,130
Grants, Subsidies and Contributions (operating purpose)		3,284	3,350
Investment Receipts		267	411
Reimbursements		14	124
Other Receipts		3,268	3,146
<u>Payments</u>			
Payments to Employees		(13,668)	(13,134)
Payments for Materials, Contracts and Other Expenses		(17,160)	(17,636)
Finance Payments		(718)	(811)
Net Cash provided by (or used in) Operating Activities	11b	10,298	9,532
Cash Flows from Investing Activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		2,828	1,147
Sale of Replaced Assets		210	340
Sale of Surplus Assets		355	105
Repayments of Loans by Community Groups		72	67
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(4,571)	(4,989)
Expenditure on New/Upgraded Assets		(9,329)	(7,775)
Loans Made to Community Groups		-	(25)
Net Cash provided by (or used in) Investing Activities		(10,435)	(11,130)
Cash Flows from Financing Activities			
<u>Receipts</u>			
Proceeds from Borrowings		1,000	1,750
Proceeds from Bonds and Deposits		165	98
<u>Payments</u>			
Repayments of Borrowings		(2,988)	(1,947)
Repayment of Lease Liabilities		(51)	(5)
Repayment of Bonds and Deposits		(98)	(9)
Net Cash provided by (or used in) Financing Activities		(1,972)	(113)
Net Increase (Decrease) in Cash Held		(2,109)	(1,711)
plus: Cash and Cash Equivalents at beginning of period	11a	12,817	14,528
Cash and Cash Equivalents at end of period	11a	10,708	12,817

The Barossa Council

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

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Note 1. Summary of Significant Accounting Policies

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

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis 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 Barossa Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 43-51 Tanunda Road, Nuriootpa. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Subsidiary Operation

Pursuant to the Local Government Act 1999, Section 42, The Barossa Council oversees the Nuriootpa Centennial Park Authority which is a subsidiary that operates and maintains both the Barossa Valley Tourist Park and its surrounding parklands. 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.

Note 1. Summary of Significant Accounting Policies (continued)

4 Income Recognition (continued)

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

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

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 grants has varied from the annual allocation as shown in the table below:

<i>Year</i>	<i>Cash Payment Received</i>	<i>Annual Allocation</i>	<i>Difference</i>
2017/18	\$1,383,712	\$1,325,083	\$58,629
2018/19	\$2,041,448	\$1,451,846	\$589,602
2019/20	\$1,322,566	\$1,555,963	-\$233,397
2020/21	\$0	\$238,334	-\$238,334

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.

4.1 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.

Note 1. Summary of Significant Accounting Policies (continued)

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 Nuriootpa Centennial Park 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.

6.1 Other Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

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 overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant and equipment when completed 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 amount(s) will be expensed as maintenance.

Buildings *	\$
- Buildings (including Toilets)	20,000
- Sheds, Pergolas, Cabins, Carports and Other Structures	10,000
- Buildings at 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	Value of Lease
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

Note 1. Summary of Significant Accounting Policies (continued)

7 Infrastructure, Property, Plant and Equipment (continued)

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

Depreciation Periods per Class of Asset

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	25 to 150 years
	Other	150 years
Plant and Equipment	Plant and Machines	3 to 10 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	Complete	Term of Lease
Right-of-use Assets	Leased	Term of Lease

* 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.

Note 1. Summary of Significant Accounting Policies (continued)

7 Infrastructure, Property, Plant and Equipment (continued)

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 thereof, are not subject to impairment testing.

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

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in 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	0.51% (2019: 1.08%)
Weighted average settlement period	0.25 years (2019: 0.53 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 Statewide Super 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.

Note 1. Summary of Significant Accounting Policies (continued)

11 Leases

The Council applied AASB 16 for the first time from 1 July 2019. AASB 16 supersedes AASB 117 'Leases, Interpretation 4 Determining whether an Arrangement contains a Lease' and other related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet under a single on-balance sheet model. The Council has lease contracts for various items of land, plant, equipment and computers. Before the adoption of AASB 16, the Council classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

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

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

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.

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

Assets

Land, Plant and Equipment (Right-of-use Asset)	198
Short-term Finance Lease (previously classified as Finance Lease)	19
Total Assets	217

Liabilities

Additions	217
Total Liabilities	217

Accumulated Surplus	0
----------------------------	----------

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.

The Barossa Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

11 Leases (continued)

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.

Reconciliation of Opening Balance as at 1 July 2019

Lease liabilities as at 1 July 2019 reconciled to the operating lease commitments as of 30 June 2019:

Operating Lease Commitments as at 30 June 2019	458
Add: Commitments relating to Leases previously classified as Finance Leases as at 30 June 2019	19
Effect of discounting using the weighted average incremental borrowing rate as at 1 July 2019 of 2.2%	(12)
Less: Commitments relating to short-term leases	(29)
Commitments relating to leases of low-value assets	(219)
Lease Liabilities as at 1 July 2019	217

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	\$199
Williamstown land used for car park	Lease under negotiation	\$456

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.

14 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.

Note 1. Summary of Significant Accounting Policies (continued)

15 Disclaimer

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

16 Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for the reporting period 30 June 2020 and have not been used in preparing these reports.

As at the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective. The standards are not expected to have a material impact upon Council's future financial statements.

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

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

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

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

17 COVID-19

Council continues to monitor the impact of the COVID-19 pandemic on our community, organisation, services and service delivery. This will impact on Council finances but at this time is not expected to vary significantly from the long term financial plan and financial position.

Council also has a number of additional costs due to COVID-19. These included cleaning, personal protective equipment and ICT related costs.

There are minor short term revenue and expenditure impacts to support our community. The following list provides the policy and relief efforts offered:

- Rate deferral on application by postponing the due date of ratepayers who are suffering hardship and a hold on rates debt recovery actions;
- An increase in discretionary rate remission on application for ratepayers who qualify under Council's approved Rates Hardship Policy;
- COVID-19 Recovery Plan including expenditure on marketing, community and business grants and community development;
- Temporary removal of lease / licence fees for Community Groups and in some cases loan interest repayments for a 12 month period.

The Council has worked to reduce discretionary expenditure in the short term to help mitigate the effect of the reduced revenue and increased costs. However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

The Barossa Council

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

Note 2. Income

\$ '000	Notes	2020	2019
(a). Rates Revenues			
General Rates			
General Rates		26,518	25,628
Less: Mandatory Rebates		(493)	(476)
Less: Discretionary Rebates, Remissions, Write Offs and Valuation/Land Use Objections		(165)	(146)
Total General Rates		25,860	25,006
Other Rates (Including Service Charges)			
Natural Resource Management Levy		542	530
Waste and Recycling Collection		2,014	1,732
Community Wastewater Management Systems		2,819	2,722
Total Other Rates		5,375	4,984
Other Charges			
Penalties for Late Payment		140	152
Legal and Other Costs Recovered		40	50
Total Other Charges		180	202
Total Rates Revenues		31,415	30,192
(b). Statutory Charges			
Development Act and Town Planning Fees		356	325
Septic Tank Inspection Fees		77	87
Animal Registration Fees and Fines		242	236
Parking Fines and Expiation Fees		3	3
Other Licences, Fees and Fines		23	27
Total Statutory Charges		701	678
(c). User Charges			
Bushgarden Seed/Seedling Sales		38	25
Caravan Park Fees		1,874	1,906
Cemetery Fees		70	102
CWMS Reuse Water Sales		164	187
Hall and Equipment Hire		20	38
Immunisation Fees		31	27
Lease Fees		80	45
Photocopying Fees		16	20
Property Search Fees		44	44
Recreation Park Fees		31	52
Sundry		49	59
Tourism - Souvenir and Other Sales		94	106
Transport Scheme Fees		103	139
Waste Collection Bins		41	188
Waste Disposal/Transfer Station Fees		19	19
Total User Charges		2,674	2,957

The Barossa Council

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

Note 2. Income (continued)

\$ '000	Notes	2020	2019
(d). Investment Income			
Interest on Investments			
- Local Government Finance Authority		159	274
- Banks and Other		50	70
- Loans to Community Groups		46	49
Total Investment Income		255	393
(e). Reimbursements			
Employee Costs		6	54
Other		7	63
Total Reimbursements		13	117
(f). Other Income			
Insurance and Other Recoupments-including Infrastructure, Property, Plant and Equipment		186	176
Rebates Received		44	69
Donations Received		13	27
Contributions		179	243
Sundry		696	730
Total Other Income		1,118	1,245
(g). Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		2,606	1,526
Total Amounts Received Specifically for New or Upgraded Assets		2,606	1,526
Other Grants, Subsidies and Contributions		2,249	2,048
Additional Grants Commission Payment	1	722	1,194
Total Other Grants, Subsidies and Contributions		2,971	3,242
Total Grants, Subsidies, Contributions		5,577	4,768
The functions to which these grants relate are shown in Note 12.			
Sources of Grants			
Commonwealth Government		989	535
State Government		3,736	3,433
Other		852	800
Total		5,577	4,768

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

Note 2. Income (continued)

\$ '000	Notes	2020	2019
(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, are as follows:			
Unexpended at the close of the previous reporting period		1,326	1,818
<i>Less:</i>			
<i>Expended during the current period from revenues recognised in previous reporting periods</i>			
Roads Infrastructure		(80)	(393)
Recreation		(1,099)	(163)
Community Services		(13)	(26)
Culture		(5)	-
Environment		(67)	(71)
Shared Services		-	(7)
Stormwater		-	(31)
Tourism		-	(10)
Youth		(20)	-
Subtotal		(1,284)	(701)
<i>Plus:</i>			
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
Recreation		1,401	108
Community Services		20	13
Culture		6	5
Environment		65	63
Social Support		20	-
Waste		25	20
Subtotal		1,537	209
Unexpended at the close of this reporting period		1,579	1,326
Net increase (decrease) in assets subject to conditions in the current reporting period		253	(492)
(i). Physical Resources Received Free of Charge			
Land and Land Improvements		228	484
Roads, Bridges and Footpaths		-	2,635
Stormwater and Drainage		622	1,229
Transport		824	-
Community Wastewater Management Scheme		104	401
Community Infrastructure		-	13
Plant and Equipment		15	-
Total Physical Resources Received Free of Charge		1,793	4,762

The Barossa Council

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

Note 3. Expenses

\$ '000	Notes	2020	2019
(a). Employee Costs			
Salaries and Wages		12,573	11,966
Employee Leave Expense Movement		200	367
Superannuation - Defined Contribution Plan Contributions	18	903	868
Superannuation - Defined Benefit Plan Contributions	18	217	223
Workers Compensation Insurance		334	344
Less: Capitalised and Distributed Costs		(260)	(349)
Total Operating Employee Costs		13,967	13,419
Total Number of Employees (full time equivalent at end of reporting period)		142.54	146.70
(b). Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		21	23
Bad and Doubtful Debts		-	2
Elected Members Expenses		280	267
Election Expenses		-	111
Operating Lease Rentals - Non-Cancellable Leases (2019 only)	17		
- Minimum Lease Payments		-	129
Lease Expense - Low Value Assets / Short Term Leases (2020 only)		143	-
Subtotal - Prescribed Expenses		444	532
(ii) Other Materials, Contracts and Expenses			
Contractors		5,622	5,367
Bank Charges		91	101
Energy (including Fuel)		1,822	1,853
Maintenance		1,508	1,798
Legal Expenses		121	207
Levies Paid to Government - NRM levy		540	530
Levies - Other		75	86
Parts, Accessories and Consumables		900	909
Professional Services		377	452
Communications and Information Technology		733	679
Contributions and Donations		451	502
Water		786	599
Advertising and Printing		166	143
Insurance		700	654
Sundry		646	790
Less: Capitalised and Distributed Costs		(162)	(131)
Subtotal - Other Material, Contracts and Expenses		14,376	14,539
Total Materials, Contracts and Other Expenses		14,820	15,071

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

Note 3. Expenses (continued)

\$ '000	Notes	2020	2019
(c). Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Buildings and Other Structures		1,862	1,421
<i>Infrastructure</i>			
- Transport		3,136	3,113
- Bridges, Floodways and Major Culverts		455	456
- Community Wastewater Management System		986	1,001
- Stormwater and Drainage		361	342
- Recreation		312	259
- Community Infrastructure		24	23
Right-of-use Assets		46	-
Plant and Equipment		977	1,075
Furniture and Fittings		24	27
Leasehold Improvements		14	-
Subtotal		8,197	7,717
(ii) Impairment			
Bridges, Floodways and Major Culverts		-	6
Subtotal		-	6
Less: Impairment Expense Offset to Asset Revaluation Reserve	9	-	(6)
Total Depreciation, Amortisation and Impairment		8,197	7,717
(d). Finance Costs			
Interest on Loans		679	801
Interest on Leases		1	-
Charges on Finance Leases		-	1
Total Finance Costs		680	802

The Barossa Council

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

Note 4. Asset Disposal and Fair Value Adjustments

\$ '000	Notes	2020	2019
Infrastructure, Property, Plant and Equipment			
(i) Assets Renewed or Directly Replaced			
Proceeds from Disposal		210	340
Less: Carrying Amount of Assets Sold		(872)	(1,002)
Gain (Loss) on Disposal		(662)	(662)
(ii) Assets Surplus to Requirements			
Proceeds from Disposal		355	105
Less: Carrying Amount of Assets Sold		(431)	(83)
Gain (Loss) on Disposal		(76)	22
Net Gain (Loss) on Disposal or Revaluation of Assets		(738)	(640)

The Barossa Council

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

Note 5. Current Assets

\$ '000	Notes	2020	2019
(a). Cash and Cash Equivalent Assets			
Cash on Hand at Bank		2,768	2,335
Deposits at Call		7,912	10,458
Short Term Deposits		28	24
Total Cash and Cash Equivalent Assets		10,708	12,817
(b). Trade and Other Receivables			
Rates - General and Other		1,577	1,550
Accrued Revenues		251	314
Debtors - General		389	436
GST Recoupment		292	313
Prepayments		95	88
Loans to Community Organisations		76	72
Total Trade and Other Receivables		2,680	2,773
Amounts included in receivables that are not expected to be received within 12 months of reporting date are disclosed in Note 13.			
(c). Inventories			
Stores and Materials		284	133
Trading Stock		91	91
Total Inventories		375	224

The Barossa Council

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

Note 6. Non-Current Assets

\$ '000	Notes	2020	2019
(a). Financial Assets			
Receivables			
Council Rates Postponement Scheme		92	72
Prepayments		69	90
Loans to Community Organisations		706	782
Total Receivables		867	944
Total Financial Assets		867	944
(b). Equity Accounted Investments in Council Businesses			
Gawler River Floodplain Management Authority	19	2,217	2,204
Central Local Government Association (Legatus)	19	82	67
Total Equity Accounted Investments in Council Businesses		2,299	2,271
(c). Other Non-Current Assets			
Other			
Capital Works-in-Progress		4,074	3,607
Total Other		4,074	3,607
Total Other Non-Current Assets		4,074	3,607

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

Note 7a Infrastructure, Property, Plant and Equipment

\$ '000	Fair Value Level	as at 30/6/2019				Asset Movements during the Reporting Period									as at 30/6/2020			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying Value	Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in Equity) (Note 9)	Impairment Reversal (via Equity) (Note 9)	Adjustments and Transfers	Revaluation Decrements to Equity (Asset Revaluation Reserve) (Note 9)	Revaluation Increments to Equity (Asset Revaluation Reserve) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying Value
						New / Upgrade	Renewals											
Land - Community	3	62,209	484	-	62,693	228	-	(31)	-	-	-	241	(8,050)	-	54,853	228	-	55,081
Land - Other	2	4,880	310	-	5,190	-	-	(400)	-	-	-	(241)	(159)	-	4,390	-	-	4,390
Buildings and Other Structures	3	81,823	-	40,650	41,173	1,950	45	(70)	(1,728)	-	-	-	-	-	81,507	1,995	42,132	41,370
Buildings and Other Structures	2	4,537	-	407	4,130	869	80	(99)	(134)	-	-	-	-	-	4,424	949	527	4,846
Infrastructure																		
- Transport	3	205,326	15,635	61,203	159,758	1,841	3,581	(316)	(3,136)	-	-	-	-	38	203,690	21,095	63,019	161,766
- Bridges, Floodways and Major Culverts	3	44,801	133	21,471	23,463	597	315	(188)	(455)	-	6	-	(115)	-	44,085	1,044	21,506	23,623
- Community Wastewater Management System	3	53,458	703	23,612	30,549	1,256	21	(1)	(986)	-	-	-	-	-	53,455	1,979	24,595	30,839
- Stormwater and Drainage	3	44,714	3,523	9,303	38,934	1,652	93	(32)	(361)	-	-	-	-	-	44,669	5,268	9,651	40,286
- Recreation	3	8,982	2,064	4,817	6,229	1,301	103	(20)	(312)	-	-	-	-	-	8,908	3,466	5,073	7,301
- Community Infrastructure	3	1,003	519	517	1,005	118	13	(3)	(24)	-	-	-	-	-	996	649	536	1,109
Right-of-use Assets	-	-	-	-	-	-	-	-	(46)	-	-	198	-	-	-	198	46	152
Plant and Equipment	-	-	12,450	7,777	4,673	249	787	(143)	(977)	-	-	-	-	-	-	12,862	8,273	4,589
Furniture and Fittings	-	-	1,040	939	101	2	18	-	(24)	-	-	-	-	-	-	1,061	964	97
Leasehold Improvements	-	-	-	-	-	107	-	-	(14)	-	-	-	-	-	-	107	14	93
Total Infrastructure, Property, Plant and Equipment		511,733	36,861	170,696	377,898	10,170	5,056	(1,303)	(8,197)	-	6	198	(8,324)	38	500,977	50,901	176,336	375,542
Comparatives		490,852	27,163	164,262	353,753	11,973	4,502	(1,085)	(7,717)	(6)	-	52	(147)	16,573	511,733	36,861	170,696	377,898

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

Note 7b. Valuation of Infrastructure, Property, Plant and 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.

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

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

Valuation of Assets (continued)

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 and Land Improvements

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

Buildings and Other Structures

- Basis of valuation: Fair Value Level 3, Market Value Level 2; additions are recognised at cost
- Date of valuation: 30 June 2019
- Valuer: Council in-house staff expertise using Rawlinsons Australian Construction Handbook Edition 37, 2019
- Condition Assessment: Opus International Consultants (Australia) Pty Ltd in 2013/14

Transport

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2017
- Valuer: Tonkin Consulting
- Condition Assessment: Council Officers assessed Sealed Roads, Kerb and Gutter in 2017/18
Sheeted Roads 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 2017
- Valuer: WSP Australia Pty Ltd for Bridges, Footbridges and some Major Culverts
Council Officers applied LGPI (Local Government Price Index) 3.4% on the previous valuation of 1 July 2015 for Floodways and the remaining Major Culverts in 2017/18
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 2017
- Valuer: Council Officers and Tonkin Consulting (pipe network only)
- Condition Assessment: Council Officers assessed CWMS Assets with an expiry date of 30 June 2020 (excluding pipe network)
Waste Water Treatment Plant and Lagoons were assessed in 2013/14

The Barossa Council

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

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

Valuation of Assets (continued)

Stormwater

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2017
- Valuer: Tonkin Consulting

Recreation Infrastructure

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2014
- Valuer: Council Officers using Rawlinsons Australian Construction Handbook Edition 33, 2015
- Condition Assessment: Calibre Consulting in 2015/16
- Revaluation during 2020 was delayed due to COVID-19 and will occur during 2021

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

The Barossa Council

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

Note 8. Liabilities

\$ '000	Notes	2020 Current	2020 Non Current	2019 Current	2019 Non Current
(a). Trade and Other Payables					
Goods and Services		2,208	-	2,038	-
Payments Received in Advance		1,581	-	1,326	-
Accrued Expenses - Employee Entitlements		418	-	292	-
Accrued Expenses - Other		513	-	373	-
Deposits, Retentions and Bonds		198	-	131	-
Total Trade and Other Payables		4,918	-	4,160	-

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

Loans		1,829	8,576	1,918	10,475
Lease Liabilities	17	60	107	-	-
Lease Liabilities (2019 only)		-	-	5	15
Total Borrowings		1,889	8,683	1,923	10,490

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

(c). Provisions

Employee Entitlements (including oncosts)		2,782	802	2,554	824
Future Reinstatement - Landfill		50	362	416	-
Total Provisions		2,832	1,164	2,970	824

Movements in Provisions

\$ '000			
2020 (current and non-current)		Future Reinstatement - Landfill	
Opening Balance		416	
Additional Amounts Recognised		3	
(Less) Payments		(7)	
Closing Balance		412	

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

Note 9. Reserves

\$ '000	1/7/2019	Increments (Decrements)	Transfers	Impairments	30/6/2020
(a). Asset Revaluation Reserve					
Land - Community	52,612	(8,050)	-	-	44,562
Land - Other	637	(159)	-	-	478
Buildings and Other Structures	24,964	-	-	-	24,964
<i>Infrastructure</i>					
- Transport	139,162	38	-	-	139,200
- Bridges, Floodways and Major Culverts	14,087	(115)	-	6	13,978
- Community Wastewater Management System	19,322	-	-	-	19,322
- Stormwater and Drainage	30,355	-	-	-	30,355
- Recreation	5,824	-	-	-	5,824
- Community Infrastructure	493	-	-	-	493
Joint Ventures - Other Comprehensive Income	838	-	-	-	838
Total Asset Revaluation Reserve	288,294	(8,286)	-	6	280,014
Comparatives	271,300	17,000	-	(6)	288,294

\$ '000	1/7/2019	Transfers to Reserve	Transfers from Reserve	Other Movements	30/6/2020
(b). Other Reserves					
Community Wastewater Management	8,727	1,591	(1,078)	-	9,240
Refuse, Recycling and Green Waste	333	21	(85)	-	269
Recreation Facilities	344	103	(69)	-	378
Cultural Services	409	9	(2)	-	416
Caravan Parks	261	-	(150)	-	111
Economic Development	179	-	(4)	-	175
Environmental Projects	12	12	(6)	-	18
Plant and Equipment Replacement	175	5	(53)	-	127
Building Maintenance	16	-	(6)	-	10
Other Reserves	1,032	231	(186)	-	1,077
Total Other Reserves	11,488	1,972	(1,639)	-	11,821
Comparatives	9,914	2,187	(613)	-	11,488

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

Note 9. Reserves (Continued)

PURPOSES OF RESERVES

Asset Revaluation Reserves

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

Community Wastewater Management

Wastewater Management Scheme services charges raised under Section 155.

Refuse, Recycling and Green Waste

Collection of Refuse, Recycling and Green Waste service charges raised under Section 155.

Recreation Facilities

Recreation Facilities reserves are used to fund Capital Improvements at Council owned Recreation Parks.

Cultural Services

Cultural Facilities 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.

Environmental Projects

Environmental Project Reserves are used towards funding specific environmental projects and programs.

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.

Building Maintenance

Building Maintenance Reserves are used towards funding specific disability access to Council owned Buildings.

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.

The Barossa Council

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

Note 10. Assets Subject to Restrictions

\$ '000	2020	2019
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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 2020 (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

Unexpended Amounts Received

Open Space Contributions	683	480
Developer Contributions	384	542
Grant Funding - Commonwealth	20	7
Grant Funding - State	1,468	1,221
Total Cash and Financial Assets	2,555	2,250

Total Assets Subject to Externally Imposed Restrictions	2,555	2,250
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The Barossa Council

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

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2020	2019
(a). Reconciliation of Cash			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash and Equivalent Assets	5a	10,708	12,817
Balances per Statement of Cash Flows		10,708	12,817
(b). Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		5,172	7,491
Non-Cash Items in Income Statements			
Depreciation, Amortisation and Impairment		8,197	7,717
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(28)	(28)
Non-Cash Asset Acquisitions		(1,793)	(4,762)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(2,828)	(1,147)
Net (Gain) Loss on Disposals		738	640
		9,458	9,911
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		98	(57)
Net (Increase)/Decrease in Inventories		(151)	31
Net Increase/(Decrease) in Trade and Other Payables		691	(674)
Net Increase/(Decrease) in Unpaid Employee Benefits		206	315
Net Increase/(Decrease) in Other Provisions		(4)	6
Net Cash provided by (or used in) operations		10,298	9,532
(c). Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2i	1,793	4,762
Amounts recognised in Income Statement		1,793	4,762
- Estimated Future Reinstatement - Landfill	8c	3	6
Total Non-Cash Financing & Investing Activities		1,796	4,768
(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		4,260	2,160

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

The Barossa Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 12a. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities Details of these Functions/Activities are provided in Note 12b									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		COMMONWEALTH AND STATE GRANTS		TOTAL ASSETS HELD (CURRENT AND NON-CURRENT)	
	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019
\$ '000										
Business Undertakings	5,051	5,072	4,758	4,850	293	222	10	-	41,194	40,500
Community Services	1,080	1,105	2,536	2,505	(1,456)	(1,400)	768	832	8,868	10,141
Culture	287	339	2,420	2,407	(2,133)	(2,068)	194	171	14,689	16,889
Economic Development	141	249	1,025	1,105	(884)	(856)	19	35	-	1,159
Environment	3,202	2,947	5,574	5,078	(2,372)	(2,131)	253	282	56,277	58,068
Recreation	423	495	5,873	5,240	(5,450)	(4,745)	1,675	99	68,509	64,768
Regulatory Services	601	570	2,455	2,404	(1,854)	(1,834)	-	-	555	379
Transport	921	1,238	6,001	6,191	(5,080)	(4,953)	916	1,744	183,223	183,147
Plant Hire and Depot/Indirect	120	200	391	530	(271)	(330)	-	-	3,716	3,926
Council Administration	27,321	26,609	6,631	6,699	20,690	19,910	890	805	17,215	19,286
Joint Ventures	28	28	-	-	28	28	-	-	2,299	2,271
Total Functions/Activities	39,175	38,852	37,664	37,009	1,511	1,843	4,725	3,968	396,545	400,534

Income and expenses exclude amounts received specifically for new or upgraded assets and physical resources received free of charge. 'Council Administration' includes all rates income.

The Barossa Council

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

Note 12b. 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, Natural Resource Management Levy and Other Environment.

RECREATION

Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming Centres – Indoor, Swimming Centres – Outdoor and Other Recreation.

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.

JOINT VENTURES

Gawler River Floodplain Management Authority and Central Local Government Association (Legatus).

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

Note 13. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

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

Terms and Conditions:

Deposits returned fixed interest rates between 0.65% and 2.20% (2019: 1.75% and 2.20%). Short term deposits returned interest rates between 0.25% and 1.75% (2019: 1.25% and 2.00%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates and Associated Charges

(including legals and penalties for late payment)

Accounting Policy:

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

Terms and Conditions:

Secured over the subject land, arrears attract interest of 6.35% (2019: 6.60%). 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:

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

Terms and 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).

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

Note 13. Financial Instruments (continued)

Recognised Financial Instruments

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

Terms and Conditions:

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

Carrying Amount:

Approximates fair value.

Liabilities

Creditors and Accruals

Accounting Policy:

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

Terms and Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

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

Terms and Conditions:

Secured over future revenues, fixed borrowings are repayable by equal 6 monthly instalments of principal and interest; interest is charged at fixed rates between 2.05% and 7.02% (2019: 3.60% and 7.02%). Variable borrowings were payable on a quarterly basis for interest only at the current Local Government Finance Authority cash advance debenture rates between 2.20% and 3.12% (2019: 3.35% and 3.60%).

Carrying Amount:

Approximates fair value.

Liabilities

Leases

Accounting Policy:

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

The Barossa Council

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

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2020					
Financial Assets					
Cash and Equivalents	10,708	-	-	10,708	10,708
Receivables	2,335	391	651	3,377	3,091
Total Financial Assets	13,043	391	651	14,085	13,799
Financial Liabilities					
Payables	3,987	-	-	3,987	3,987
Current Borrowings	2,411	-	-	2,411	1,829
Non-Current Borrowings	-	8,138	2,054	10,192	8,576
Lease Liabilities	60	107	-	167	167
Total Financial Liabilities	6,458	8,245	2,054	16,757	14,559

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2019					
Financial Assets					
Cash and Equivalents	12,817	-	-	12,817	12,817
Receivables	2,418	416	724	3,558	3,226
Other Financial Assets	-	-	-	-	-
Total Financial Assets	15,235	416	724	16,375	16,043
Financial Liabilities					
Payables	3,487	-	-	3,487	3,487
Current Borrowings	2,641	-	-	2,641	1,923
Non-Current Borrowings	-	7,254	5,419	12,673	10,490
Total Financial Liabilities	6,128	7,254	5,419	18,801	15,900

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

	30 June 2020		30 June 2019	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	2.65%	-	3.58%	1,160
Fixed Interest Rates	6.32%	10,405	6.51%	11,253
		10,405		12,413

Net Fair Value

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

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

Note 13. Financial Instruments (continued)

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 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 Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

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

The Barossa Council

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

Note 14. Commitments for Expenditure

\$ '000	2020	2019
(a). Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Bridges	-	280
Buildings	1,171	-
Culture	6	12
Community Wastewater Management Scheme	123	-
Environment	9	29
Footpaths	300	535
Plant and Equipment	10	58
Recreation	2,561	4,787
Roads	9,482	12,519
Software	245	46
Stormwater and Drainage	100	544
Tourism	-	1
	14,007	18,811
These expenditures are payable:		
Not later than one year	6,470	9,489
Later than one year and not later than 5 years	7,537	7,333
Later than 5 years	-	1,989
	14,007	18,811
(b). Other Expenditure Commitments		
Other expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	71	93
Caretaking Services	1,904	126
Community Services	49	6
Computer Equipment Leases	151	-
Consulting Services	181	115
Environmental Projects	96	100
Maintenance Projects	1,416	2,251
Photocopier Equipment Leases	63	85
Plant and Equipment	4	-
Printing Services	124	155
Recreation Equipment Leases	47	-
Recreation Projects	49	118
Septic Tank Desludging	1,274	1,494
Software	8	7
Tourism	-	93
Waste Management Services	29,253	22,567
	34,690	27,210
These expenditures are payable:		
Not later than one year	4,183	3,319
Later than one year and not later than 5 years	12,461	9,171
Later than 5 years	18,046	14,720
	34,690	27,210

The Barossa Council

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

Note 15. Financial Indicators

	Amounts	Indicator	Prior Periods	
\$ '000	2020	2020	2019	2018

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	1,511	3.86%	4.74%	5.90%
Total Operating Income	39,175			

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

2. Net Financial Liabilities Ratio

Net Financial Liabilities	5,231	13%	10%	7%
Total Operating Income	39,175			

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 30 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	4.43%	3.28%	5.76%
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Adjusted Net Financial Liabilities Ratio	16%	13%	8%
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3. Asset Renewal Funding Ratio

Net Asset Renewals	4,571	92%	443%	373%
Infrastructure and Asset Management Plan required expenditure	4,964			

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.

A substantial amount of 'Upgraded' asset work completed each year (and for this financial year includes capital work on Springton roads and district wide footpaths) are partly renewing components of existing assets. For normal work cycles, components of these assets would need to be replaced when the depreciation or consumption of them had reduced their remaining life to zero, but as they are being upgraded to a better service level, they are effectively replacing asset components that would normally need to be replaced as/when due.

The calculation to compile the Asset Sustainability Ratio does not include any upgrade costs as it is not considered to be 'renewal/replacement'. This is then effectively understating the expenditure for asset replacement and the ratio is not then reflecting the true actual net asset renewals.

Infrastructure and Asset Management Plan (IAMP) required expenditure was sourced from Council's adopted plan. IAMP's are due for review in 2020/21.

The Barossa Council

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

Note 16. Uniform Presentation of Finances

\$ '000	2020	2019
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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. 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	39,175	38,852
less Expenses	(37,664)	(37,009)
Operating Surplus / (Deficit)	1,511	1,843
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(4,571)	(4,989)
add back Depreciation, Amortisation and Impairment	8,197	7,717
add back Proceeds from Sale of Replaced Assets	210	340
Subtotal	3,836	3,068
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	(9,329)	(7,775)
add back Amounts Received Specifically for New and Upgraded Assets	2,828	1,147
add back Proceeds from Sale of Surplus Assets	355	105
Subtotal	(6,146)	(6,523)
Net Lending / (Borrowing) for Financial Year	(799)	(1,612)

The Barossa Council

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

Note 17. Leases

Council as a Lessee

Terms and conditions of leases

Refer to Note 1 for further details.

Land

Right-of-use Assets leased include land at Angaston that is a radio transmission site.

Plant and Equipment

Right-of-use Assets leased include Photocopiers and Computer Servers.

Right-of-use Assets

Set out below are the carrying amounts of Right-of-use Assets recognised within the above asset categories and the movements during the period:

\$ '000	Notes	Land	Plant and Equipment	Total
2020				
Adoption of AASB 16 at 1 July 2019		1	216	217
Less: Short-term Value Finance Lease		-	(19)	(19)
Depreciation charge		-	(46)	(46)
Balance at 30 June 2020	7a	1	151	152

Leases

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

\$ '000	Notes	2020
Balance at 1 July 2019		217
Additions		-
Accretion of Interest		6
Payments		(56)
Balance at 30 June 2020		167
Classified as:		
Current	8b	60
Non-Current	8b	107
		167

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

The following are the amounts recognised in profit or loss for leases:

Depreciation Expense of Right-of-use Assets	7a	46
Interest Expense on Lease Liabilities		6
Expense relating to Short-term Leases (includes one lease previously classified as a Finance Lease)		33
Expense relating to Leases of Low-value Assets		111
Total amount recognised in Profit or Loss		196

The Group had total cash outflows for leases of \$88,143

The Barossa Council

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

Note 17. Leases (continued)

\$ '000	2020	2019
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Council as a Lessor

Leases Providing Revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are included in Note 2 as Lease Fees, Hall or Equipment Hire and Recreation Park Fees.

Leases commitments under lease agreements as at 30 June, are as follows:

Not later than one year	48	54
Later than one year and not later than 5 years	109	93
Later than 5 years	212	229
	369	376

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

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 (including Statewide Marketlink)

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

Statewide Super 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, 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 2018/19) 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 members' benefits, as defined in the Trust Deed, as they accrue.

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

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

Contributions to Other Superannuation Schemes

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

The Barossa Council

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

Note 19. Interests in Other Entities

\$ '000

All Joint Ventures are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

	Council's Share of Net Assets	
	2020	2019
Joint Ventures	2,299	2,271
Total	2,299	2,271

JOINT VENTURES

(a) Carrying Amounts

Name of Entity	Principal Activity	2020	2019
Gawler River Floodplain Management Authority	Flood Mitigation	2,217	2,204
Central Local Government Association (Legatus)	Local Government Regional Collaboration	82	67
Total Carrying Amounts - Joint Ventures and Associates		2,299	2,271

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.

Central Local Government Association (Legatus)

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

(b) Relevant Interests

Name of Entity	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2020	2019	2020	2019	2020	2019
Gawler River Floodplain Management Authority	10.01%	9.84%	10.01%	9.84%	15.38%	15.38%
Central Local Government Association (Legatus)	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%

(c) Movement in Investment in Joint Venture

	Gawler River Floodplain Management Authority		Central Local Government Association (Legatus)	
	2020	2019	2020	2019
Opening Balance	2,204	1,614	67	55
Share in Operating Result	(25)	(14)	15	12
Share in Other Comprehensive Income	-	574	-	-
Adjustments to Equity	38	30	-	-
Council's Equity Share in the Joint Venture or Associate	2,217	2,204	82	67

The Barossa Council

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

Note 19. Interests in Other Entities (Continued)

\$ '000

(d) Summarised Financial Information of the Equity Accounted Business

Statement of Financial Position	Gawler River Floodplain Management Authority		Central Local Government Association (Legatus)	
	2020	2019	2020	2019
Cash and Cash Equivalents	7	3	1,258	972
Investments	145	64	-	-
Other Current Assets	32	2	94	70
Non-Current Assets	22,011	22,332	25	11
Total Assets	22,195	22,401	1,377	1,053
Current Trade and Other Payables	42	-	135	47
Current Provisions	-	-	11	2
Non-Current Provisions	-	-	7	3
Total Liabilities	42	-	153	52
Net Assets	22,153	22,401	1,224	1,001

Statement of Comprehensive Income	Gawler River Floodplain Management Authority		Central Local Government Association (Legatus)	
	2020	2019	2020	2019
Other Income	-	5	193	169
Subscriptions, Grants, Subsidies and Other Contributions	329	232	485	509
Reimbursements	-	-	38	38
Investment Income	1	2	11	17
Total Income	330	239	727	733
Employee Costs	-	-	221	192
Materials, Contracts and Other Expenses	236	130	273	356
Depreciation, Amortisation and Impairment	321	233	6	6
Other	21	17	-	-
Total Expenses	578	380	500	554
Operating Result	(248)	(141)	227	179

(e). Share of Joint Venture Expenditure Commitments

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

Operating Expenditures Payable	2020	2019
Not later than one year	29	26
	29	26

(f). Transactions with Council

Aggregate amount of transactions with Council	2020	2019
- receipts from Council	32	31
	32	31

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

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 988km 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 MATTERS

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. A number of appeals were conducted during the year by persons aggrieved as a result of decisions by Council, 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. Not all appeals were finalised as at 30 June 2020.

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

Note 21. Events After the Statement of Financial Position Date

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

Council is aware of the following "non adjusting event" that merits disclosure:

At its ordinary meeting on 15 September 2020, Council resolved that recognising the Nuriootpa War Memorial Swimming Pool is an asset at the end of its useful life and also because it is located in a flood zone, permanently closes the pool at the end of the 2020/21 season (31 March 2021) and:

- a) Decommissions the pool with an appropriate budget allocation;
- b) Converts the open space area to a public park.

All details of the requirements to implement this resolution is to be determined during the 2020/21 and 2021/22 financial years.

The Barossa Council

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

Note 22. Related Party Transactions

\$ '000	2020	2019
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Key Management Personnel

The Key Management Personnel of the Council includes the Mayor, 11 Councillors, CEO, 12 Employees of the Executive Management Team and 10 Board Members of Nuriootpa Centennial Park Authority - Total 35 (2019: 38). This includes employees temporarily acting as CEO or Executive Management during periods of leave.

Transactions with Key Management Personnel

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 142.54 (FTE) staff of which only 2 are close family members of Key Management Personnel.

Key Management Personnel Employee Expenses for Close Family Members	160	147
Total	160	147

Four people included in Key Management Personnel are on the board or committee of four separate businesses which provide Council with consulting, goods and other services. The total amount invoiced to Council by these businesses during this financial year totalled \$116,495 (excluding GST). Two of these businesses also received rate rebates to the value of \$39,046.

One person included in Key Management Personnel has a close family member who was employed through an agency to provide Council with social marketing services. The total amount invoiced to Council by this business during this financial year totalled \$19,350 (excluding GST). Also one person included in Key Management Personnel is a director of a business that provided an audit of cabins. The total amount invoiced to Council by the business during this financial year totalled \$2,090 (excluding GST).

Compensation paid to Key Management Personnel

35 Key Management Personnel (2019: 38) were paid the following total compensation:

Short-Term Employee Benefits	1,537	1,556
Long-Term Benefits	10	-
Termination Benefits	19	-
Total	1,566	1,556

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

Other Related Party Transactions

Receipts from Key Management Personnel comprise:

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 consolidated.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BAROSSA COUNCIL

Opinion

We have audited the accompanying financial report of the Barossa Council, which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the Barossa Council as of 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

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

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

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

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

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

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 21st day of October 2020

INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS 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 to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2019 to 30 June 2020 are in accordance with legislative provisions.

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with legislative provisions for the period 1 July 2019 to 30 June 2020.

Limitation on Use

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

Limitations of Controls

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

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

Independence

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

The Council's Responsibility for the Internal Controls

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

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the *Council* has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2019 to 30 June 2020. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 21st day of October 2020

The Barossa Council

General Purpose Financial Statements for the year ended 30 June 2020

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Barossa Council for the year ended 30 June 2019, the Council's Auditor, Bentleys SA Pty Ltd 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
CHIEF EXECUTIVE OFFICER



Peter Brass
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 21 October, 2020

Bentleys SA Audit Partnership

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of the Barossa Council for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Bentleys SA Audit Partnership

David Papa
Partner

Dated at Adelaide this 8th day of October 2020

*Nuriootpa Centennial Park Authority
Annual Report and Financial Statements*

**2019-20 Annual Report for the
Nuriootpa Centennial Park Authority**

Overview

The Nuriootpa Centennial Park Authority (NCPA) is a subsidiary of The Barossa Council conducting the governance, oversight, financial and service delivery on behalf of Council through the assets and land comprised of the Nuriootpa Centennial Park.

The Board of Management is a voluntary board striving to provide services for the Nuriootpa and wider community and consisted of the following members during the 2019-20 financial year:

Mr Guy Martin	Chairperson
Mr Steven Bell	Deputy Chairperson
Mr Trevor Schmidt	Treasurer
Mr Brett Lydeamore	
Ms Sara La Nauze	
Mr Peter Cooper	
Cr Tony Hurn	Councillor
Vincent Marsland	Council Representative (attended July Meeting only)

The Board of Management is supported by its staff headed by Operations Managers and Business Manager.

The NCPA is governed by the Local Government Act and the Charter established under the Act. It is also supported by an independent Audit Committee which provides reports to Council and the Board.

The NCPA provides the following services:

1. Sport and recreation including football, tennis, netball, cricket and soccer;
2. Environment and open space services through the area known as Coulthard Reserve;
3. Accommodation services to permanent residents in the Caravan Park;
4. Tourist accommodation services;
5. Community services including scouts and bird club;
6. Event, conference and meeting space services;
7. Bush Chapel arrangements.

In 2019-20 the Park supported the South Australian Cricket Association (SACA) by hosting a Woman's Big Bash League (WBBL) event on the ovals. Along with the semi-final matches for local football and netball leagues. The NCPA was bequeathed an amount of \$100,000 from the Estate of the Late Peter Rosenberg Deceased which was passed onto Council as NCPA's contribution towards the newly developed Football Club Change rooms.

Financial Summary

The turnover for the 2019-20 period was \$1,718,979 which was an increase of \$32,440 on the previous financial year, or a decrease of \$67,560 if the Estate Bequest is removed.

The expenses were \$1,772,423 which was a decrease of \$70,343 on the previous financial year, or a further decrease of \$170,343 if the Estate Bequest is removed.

The net operating deficit for the year was \$53,443.

The total depreciation for 2019-20 was \$353,073 which was up \$ 62,634 in comparison to last financial year. A building revaluation was taken by Council as at 30.6.2019, and the Prider Street property had its first complete financial year under the NCPA's banner.

Impact from COVID-19

The hospitality industry was hit hard by the COVID-19 pandemic, and on top of this the Barossa Region was also branded as a hot-spot with two clusters of infected tourists passing through resulting in a regional lockdown, from week commencing 23.3.2020. As an entity of Local Government the NCPA was unable to utilise the Government's JobKeeper scheme along with the Cash flow Boost subsidy, and any state tourism grants, resulting in a stand down for all casual staff from the 16.4.2020, until the Park was allowed to accept non-essential travellers again. This restriction was removed from the 11.5.2020 when staff were slowly called back as bookings started to drop in.

The NCPA were successful with the Revenue SA Small Business COVID-19 Assistance Grant which saw an operation cash injection of \$10,000.

The Directors of BIG4 made a determination to waive all franchise fees due for April, May and June, and all commissions for sales through BIG4.com.au for arrivals for March, April, May and June were set to 0%.

The Authority continues to monitor the impact of COVID-19 pandemic on our activities and accommodation provision service delivery. Demand for some accommodation has steadily returned since the lifting of restrictions and re-opening of services, however some have yet to return to pre COVID-19 levels of demand. This will impact on The Authority revenue projections in the short term, some of this being off-set by a reduction of variable costs. The Authority also has a number of additional costs due to COVID-19. These include cleaning, personal protective equipment and ICT related costs. The Authority has worked to reduce discretionary expenditure in the short term to help mitigate the effect of the reduced revenue and increased costs. The Authority will continue to monitor and to strategies and make adjustments to operations in an effort reduce the impact of COVID-19 and remain sustainable. The Authority has determined that there is no material uncertainty that casts doubt on the Authority's ability to continue as a going concern.

Commercial Activities

The NCPA continues to provide caravan park services and has completed its second year under the BIG4 Holiday Parks umbrella. Whilst it has been a challenging trading year with COVID-19, our occupancy rates finished at 30.68%, which is only a decrease of 0.69% on the previous year. The Park had a total of 15,693 registered occupants through the gates, and as a result out into the wider community supporting local businesses. The commercial activities continue to return a profit to the Council and community.

The Park continues to receive great customer reviews with our Global Review Index (GRI) finishing at 91.30% on the 30.6.2020.

The Park offered 45 cabins and 151 powered sites, and of the 45 cabins 2 are marketed as pet friendly. We also offer a heated swimming pool, meeting room with Foxtel, a games room, enclosed camp kitchen, bike hire, pedal cart hire, tennis court hire, outdoor chess set and a half-court basketball ball court with ball hire.

Capital Works

Due to COVID-19 a lot of maintenance and upgrade works were put on hold due to the reduction in cash flow. But before the pandemic we made the A-Section Camp Kitchen an enclosed space by installing ziptrak and gearbox blinds. We separated the meeting room from the games room by installed a centre tracking room divider door. We upgraded our five bin surrounds making them higher, and introduced a new bin area too, making 6 revamped rubbish collection points in the Park. The NCPA committed to a 50% contribution towards the replacement of the concrete cricket pitch, seeing a new concrete pitch being laid with an artificial grass surface.

Capital Works completed included:

A-Section Camp Kitchen Blinds	\$7,845.45
Meeting Room Centre Tracking Door	\$10,030.00
6 x Bin Surround Upgrades (R&M)	\$7,500.00

Capital Works in Progress:

Replacement Cricket Pitch (our 50% of total quoted cost)	\$5,558.50
--	------------

Future

The Barossa Council, NCPA and its sporting and community stakeholders continue to work towards the achievement of facility upgrades with significant focus for the foreseeable future being the recreational assets. 2020-21 will see progress with a new soccer pitches, which are currently being surveyed.

We will continue to replace and extend our bitumen roadways throughout the Park, including roadways and landscaping around the new change room area.

We are redesigning the Games Room to remove the money operated gaming machines and to install free to use PlayStation games set-up in individual gaming cubicles.

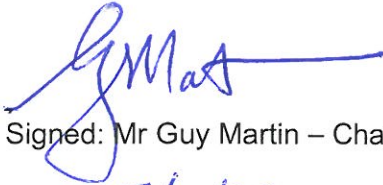
To utilise the Reception area better we will create a new office space for the Operation Managers to base and work from, giving them more private workspace and reducing noise and interruption.

Through BIG4 we have developed promotional relationships with MILO and Nescafe which will see their branding and mechanise throughout the Park and in cabins.

To help with the coming year we will continue to engage the services of our external marketing consultant as we reach out to a completely different consumer audience post-pandemic. With the temporary closure of the NSW and VIC borders, we will no doubt see a reduction in revenue compared to budget as the budget was set prior to the second wave in VIC. Our target audience has made a shift, but we predict the second half of the financial year will see us back to normal as predicted.

Closure

I take this opportunity to thank my Board members past and present and our especially the staff in supporting the services to the community through the NCPA and Council and also thank all the sporting, recreation and community groups who use, support and enjoy our facilities. Finally I thank all our, and the stakeholder and community volunteers, whom, without their efforts, we would not be able to achieve as a community the raft of services we do.

A handwritten signature in blue ink, appearing to read 'Guy Martin', with a long horizontal stroke extending to the right.

Signed: Mr Guy Martin – Chairperson – Nuriootpa Centennial Park Authority

Dated: 7/10/20

Nuriootpa Centennial Park Authority

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2020



Nuriootpa Centennial Park Authority

General Purpose Financial Statements for the year ended 30 June 2020

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Nuriootpa Centennial Park Authority

General Purpose Financial Statements for the year ended 30 June 2020

Certification of Financial Statements

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

In our opinion:

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



Guy Martin
CHIEF EXECUTIVE OFFICER



Tanya Pumpa
BUSINESS MANAGER

Date: 21/10/20

Nuriootpa Centennial Park Authority

Statement of Comprehensive Income

for the year ended 30 June 2020

\$	Notes	2020	2019
Income			
User Charges	2	1,599,382	1,667,104
Grants, Subsidies and Contributions	2	10,000	-
Investment Income	2	2,149	3,894
Other Income	2	101,890	12,813
Total Income		1,713,421	1,683,811
Expenses			
Employee Costs	3	666,202	753,782
Materials, Contracts and Other Expenses	3	703,367	716,781
Depreciation, Amortisation and Impairment	3	353,073	290,439
Finance Costs	3	44,815	67,096
Total Expenses		1,767,457	1,828,098
Operating Surplus / (Deficit)		(54,036)	(144,287)
Asset Disposal and Fair Value Adjustments	4	(4,966)	(11,942)
Amounts Received Specifically for New or Upgraded Assets	2	5,558	-
Physical Resources Received Free of Charge	2	129,410	712,578
Net Surplus / (Deficit) ¹		75,966	556,349
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in Revaluation Surplus - Infrastructure, Property, Plant and Equipment	9	(210,350)	1,523,647
Total Other Comprehensive Income		(210,350)	1,523,647
Total Comprehensive Income		(134,384)	2,079,996

¹ Transferred to Statement of Changes in Equity

Nuriootpa Centennial Park Authority

Statement of Financial Position

as at 30 June 2020

\$	Notes	2020	2019
ASSETS			
Current Assets			
Cash and Cash Equivalents	5	199,935	81,229
Trade and Other Receivables	5	36,511	42,564
Inventories	5	1,402	1,966
Total Current Assets		237,848	125,759
Non-Current Assets			
Financial Assets	6	5,194	15,073
Infrastructure, Property, Plant and Equipment	7	12,737,380	13,144,921
Other Non-Current Assets	6	7,425	7,292
Total Non-Current Assets		12,749,999	13,167,286
TOTAL ASSETS		12,987,847	13,293,045
LIABILITIES			
Current Liabilities			
Trade and Other Payables	8	149,812	150,333
Borrowings	8	230,953	229,240
Provisions	8	58,095	57,632
Total Current Liabilities		438,860	437,205
Non-Current Liabilities			
Borrowings	8	1,304,118	1,475,071
Provisions	8	18,287	19,803
Total Non-Current Liabilities		1,322,405	1,494,874
TOTAL LIABILITIES		1,761,265	1,932,079
Net Assets		11,226,582	11,360,966
EQUITY			
Accumulated Surplus		3,396,386	3,320,420
Asset Revaluation Reserves	9	7,830,196	8,040,546
Total Equity		11,226,582	11,360,966

Nuriootpa Centennial Park Authority

Statement of Changes in Equity

for the year ended 30 June 2020

		Asset		
\$	Notes	Accumulated Surplus	Revaluation Reserve	Total Equity
2020				
Balance at the end of previous reporting period		3,320,420	8,040,546	11,360,966
Restated Opening Balance		3,320,420	8,040,546	11,360,966
Net Surplus / (Deficit) for Year		75,966	-	75,966
Other Comprehensive Income				
- Gain (Loss) on Revaluation of Infrastructure and Property	7	-	(210,350)	(210,350)
Other Comprehensive Income		-	(210,350)	(210,350)
Total Comprehensive Income		75,966	(210,350)	(134,384)
Balance at the end of period		3,396,386	7,830,196	11,226,582

		Asset	
\$	Notes	Accumulated Surplus	Revaluation Reserve
			Total Equity
2019			
Balance at the end of previous reporting period		2,764,071	6,516,899
Restated Opening Balance		2,764,071	6,516,899
Net Surplus / (Deficit) for Year		556,349	-
Other Comprehensive Income			
- Gain (Loss) on Revaluation of Infrastructure and Property	7	-	1,523,647
Other Comprehensive Income		-	1,523,647
Total Comprehensive Income		556,349	1,523,647
Balance at the end of period		3,320,420	8,040,546

Nuriootpa Centennial Park Authority

Statement of Cash Flows

for the year ended 30 June 2020

\$	Notes	2020	2019
Cash Flows from Operating Activities			
<u>Receipts</u>			
User Charges		1,744,237	1,831,824
Grants, Subsidies and Contributions (operating purpose)		10,000	-
Investment Receipts		2,149	3,894
Other Receipts		109,725	2,897
<u>Payments</u>			
Payments to Employees		(677,192)	(752,053)
Payments for Materials, Contracts and Other Expenses		(842,018)	(856,976)
Finance Payments		(42,182)	(68,355)
Net Cash provided by (or used in) Operating Activities	10	304,719	161,231
Cash Flows from Investing Activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		5,558	-
Sale of Replaced Assets		-	2,727
Repayments of Loans by Community Groups		9,240	8,642
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		-	(64,802)
Expenditure on New/Upgraded Assets		(31,571)	(177,730)
Net Cash provided by (or used in) Investing Activities		(16,773)	(231,163)
Cash Flows from Financing Activities			
<u>Receipts</u>			
Proceeds from Borrowings		1,000,000	-
<u>Payments</u>			
Nil			
Repayments of Borrowings		(1,169,240)	(238,642)
Net Cash provided by (or used in) Financing Activities		(169,240)	(238,642)
Net Increase (Decrease) in Cash Held		118,706	(308,574)
plus: Cash and Cash Equivalents at beginning of period	5	81,229	389,803
Cash and Cash Equivalents at end of period	10	199,935	81,229
Additional Information:			
plus: Investments on hand - end of year	5	2	2
Total Cash, Cash Equivalents and Investments		199,937	81,231

Nuriootpa Centennial Park Authority

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

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Nuriootpa Centennial Park Authority

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

Note 1. Summary of Significant Accounting Policies

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

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

In the current year, the Authority 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 the Authority'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 Critical Accounting Estimates

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

1.3 Rounding

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

2 The Reporting Entity

The Authority is a subsidiary of The Barossa Council (Council) pursuant to Section 42 of the South Australian Local Government Act 1999. The Authority's principal place of business is located at Penrice Road Nuriootpa and it has been established with the following objects and purposes:

- To promote and market The Authority precinct;
- To position The Authority precinct in a way that sustains retail, business and economic growth and supports economic viability for the region;
- To enhance and sustain the commercial aspects of The Authority precinct to ensure ongoing competitiveness;
- To provide positive and productive engagement and partnership with key stakeholders of The Authority and The Authority precinct to achieve ongoing sustainability;
- The development and success for The Authority and The Authority precinct;
- To prepare a strategic management plan for The Authority precinct;
- To refine and redefine the strategic management framework for The Authority precinct in response to changing circumstances;
- To promote The Authority precinct and to encourage its use by sporting bodies, residents, tourists, visitors and the community in general;

Nuriootpa Centennial Park Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

2 The Reporting Entity (continued)

- To make recommendations to Council in relation to the maintenance and upgrade of The Authority precinct's existing infrastructure and physical appearance to ensure it is maintained to a high standard;
- To monitor that aspect of the annual budget approved by Council relating to The Authority's financial and general performance;
- Report regularly to Council on The Authority's financial and general performance;
- To promote and co-ordinate strategic management actions in a way that will ensure ongoing participation and commitment from stakeholders and the Council; and
- Ensure that information provided to the Council is accurate and that Council is kept informed of the solvency of The Authority as well as any material developments that may affect the operating capacity and financial affairs of the Authority.

3 Income Recognition

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

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.

A Bequest from the Estate of the Late Peter Rosenberg was received as a donation of \$100,000.

4 Cash, Cash Equivalents and other Financial Instruments

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

5 Inventories

Inventories held in respect of stores have been valued at cost after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

6 Infrastructure, Property, Plant and Equipment

6.1 Initial Recognition

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

Nuriootpa Centennial Park Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

6 Infrastructure, Property, Plant and Equipment (continued)

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 Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

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

6.2 Materiality

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

Buildings *

- Buildings (including Toilets)	\$20,000
- Sheds, Pergolas, Cabins, Carports and Other Structures	\$10,000
- Buildings at Componentisation	\$50,000

Infrastructure	\$5,000
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Plant and Equipment	\$5,000
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* These assets are capitalised when replacing/renewing assets that are >10% of the Depreciable Replacement Value

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of The Authority, 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 The Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Nuriootpa Centennial Park Authority

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

Note 1. Summary of Significant Accounting Policies (continued)

6 Infrastructure, Property, Plant and Equipment (continued)

Depreciation Periods per Class of Asset

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
Infrastructure	Other	15 to 100 years
Plant and Equipment	Plant and Machines	3 to 10 years
	Vehicles	3 to 33 years
	Computer Equipment	5 to 33 years

6.5 Impairment

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

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

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

7 Payables

7.1 Goods 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.

7.2 Payments Received in Advance and Deposits

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

8 Borrowings

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".

Nuriootpa Centennial Park Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

9 Employee Benefits

9.1 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	0.49% (2019: 1.11%)
Weighted average settlement period	0.76 years (2019: 0.88 years)

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

9.2 Superannuation

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

Accumulation Fund Members

The accumulation fund receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation: 9.50% in 2019/20; (9.50% in 2018/19). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

10 Leases

Accounting policy applicable from 01 July 2019

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

10.1 The Authority as a lessee

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

10 Leases continued

i.) Right-of-Use-Assets

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

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

ii.) Lease Liabilities

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

ii.) Short-term leases and leases of low-value assets

The Authority applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of 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.

The Authority is applying the low-value assets recognition exemption to lease of a mower that is considered to be low value. Refer Note 16.

11 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.

12 New and amended Accounting Standards and interpretations

In the current year, the Authority 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 The Authority's accounting policies.

Nuriootpa Centennial Park Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

Note 1. Summary of Significant Accounting Policies (continued)

AASB 16 Leases

The Authority applied AASB 16 Leases, for the first time from 1 July 2019. This standard requires that the right of use conveyed by leasing contracts (except leases with a maximum term of 12 months and leases for low-value assets) be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. As at 30 June 2020, The Authority has no leases to which this treatment will need to be applied as per 10 Leases ii) Short-term Leases note.

The effect on profit and loss in future years will be non-material.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2020, these standards have not been adopted by The Authority and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for The Authority then further information has been provided in this note.

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

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

- AASB 2018-6 Amendments to Australia Accounting Standards – Definition of a Business
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform

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

- AASB 17 Insurance Contracts

13 COVID-19 Impact

The Authority continues to monitor the impact of COVID-19 pandemic on our activities and accommodation provision service delivery. Demand for some accommodation has steadily returned since the lifting of restrictions and re-opening of services, however some have yet to return to pre COVID-19 levels of demand. This will impact on The Authority revenue projections in the short term, some of this being off-set by a reduction of variable costs. The Authority also has a number of additional costs due to COVID-19. These include cleaning, personal protective equipment and ICT related costs. The Authority has worked to reduce discretionary expenditure in the short term to help mitigate the effect of the reduced revenue and increased costs. The Authority will continue to monitor and to strategies and make adjustments to operations in an effort reduce the impact of COVID-19 and remain sustainable. The Authority has determined that there is no material uncertainty that casts doubt on the Authority's ability to continue as a going concern.

14 Comparative Figures

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

15 Disclaimer

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

Nuriootpa Centennial Park Authority

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

Note 2. Income

\$	Notes	2020	2019
User Charges			
Caravan Park Cabin Fees		900,758	897,213
Caravan Park Permanent Van Fees		69,511	66,373
Caravan Park Site Fees		533,288	591,748
Caravan Park Other User Charges		49,191	69,157
Recreation Park Fees		14,127	20,093
Lease Fees		23,580	8,197
Sports Function Centre Fees		5,927	11,323
Sports Function Centre Membership Fees		3,000	3,000
Total User Charges		1,599,382	1,667,104
Investment Income			
Interest on Investments			
- Banks and Other		650	1,798
- Loans to Community Groups		1,499	2,096
Total Investment Income		2,149	3,894
Other Income			
Insurance and Other Recoupments - Infrastructure, Property, Plant and Equipment		1,890	12,813
Donation		100,000	-
Total Other Income		101,890	12,813
Grants, Subsidies, Contributions			
Amounts Received Specifically for New or Upgraded Assets		5,558	-
Total Amounts Received Specifically for New or Upgraded Assets		5,558	-
Other Grants, Subsidies and Contributions		10,000	-
Total Other Grants, Subsidies and Contributions		10,000	-
Total Grants, Subsidies, Contributions		15,558	-
The functions to which these grants relate are shown in Note 11.			
(i) Sources of grants			
State Government		10,000	-
Other		5,558	-
Total		15,558	-

Nuriootpa Centennial Park Authority

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

Note 2. Income (continued)

\$	Notes	2020	2019
Physical Resources Received Free of Charge			
Land		-	310,000
Buildings		-	402,578
Infrastructure		109,410	-
Equipment		20,000	-
Total Physical Resources Received Free of Charge		129,410	712,578

Nuriootpa Centennial Park Authority

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

Note 3. Expenses

\$	Notes	2020	2019
Employee Costs			
Salaries and Wages		585,616	667,833
Employee Leave Expense		(1,053)	1,629
Superannuation - Defined Contribution Plan Contributions	1	51,894	57,949
Workers' Compensation Insurance		29,745	26,371
Total Operating Employee Costs		666,202	753,782
Total Number of Employees (full time equivalent at end of reporting period)		9.5	11.4
Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		2,123	3,317
Operating Lease Rentals - Non-Cancellable Leases	16		
- Minimum Lease Payments		-	5,300
Lease Expense - Low Value Assets / Short Term Leases		5,300	-
Subtotal - Prescribed Expenses		7,423	8,617
Other Materials, Contracts and Expenses			
Contractors		162,827	211,207
Energy		126,183	132,636
Levies - Other		4,696	3,888
Parts, Accessories and Consumables		72,502	94,945
Professional Services		8,500	34,241
Sundry		42,896	59,532
Bank Charges		13,767	14,060
Communications and Information Technology		7,440	7,403
Water		65,140	70,306
Advertising		33,696	25,170
Insurance		39,410	34,469
Subscriptions and Memberships		18,887	19,807
Contributions and Donations		100,000	500
Subtotal - Other Material, Contracts & Expenses		695,944	708,164
Total Materials, Contracts and Other Expenses		703,367	716,781

Nuriootpa Centennial Park Authority

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

Note 3. Expenses (continued)

\$	Notes	2020	2019
Depreciation, Amortisation and Impairment			
Depreciation and Amortisation			
Buildings and Other Structures		273,056	224,748
Infrastructure		66,849	52,313
Plant and Equipment		13,168	13,378
Subtotal		353,073	290,439
Finance Costs			
Interest on Loans		44,815	67,096
Total Finance Costs		44,815	67,096

Note 4. Asset Disposal & Fair Value Adjustments

\$	Notes	2020	2019
Infrastructure, Property, Plant and Equipment			
Assets Renewed or Directly Replaced			
Proceeds from Disposal		-	2,727
Less: Carrying Amount of Assets Sold		(4,756)	(14,669)
Gain (Loss) on Disposal		(4,756)	(11,942)
Assets Surplus to Requirements			
Less: Carrying Amount of Assets Sold		(210)	-
Gain (Loss) on Disposal		(210)	-
Net Gain (Loss) on Disposal or Revaluation of Assets		(4,966)	(11,942)

Nuriootpa Centennial Park Authority

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

Note 5. Current Assets

\$	Notes	2020	2019
Cash and Cash Equivalent Assets			
Cash on Hand at Bank		37,412	15,234
Deposits at Call		162,523	65,995
Total Cash and Cash Equivalent Assets		199,935	81,229
Trade and Other Receivables			
Accrued Revenues		14,430	15,067
Debtors - General		(660)	5,819
Prepayments		12,791	12,368
Loans to Community Organisations		9,879	9,240
Community Store Bonus		71	70
Subtotal		36,511	42,564
Total Trade and Other Receivables		36,511	42,564
Inventories			
Stores and Materials		1,402	1,966
Total Inventories		1,402	1,966

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year.

Nuriootpa Centennial Park Authority

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

Note 6. Non-Current Assets

\$	Notes	2020	2019
Financial Assets			
Receivables			
Loans to Community Organisations		5,192	15,071
Total Receivables		5,192	15,071
Other Financial Assets (Investments)			
Community Store Shares		2	2
Total Other Financial Assets (Investments)		2	2
Total Financial Assets		5,194	15,073
Other			
Capital Works-in-Progress		7,425	7,292
Total Other		7,425	7,292
Total Other Non-Current Assets		7,425	7,292

Nuriootpa Centennial Park Authority

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

Note 7. Infrastructure, Property, Plant and Equipment

\$	Fair Value Level	as at 30/6/2019				Asset Movements during the Reporting Period						as at 30/6/2020			
						Asset Additions		WDV of Asset Disposals	Depreciation Expense (Note 3)	Revaluation Decrements to Equity (Asset Revaluation Reserve) (Note 9)	Revaluation Increments to Equity (Asset Revaluation Reserve) (Note 9)				
		At Fair Value	At Cost	Accumulated Depreciation	Carrying Value	New / Upgrade	Renewals					At Fair Value	At Cost	Accumulated Depreciation	Carrying Value
Land - Community	3	3,460,350	-	-	3,460,350	-	-	-	-	(120,350)	-	3,340,000	-	-	3,340,000
Land - Other	2	-	310,000	-	310,000	-	-	-	-	(90,000)	-	220,000	-	-	220,000
Buildings and Other Structures	3	11,752,258	-	4,186,848	7,565,410	17,875	-	(210)	(263,585)	-	-	11,749,856	17,875	4,448,241	7,319,490
Buildings and Other Structures	2	471,925	-	4,798	467,127	-	-	-	(9,471)	-	-	471,926	-	14,270	457,656
Infrastructure	3	1,818,775	561,856	1,098,570	1,282,061	122,973	-	(4,756)	(66,849)	-	-	1,796,012	684,829	1,147,412	1,333,429
Plant and Equipment	3	-	389,856	329,883	59,973	20,000	-	-	(13,168)	-	-	-	409,855	343,050	66,805
Total Infrastructure, Property Plant and Equipment		17,503,308	1,261,712	5,620,099	13,144,921	160,848	-	(4,966)	(353,073)	(210,350)	-	17,577,794	1,112,559	5,952,973	12,737,380
Comparatives		14,136,642	2,214,229	5,384,162	10,966,709	883,015	76,658	(14,669)	(290,439)	-	1,523,647	17,503,308	1,261,712	5,620,099	13,144,921

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

Note 7. Valuation of Infrastructure, Property, Plant and 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 with Level 1 that are observable for the asset or liability, directly or indirectly.

Level 3:

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

Refer to the previous page 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 the Authority's buildings, infrastructure and other assets (with the exception of the 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 Authority, or on industry construction guides where these are more appropriate.

Nuriootpa Centennial Park Authority

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

Note 7. Valuation of Infrastructure, Property, Plant and Equipment

\$

Valuation of Assets (continued)

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 Authority'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 and Land Improvements

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

Buildings and Other Structures

- Basis of valuation: Fair Value Level 3, Market Value Level 2; additions are recognised at cost
- Date of valuation: 30 June 2019
- Valuer: Barossa Council in-house staff expertise using Rawlinsons Australian Construction Handbook Edition 37, 2019

Infrastructure

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2014
- Valuer: Barossa Council in-house staff expertise using Rawlinsons Australian Construction Handbook Edition 33, 2015
- Revaluation during 2020 was delayed due to COVID-19 and will occur during 2021

Plant and Equipment

- Basis of valuation: At cost

Nuriootpa Centennial Park Authority

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

Note 8. Liabilities

\$	Notes	2020 Current	2020 Non Current	2019 Current	2019 Non Current
Trade and Other Payables					
Goods and Services		98,895	-	82,680	-
Payments Received in Advance		2,160	-	1,440	-
Accrued Expenses - Employee Entitlements		5,994	-	12,956	-
Accrued Expenses - Finance Costs		12,838	-	10,205	-
Accrued Expenses - Other		23,811	-	33,614	-
Other (including GST payable)		6,114	-	9,438	-
Total Trade and Other Payables		149,812	-	150,333	-

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

Borrowings

Loans	230,953	1,304,118	229,240	1,475,071
Total Borrowings	230,953	1,304,118	229,240	1,475,071

All interest bearing liabilities are secured over the future revenues of the Authority as a subsidiary of Council

Provisions

Employee Entitlements (including oncosts)	58,095	18,287	57,632	19,803
Total Provisions	58,095	18,287	57,632	19,803

Nuriootpa Centennial Park Authority

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

Note 9. Reserves

\$	1/7/2019	Increments (Decrements)	Transfers	Impairments	30/6/2020
Asset Revaluation Reserve					
Land - Community and Other	2,726,350	(210,350)	-	-	2,516,000
Buildings and Other Structures	4,788,385	-	-	-	4,788,385
Infrastructure	525,811	-	-	-	525,811
Total Asset Revaluation Reserve	8,040,546	(210,350)	-	-	7,830,196
Comparatives	6,516,899	1,523,647	-	-	8,040,546

PURPOSES OF RESERVES

Asset Revaluation Reserves

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

Nuriootpa Centennial Park Authority

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

Note 10. Reconciliation to Statement of Cash Flows

\$	Notes	2020	2019
Reconciliation of Cash			
Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Total Cash and Equivalent Assets	5	199,935	81,229
Balances per Statement of Cash Flows		199,935	81,229
Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		75,966	556,349
Non-Cash Items in Income Statements			
Depreciation, Amortisation and Impairment		353,073	290,439
Non-Cash Asset Acquisitions		(129,410)	(712,578)
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)		(5,558)	-
Net (Gain) Loss on Disposals		4,966	11,942
		299,037	146,152
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		6,692	(12,836)
Net (Increase)/Decrease in Inventories		564	(564)
Net Increase/(Decrease) in Trade & Other Payables		(521)	26,850
Net Increase/(Decrease) in Unpaid Employee Benefits		(1,053)	1,629
Net Cash provided by (or used in) operations		304,719	161,231
Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
- Physical Resources Received Free of Charge	2	129,410	712,578
Amounts recognised in Income Statement		129,410	712,578
- Leases		-	-
Total Non-Cash Financing & Investing Activities		129,410	712,578

Financing Arrangements

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

Bank Overdrafts	50,000	50,000
Corporate Credit Cards	4,000	4,000
LGFA Cash Advance Debenture Facility	260,000	1,260,000
LGFA Fixed Interest Debenture Facility	1,000,000	-

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

Nuriootpa Centennial Park Authority

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

Note 11. Functions

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided below.									
	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019	Actual 2020	Actual 2019
\$										
Business Undertakings - Caravan Park	1,586,473	1,646,680	1,308,637	1,463,884	277,836	182,796	10,000	-	5,502,860	5,573,930
Recreation - Sporting Reserve	117,580	22,290	342,901	250,000	(225,321)	(227,710)	-	-	5,866,349	5,930,322
Recreation - Coulthard Reserve	-	-	45,112	49,017	(45,112)	(49,017)	-	-	621,299	766,180
Recreation - Sports Function Centre	9,368	14,841	70,807	65,197	(61,439)	(50,356)	-	-	997,339	1,022,613
Total Functions/Activities	1,713,421	1,683,811	1,767,457	1,828,098	(54,036)	(144,287)	10,000	-	12,987,847	13,293,045

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

Components of Functions

The activities relating to The Authority's functions are as follows:

BUSINESS UNDERTAKINGS

Caravan Parks

RECREATION

Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – Outdoor, Swimming Centres – Outdoor and Other Recreation

Nuriootpa Centennial Park Authority

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

Note 12. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

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

Terms & Conditions:

Deposits are returning fixed interest rates between 0.84% and 2.10% (2019: 1.75% and 2.20%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Fees and Other Charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Liabilities

Creditors and Accruals

Accounting Policy:

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

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

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

Terms & Conditions:

Secured over future revenues. Fixed borrowings are repayable by equal 6 monthly instalments of principal and interest; variable borrowings are payable on a quarterly basis for interest only at the current Local Government Finance Authority cash advance debenture rate; interest is charged at fixed or variable rates between 2.05% and 6.9% (2019: 3.35% and 6.80%).

Carrying Amount:

Approximates fair value.

Liabilities

Leases

Accounting Policy:

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

Nuriootpa Centennial Park Authority

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

Note 12. Financial Instruments (continued)

	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
\$					
2020					
Financial Assets					
Cash and Equivalents	199,935	-	-	199,935	199,935
Receivables	24,579	5,369	-	29,948	28,912
Other Financial Assets	-	-	2	2	2
Total Financial Assets	224,514	5,369	2	229,885	228,849

Financial Liabilities					
Payables	102,219	-	-	102,219	102,219
Current Borrowings	269,268	-	-	269,268	230,953
Non-Current Borrowings	-	865,939	555,549	1,421,488	1,304,118
Total Financial Liabilities	371,487	865,939	555,549	1,792,975	1,637,290

	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
\$					
2019					
Financial Assets					
Cash and Equivalents	81,229	-	-	81,229	81,229
Receivables	31,694	16,108	-	47,802	45,267
Other Financial Assets	-	-	2	2	2
Total Financial Assets	112,923	16,108	2	129,033	126,498

Financial Liabilities					
Payables	85,292	-	-	85,292	85,292
Current Borrowings	291,960	-	-	291,960	229,240
Non-Current Borrowings	-	1,192,060	415,508	1,607,568	1,475,071
Total Financial Liabilities	377,252	1,192,060	415,508	1,984,820	1,789,603

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

	30 June 2020		30 June 2019	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	2.65%	520,000	3.58%	1,680,000
Fixed Interest Rates	3.68%	1,015,071	6.80%	24,311
		1,535,071		1,704,311

Net Fair Value

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

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

Note 12. 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 Authority is the carrying amount, net of any allowance for doubtful debts. All the Authority investments are made with the National Australia Bank. Except as detailed in Notes 5 and 6 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

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

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

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

Nuriootpa Centennial Park Authority

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

Note 13. Commitments for Expenditure

\$	Notes	2020	2019
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Other Expenditure Commitments

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

Audit Services	6,990	9,230
Consultants	23,400	7,190
Property Management Contract	817	2,258
	31,207	18,678

These expenditures are payable:

Not later than one year	12,907	10,871
Later than one year and not later than 5 years	18,300	7,807
	31,207	18,678

Nuriootpa Centennial Park Authority

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

Note 14. Financial Indicators

	Amounts	Indicator	Prior Periods	
	2020	2020	2019	2018

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	(54,036)			
Total Operating Income	1,713,421	(3.15%)	(8.57%)	(1.53%)

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

2. Net Financial Liabilities Ratio

Net Financial Liabilities	1,519,625			
Total Operating Income	1,713,421	89%	106%	101%

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

3. Asset Renewal Funding Ratio

Net Asset Renewals	-			
Infrastructure and Asset Management Plan required expenditure	79,000	0%	175%	647%

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.

A substantial amount of 'Upgraded' asset work completed each year is partly renewing components of existing assets. For normal work cycles, components of these assets would need to be replaced when the depreciation or consumption of them had reduced their remaining life to zero, but as they are being upgraded to a better service level, they are effectively replacing asset components that would normally need to be replaced as/when due.

The calculation to compile the Asset Renewal Funding Ratio does not include any upgrade costs as it is not considered to be 'renewal/replacement'. This is then effectively understating the expenditure for asset replacement and the ratio is not then reflecting the true actual net asset renewals.

Infrastructure and Asset Management Plan (IAMP) required expenditure is sourced from the Authority's adopted plan. IAMP's are due for review in 2020.

The required IAMP renewal expenditure relies on the Authority asset lives and replacement intervals as they are due each year. The Authority's asset base is relatively small and does not have the benefit of vast ranging assets with continual overlapping replacement interval periods. Some high value renewed assets could be purchased and grouped together in a year causing an unusual spike in renewal expenditure, whereas depreciation is the flattened average consumption/use of all assets. Depreciation is not used in the calculation of the asset Renewal Funding Ratio. Therefore this indicator is not necessarily relevant for the Authority but has been included as it is a reporting requirement for the General Purpose Financial Statements.

Nuriootpa Centennial Park Authority

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

Note 15. Uniform Presentation of Finances

\$	2020	2019
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The following is a high level summary of both operating and capital investment activities of the Authority prepared on a simplified Uniform Presentation Framework basis.

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

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

Income	1,713,421	1,683,811
less Expenses	(1,767,457)	(1,828,098)
Operating Surplus / (Deficit)	(54,036)	(144,287)

Net Outlays on Existing Assets

Capital Expenditure on Renewal and Replacement of Existing Assets	-	(64,802)
<i>add back</i> Depreciation, Amortisation and Impairment	353,073	290,439
<i>add back</i> Proceeds from Sale of Replaced Assets	-	2,727
Subtotal	353,073	228,364

Net Outlays on New and Upgraded Assets

Capital Expenditure on New and Upgraded Assets	(31,571)	(177,730)
<i>add back</i> Amounts Received Specifically for New and Upgraded Assets	5,558	-
Subtotal	(26,013)	(177,730)

Net Lending / (Borrowing) for Financial Year	273,024	(93,653)
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Nuriootpa Centennial Park Authority

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

Note 16. Leases

\$	2020	2019
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Authority as a Lessee

The following are the amounts recognised in profit or loss:

Expense relating to leases of low-value assets	5,300	5,300
Total amount recognised in profit or loss	5,300	5,300

The Authority had total cash outflows for leases of \$5,300.

Authority as a Lessor

Leases Providing Revenue to the Authority

The Authority owns various buildings and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with individual agreements. Rentals received from such leases are disclosed as lease income in Note 2.

Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:

Not later than one year	9,747	24,382
Later than one year and not later than 5 years	20,232	27,863
	29,979	52,245

Nuriootpa Centennial Park Authority

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

Note 17. Related Party Transactions

\$	2020	2019
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Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Authority are the ten Board Members and one Employee.

One person included in Key Management Personnel has a close family member who was employed through an agency to provide the Authority with social marketing services. The total amount invoiced to the Authority by this business during the financial year totalled \$19,350 (excluding GST).

One person included in Key Management Personnel is a director of a business that provided The Authority with an audit of the Cabins. The total amount invoiced to the Authority by this business during the financial year totalled \$2,090 (excluding GST).

Compensation paid to Key Management Personnel

Key Management Personnel were paid the following total compensation:

Short-Term Employee Benefits	63,507	63,518
Total	63,507	63,518

Amounts paid as direct reimbursement of expenses incurred on behalf of the Authority have not been included.

No compensation was paid to Board Members.

Other Related Party Transactions

The Barossa 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. The Authority maintains a Council Recreation Park at Nuriootpa for community benefit purposes including various sporting activities.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NURIOOTPA CENTENNIAL PARK AUTHORITY

Opinion

We have audited the accompanying financial report of the Nuriootpa Centennial Park Authority, which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the Nuriootpa Centennial Park Authority as of 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

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

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

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

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

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

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 23rd day of October 2020

Nuriootpa Centennial Park Authority

General Purpose Financial Statements for the year ended 30 June 2020

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Nuriootpa Centennial Park Authority for the year ended 30 June 2019, the Authority's Auditor, Bentleys SA Pty Ltd 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*.



Guy Martin

CHIEF EXECUTIVE OFFICER



Dafydd Llewelyn

PRESIDING MEMBER, AUDIT COMMITTEE

Date: 14/10/20

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of Nuriootpa Centennial Park Authority for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Bentleys SA Audit Partnership

David Papa
Partner

Dated at Adelaide this 9th of October 2020

*Gawler River Floodplain Management
Authority
Annual Report and Financial Statements*



The Barossa Council

ANNUAL REPORT 2019-20

Gawler River Floodplain Management Authority

Constituent Councils:

Adelaide Hills Council

Adelaide Plains Council

The Barossa Council

Town of Gawler

Light Regional Council

City of Playford

Gawler



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Chair Report

The past year of the Gawler River Floodplain Management Authority's (GRFMA) operation has been challenging across many fronts. The impact of COVID-19 in the last half of the report year primarily presenting difficulties with communications for the 13-member Board representing the six constituent councils forming the GRFMA (i.e. Adelaide Hills, Adelaide Plains, Barossa, Gawler, Light and Playford), State and Federal governments and other stakeholders having interest in the protection of the Gawler River floodplain.

The GRFMA Board conducted six (6) Ordinary meetings and convened two (2) Special meetings during the report period. Further, the GRMA's Audit Committee met on four (4) occasions.

The GRFMA Audit Committee provides an important role between the Authority, its management and its constituent Councils. The committee provides suggestions and recommendations to the GRFMA Board about actions to be taken to enhance financial and operational governance, considered to be in the best interests of the subsidiary and its constituent Councils.

Numerous Committee and Working Group meetings were also undertaken enabling the progression of activities identified necessary by the GRFMA Board.

Sincere thanks are extended to all who have been available for e-meetings and alternate means of communication allowing the business of the GRFMA to progress effectively. Special mention is also made of the assistance of the Town of Gawler Council which provided staff and associated IT, permitting the scheduling and conduct of e-meetings as required.

Notwithstanding the above, there have been a number of significant achievements throughout the report period, some of which are briefly outlined below.

Charter and Governance – Charter Review 2 Review Implementation

As reported in 2019, a periodic review of the Charter and associated governance (Charter Review 1) had been primarily completed with a legal review of proposed amendments having to be taken prior to adoption by the GRFMA's Board which occurred on the 28 January 2020.

This stage of the review was undertaken to make provision for some immediate amendments to the Charter necessary for continuing operation.

A number of amendments were proposed and supported with the following identified as the most important:

- Increasing the Audit Committee's GRFMA Board member representation,
- Clear prescription of the powers, functions, and duties to be undertaken by the Executive Officer,
- Setting the constituent council's percentage share contributions for capital works having a maximum value of \$1 million, and
- Making provision for the GRFMA's to prepare a Strategic Plan, Long-term Financial Plan, Asset Management Plan, Annual Business Plan, and associated budget documentation.

A more comprehensive review (Charter Review 2) commenced in April 2020 with Jeff Tate Consulting being engaged to undertake the required work. This work which will explore further governance and operational processes including options for alternative management (i.e., other than the Authority) for the Gawler River and supporting financial arrangements. This work is due for completion and report to the Authority in December 2020. Following consultation and subsequent approval process with constituent councils it is intended any new Charter arrangements will be operational from 1 July 2021.

Northern Floodway Project Advocacy and Progress

Since endorsing the Northern Floodway Project, the GRFMA has maintained constant advocacy initiatives pursuing funding for the project.

Recognising the need to continue liaison with the Federal and State Governments, the GRFMA Board requested that a further Advocacy program be implemented. Working in conjunction with Mr Phil Harrison, Playford Council's Advocacy Officer, the Chair and Chief Executive Officers visited three (3) Federal Government Ministers, four (4) SA Senators, three (3) local Federal Government Members of Parliament, three (3) State Members of the Legislative Council and three (3) State Members of Parliament advising of the work undertaken by the GRFMA to progress the Northern Floodway Project and seeking financial support.

All politicians engaged with acknowledged the importance of fixing this recurring flooding issue. To date funding sources remain unclear.

Other activities undertaken recently importantly include:

- Liaison with the South Australian Stormwater Management Authority (SMA) indicating the need for a Stormwater Management Plan (SMP) to be undertaken for the greater Gawler River from its convergence with the North and South Para Rivers to its outfall with the sea. The work is deemed necessary to satisfy the requirements of the SMA and future applications for funding for the Northern Floodway Project and any other flood mitigation associated works.
- GRFMA Board decision to pursue application for funding from the SMA for portion of the cost of the required SMP and associated Stage 1 scope and 30% design for the proposed Northern Floodway Project.
- A Working Group is to be formed to work with the SMA to scope investigative works required to develop the required SMP.

Bruce Eastick North Para Flood Mitigation Dam (BENPFMD) Operation and Safety Activities

The following activities have been pursued:

- **Safety Emergency Plan:**
The GRFMA endorsed partnership with the Local Government Association of South Australia Council Ready Program which aims to support councils with emergency management planning, and activities that strengthen disaster resilience in communities. The program is being centrally coordinated by the Local Government Association of South Australia (LGA-SA), with a team of project facilitators providing tailored assistance to councils between 2019 and 2021. The report is due for completion in December 2020.
- The LGA Mutual Liability Scheme assisted in facilitating an initial and separate Strategic Risk Workshop with GRFMA Board Members to identify relevant strategic risks associated with management of the Authority, in relation to the construction, operation and maintenance of flood mitigation infrastructure for the Gawler River.
- **Operations and Maintenance Manual:**
AURECON Engineering Consultants were engaged to prepare an updated dam operations and maintenance plan which was completion in June 2020
- **Site Environmental Management:**
The GRFMA and Light regional Council have commenced work with the Natural Resources Adelaide and Mount Lofty Ranges Landscape Board for the establishment of a revegetated zone around the land comprising the BENPFMD.

Gawler River UNHaRMED Management Tool (GRUMP)

In 2019 the GRFMA entered into partnership with the Bushfire and Natural Hazards CRC and the University of Adelaide to develop a decision support tool (UNHaRMED) to explore how to manage flood risk into the future. The model tool once developed will also be available to other local government authorities and floodplain managers responsible for flood-associated social, environmental, and economic risk modelling and subsequent management.

The Executive Officer and the GRFMA Project Management team has worked with other partners during the year to progress the development of the tool. It is expected that work will be completed by December 2020.

Chair and Executive Officer Review and Re-appointment

Reviews were undertaken of the Chair and Executive Officer's positions with the following decisions being confirmed by the GRFMA:

- Chair and Independent Member – re-appointed for a period of three (3) years pursuant to the relative provisions of the GRFMA Charter.
- Executive Officer – Contract of Employment continued for an additional two (2) years.

Outgoing and New GRFMA Board Members

Acknowledgement is made of Cr Stephen Coppins assistance and service to the GRFMA as City of Playford Board Member from November 2018 – November 2019 and the Board welcomed replacement Board Member Cr Peter Rentoulis and new Deputy Member Cr Clinton Marsh.

Audit Committee Membership

The GRFMA re-appointed the following members of the Audit Committee for a further two years until 30 June 2022):

- Mr Peter Brass – Chair and Independent Member
- Cr Malcolm Herrmann (Adelaide Hills Council) – Committee Member
- Mr Greg Pattinson (City of Playford) – Committee Member

The GRFMA continues to prioritise the delivery of the Northern Floodway Project to provide increased protection for the lower reaches of the Gawler River.

An overall objective remains, to provide 1:100 Average Recurrence Interval protection for the Gawler River floodplain.

Ian J. Baldwin
Chair and Independent Member
Gawler River Floodplain Management Authority

Gawler River Floodplain Management Authority (GRFMA)

The Gawler River

The Gawler River is formed by the confluence of the North Para and South Para in the town of Gawler and is located in the Adelaide Plains district of South Australia. The district surrounding the river produces cereal crops and sheep for both meat and wool, as well as market gardens, almond orchards, and vineyards. The farm gate output of the Gawler River Floodplain horticultural areas is estimated to be at least \$225 million.

Purpose of the GRFMA

The Gawler River Floodplain Management Authority (GRFMA) was formed as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999 on 22 August 2002. The Constituent Councils are the Adelaide Hills Council, The Adelaide Plains Council, The Barossa Council, The Town of Gawler, Light Regional Council, and the City of Playford.



The Charter provides for one independent person, who is not an officer, employee, or elected member of a Constituent Council, to be appointed as the Chairperson of the Board of Management of the GRFMA for a term of two years.

The Charter sets down the powers, functions, safeguards, accountabilities, and an operational framework.

The Authority has been established for the purpose of coordinating the planning, construction, operation, and maintenance of flood mitigation infrastructure for the Gawler River, and for the following functions:

- to raise finance for the purpose of developing, managing, and operating and maintaining works approved by the Board;
- to provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flooding of the Gawler River;
- to advocate on behalf of the Constituent Councils and their communities where required to State and Federal Governments for legislative policy changes on matters related to flood mitigation and management and associated land use planning with Gawler River flood mitigation;
- to facilitate sustainable outcomes to ensure a proper balance between economic, social, environmental, and cultural consideration; and
- to provide advice as appropriate to the Constituent Councils in relation to development applications relevant to the Authority's roles and functions.



Governance

The Board

The Authority is governed by the Board of management

The Board comprises of

- one independent person, who is not an officer, employee, or elected member of a constituent council, to be appointed as the Chairperson of the Board of Management of the GRFMA for a term of two years.
- Two persons appointed from each of the six constituent councils (12 members in total). Council appointees comprise of the Council CEO, or delegate and one Elected Member.
- Deputy Board members as appointed by each constituent council

The Members of the Board are:

Council	Board Members	Deputy Board Members
Chairperson & Independent Member	Mr Ian Baldwin	
Adelaide Hills Council	Cr Malcolm Herrmann Mr Marc Salver	Cr Pauline Gill
Adelaide Plains Council	Cr Terry-Anne Keen Mr James Miller	Cr John Lush Mr Robert Veitch
The Barossa Council	Mayor Bim Lange Mr Gary Mavrinac	Cr Russell Johnstone
Town of Gawler	Cr Paul Koch Mr Sam Dilena	Cr Nathan Shanks Mr Ben DeGilio
Light Regional Council	Cr William Close Mr Brian Carr	Mr Andrew Philpott
City of Playford	Cr Agapios (Peter) Rentoulis Mr Greg Pattinson	Cr Clinton Marsh

Meetings of the Board are held at such time and such place as the Board decides subject only to the requirement that there will be at least one meeting in every two calendar months. A special meeting of the Board may be held at any time and may be called at the request of the Chairperson or at the written request of six members of the Board representing all the Constituent Councils.

Ordinary meetings of the Board are generally held bi-monthly on the third Thursday of the even months commencing at 9.45 am: excepting December which is held on the second Thursday. Meetings are hosted by the Constituent Councils on a rotational roster with six Board meetings and one Special Meeting was held during the year as follows:

- Thursday 15 August 2019 Gawler
- Thursday 17 October 2019 Mallala (Adelaide Plains)
- Thursday 12 December 2019 Playford
- Thursday 27 February 2020 Kapunda (Light)
- Thursday 16 April 2020 Video Conference (required for COVID-19 protocols)
- Tuesday 12 May 2020 Video Conference (Special Meeting) (required for COVID-19 protocols)
- Thursday 11 June 2020 Barossa

Technical Assessment Panel

A Technical Assessment Panel has been appointed to support the decision-making processes of the Board with delegated powers to provide advice and manage the technical aspects of the design, assessment, and construction of the various parts of the Scheme.

The Members of the Panel are:

- Mr Ian Baldwin, Independent Chair
- Ms Ingrid Franssen, Manager Flood Management, DEWNR
- Dr Moji Kan, Principal Engineer Dams, SA Water
- Mr Matt Elding, Barossa Council
- Mr Braden Austin, Playford Council
- Mr David Hitchcock Executive Officer
- Mr Dino Musolino, Observer, Lower Gawler River representative

No meetings of the Panel were held during the year, however, email out of session consideration was undertaken to consider proposed repairs to the Lower Level Outlet Pipe and Baffle Block replacement at the Bruce Eastick North Para Flood Mitigation Dam.

Audit Committee

An Audit Committee has been appointed to review:

- the annual financial statements to ensure that they present fairly the situation of the Board, and
- the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Board on a regular basis.

The Committee held four meetings during the year:

- 09 August 2019
- 27 November 2019
- 12 February 2020
- 09 June 2020

The members of the Committee are:

- Mr Peter Brass, Independent Member
- Mr Greg Pattinson, City of Playford
- Cr Malcolm Herrmann, Adelaide Hills Council

At the 16/4/2020 Ordinary meeting the GRFMA Board resolved to reappoint the current membership of the GRFMA Audit Committee for a further two years (1 July 2020 until 30 June 2022).

Executive Officer

Mr David Hitchcock has been appointed Executive Officer on a contract basis (part time) to 31 December 2021.

External Auditor

Dean Newbery and Partners have been appointed as the external auditor for the financial year period 2019/20 until 2023/24.

Charter and Governance Review Working Group

On 16/8/18 the Authority endorsed commencement of a GRFMA Charter and Governance Review to be undertaken in two phases consisting of:

1. A charter review to be undertaken as a shorter-term action; and
2. Following completion of the charter review a further process to scope and consider other contemporary governance arrangements be undertaken.

Charter Review 1 has now been completed and key elements of changes to be affected in the new charter are:

Clause	Change
1.2	Provision of Definitions
3.1.4	New wording to facilitate sustainable outcomes to ensure a proper balance between economic, social, environmental, and cultural considerations.
4.3.11	New options to identify Board and Deputy Board Members.
4.5.1	New process for appointment of Chairperson three-year term.
6.	Reworded and reorganised to reflect Role and Functions and provision for a new Code of Practice for Meeting Procedures
7.2	Clarifies obligations of the Authority regarding Register of Interest and Related Party Disclosures
8.4.2	Sets limit of overdraft facility.
8.5.2	Provides direction on draw down of loan funds.

Clause	Change
9.4.1 and 9.4.2	Establishment of Committees - Provides opportunity for more than one independent Audit Committee member and term of appointment.
11.1	Requires separate funding agreement with constituent councils where capital or maintenance costs exceed \$1 Million in any one year.
12	Provision for Annual Business Plan and Annual Budget - clarification that Council approve the Budget as a whole.
13	New Management Framework requiring a Long-Term Financial Plan, a Strategic Plan and an Asset Management plan as well as annual budget.
21	Clarifies dispute resolution process between Authority and one or more constituent councils.
23.3	No change to financial contributions by constituent councils. Depreciation falls within the scope of the Authorities operational costs.
24	New identification of non-derogation and Direction by constituent councils.

The new Charter (Charter Review 1) commenced from 28 January 2020 and a transition program will be undertaken to affect the new GRFMA Management Framework requiring a Long-Term Financial Plan, a Strategic Plan, and an Asset Management plan as well as annual budget.

The Authority has now separately initiated Charter Review 2 of the Charter review so as to facilitate a process to scope and consider other contemporary governance arrangements that the GRFMA might, with constituent council support, adopt in seeking to deliver its purpose of coordinating the planning, construction, operation and maintenance of flood mitigation infrastructure for the Gawler River.

This process is to also examine percentage rate contributions (subscriptions) pursuant to the current Charter (2015), Clause 10. Financial Contributions to the Authority (now Clause 11 in the proposed Charter, Stage 1, 2019).

GRFMA Policies

The following Policies have been adopted to provide management guidelines for the day-to-day business of the GRFMA:

- Procurement and Operations Policy
- Grant Policy
- Internal Review of Decisions Policy
- Public Consultation Policy
- Access to Meetings and Documents Policy
- Dam Valuation Policy
- Treasury Management Policy

The purpose of policies is to provide prudent management guidelines for the day-to-day management of the affairs of the Authority.

Meetings

All meetings of the GRFMA and its committees are open to the public, except for those matters to be considered under Section 90 of the Local Government Act 1999.

No Freedom of Information requests were received during the year.

Forum	Total Resolutions for the year	Resolutions to exclude the Public – S90(3)	Purpose	Order for docs to remain confidential - S91(7)	%
Board	131	6	Possible commercial advantage of a Person	6	4
Technical Assessment Panel	0	0	N/A	0	0
Audit Committee	23	0	N/A	0	0

Evaluation of Performance Against the Business Plan

Part A: Funding

Performance Targets:	Timings:	To be measured by:	Actual Achievements:
Grant Claims	At all times	Lodge claims monthly for the payment of Commonwealth and State Government Grants.	☒ Claims lodged according to grant conditions
Maintain positive Cash Flow	At all times	Positive bank account balances at all times.	☒ Positive cash flow maintained

Part B: Proposed Flood Mitigation Scheme Works

South Para Works Completed 2012
The South Para Reservoir is under the control and management of SA Water Corporation who agreed to undertake the required modifications to the South Para Reservoir to provide the required level of flood mitigation capacity as a cost to the Scheme. Dam safety review and design proposal to modify the dam wall and spillway was completed September 2005 Detailed hydrology study of the catchment completed by Department of Transport, Energy, and Infrastructure March 2007. Practical completion of the modification works to the dam wall and spillway was achieved June 2012.

Gawler River Flood Mitigation Scheme	
One	What will the Mark Two Scheme Include? (Note these steps may occur concurrently and not necessarily in the following order).
Two	Reconfirm with the Constituent Councils that a 1 in 100-year level of protection is the protection standard that is to be pursued in the development of the Gawler River Flood Mitigation Scheme – Mark Two Strategy. N.B. The protection standard does not guarantee full protection for all flood events. <i>The Findings Report 2016 advises the 1 in 100 ARI event is considered to be the minimum desirable level of flood protection for new development as well as for much of the existing floodplain development.</i> Determine if a second dam on the North Para River or modification to the Bruce Eastick North Para Flood Mitigation Dam is an option. The GRFMA Board has recently accepted a tender for a Findings Report to undertake an assessment to determine if a second dam is required and feasible. <i>The Findings Report 2016 advised enlarging the existing Bruce Eastick North Para Flood Mitigation Dam on the North Para offers the greatest level of protection with least impacts and is rated as the most favoured structural mitigation option. This option deferred pending completion of the Northern Floodway Project proposal. Noting feasibility of raising the height of the Bruce Eastick Dam is still a strategic consideration. Both the Northern Floodway Project and raising the height of the Bruce Eastick Dam will entail considerable financial costs beyond the annual budget of the GRFMA.</i>
Three	The Gawler River Floodplain Mapping Model should be maintained as the reference tool to demonstrate the level of flood protection and validity of design of land proposed for development as part of the approval process. To achieve this, the model should be upgraded to include recent works such as the Northern Expressway works and the additional floodplain mapping completed as part of the Light River Templers Creek Salt Creek Mapping Study by the Adelaide Plains Council. <i>Completed.</i>
Four	To further develop the preliminary assessment of possible local area levees prepared in the 2008 Gawler River Floodplain Mapping Study at Gawler, Angle Vale and Two Wells and develop a levee strategy for Virginia to a robust design standard with a staging plan. Undertake a cost benefit study for each stage of the plan. <i>Currently being considered in association with the Northern Floodway Project proposal.</i>
Five	Establish a protocol with the Floodplain Councils that where development of land in areas identified as ‘at risk of flooding’ is planned to proceed by the implementation of a local area levee that mapping of the proposed levees on the Gawler River Floodplain Mapping Study Model will be required. <i>It is anticipated the Gawler River Unharmful Mitigation Project, currently underway, will contribute to understanding of this issue and relevant strategies.</i>

Six	Maintain a working relationship with the Australian Rail Track Corporation to ensure that any changes to Railtrack infrastructure of culverts and rail heights are mapped on the Gawler River Floodplain Mapping Study Model to identify any changes to flooding impacts. <i>Ongoing – new modifications to the rail bridge commenced June 2020.</i>
Gawler River Flood Mitigation Scheme	
Seven	Develop a funding strategy for flood protection that is delivered by local area levees on the questions of who should own and maintain the levees and whether local area levees are regional works that the GRFMA should fund or are they local works that are the responsibility of the local Council. <i>Currently being considered in association with the Northern Floodway Project proposal.</i>
Eight	Investigate opportunities for funding partners and grants to undertake the necessary assessments and designs. <i>Ongoing.</i>
Nine	The Scheme will also seek to clarify, through the Local Government Association, the policy and legal framework around maintenance of rivers and creeks where those rivers and creeks are part of the regional flood management plan. Under current legislation a landowner is responsible for the condition of a creek or waterway on private land. <i>Currently under review by Department Environment and Water. GRFMA submission provided.</i>

Part B: Maintenance of the Scheme

Performance Targets:	Timings:	To be measured by:	Actual Achievements:
Six monthly inspection	June and December	Completion of Inspection Report	☑ Comprehensive Dam inspection (Newman Engineering) carried out Jan 2018 ☑ Dam Break Consequence study completed June 2019. ☑ Road Access Repairs completed February 2019. ☑ Dam Survey Monument (5 year) Survey completed April 2019. ☑ Lower Level Outlet Pipe and stilling basin dewatered and inspections undertaken March 2019.

Part C: Operation of the Regional Subsidiary

Performance Targets:	Timings:	To be measured by:	Actual Achievements:
Reports to Stakeholders	Bi-Monthly	Key Outcomes Summary to be published following each Board Meeting	☒ Key Outcomes Summary prepared following GRFMA meetings
Charter Review 1 and Charter Review 2	December	The performance of the Executive Officer be reviewed annually Charter Review	☒ Review conducted in December 2020 ☒ GRFMA Charter Review (1st stage) completed June 2019 ☒ GRFMA Charter Review (2nd stage) commenced April 2020
	August	The appointment of Auditor, Bank Operators, levels of insurance, appropriate registrations, delegations, and policies be reviewed annually.	☒ New External Auditor 2019-2024 appointed June 2019 ☒ Appropriate levels of insurance reviewed in July 2019
Review of the Business Plan	By 31 st March	Review the Business Plan prior to preparing the Budget Forward to the Councils	☒ June 2019 – Business Plan 2019-2023 adopted ☒ June 2019 – Achievements against the Business Plan 2019-23 presented
Budget 20/21	By 31 st March, June, October, December	Adopt for consultation forward to Councils – Adopt Budget – copy to Councils in 5 days – Conduct Budget Reviews	☒ March 2020 – Council consultation ☒ Budget 2020-2021 adopted at June 2019 Board meeting
Subscriptions	June December	Send half year subscriptions to Council	☒ All first half subscriptions paid ☒ All Second half subscriptions paid

Performance Targets:	Timings:	To be measured by:	Actual Achievements:
Report to Constituent Councils	Following each Board meeting By 30 th September	The receipt of the following reports by Councils, Board Meeting Key Outcomes Summary Annual Report including Annual Financial Statements	☒ Key Outcomes Summary prepared following meetings ☒ Annual Report forwarded electronically to Councils.
Governance	Ongoing	Policies and new management framework documents developed and reviewed	☒ Draft new Fraud and Corruption and Public Interest Disclosure Policies ☒ Strategic Plan, Asset Management Plan and Long Term Financial Plan to be developed
Annual Operations		Advocacy for construction of Northern Floodway project. Completion of the detailed Dam Failure Consequence. Assessment of the Dam pursuant to ANCOLD guidelines. Review of Dam Safety Emergency Plans and Operation and Maintenance Manuals. Dewatering and repair of the low-level inlet pipe and stilling basin. Scheduled inspection. Environmental management of land associated with the Dams location. GRUMP decision support tool to manage flood risk. Revegetate land zone around the Bruce Eastick North Para Flood Mitigation Dam.	☒ Ongoing – Still to realise actual funding commitment by State and Federal Government ☒ Completed ☒ Completion June 2020 ☒ On hold till late 2020 discussion with contractors ☒ Periodic inspections GRFMA officer level ☒ Annual land management lease in place ☒ Nearing completion due end June 2020 – delayed due to COVID-19 ☒ Commenced June 2020

Financial Statements 2019-20

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020
CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Gawler River Floodplain Management Authority Council to certify the financial statements in their final form.

In our opinion:

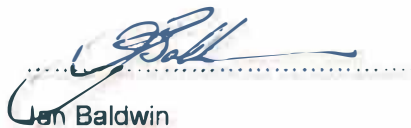
- the accompanying financial statements comply with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2020 and the results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



David Hitchcock

EXECUTIVE OFFICER

13/8/20



Ian Baldwin

CHAIRMAN

13/8/20

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
INCOME			
Subscriptions	4	230,300	231,577
Investment income	1(d)	1,042	1,718
State Government Grants	3	98,980	-
Other Income		100	5,024
Total Income		330,422	238,319
EXPENSES			
Contractual Services	5	235,881	129,856
Depreciation	1(h), 11	321,163	233,081
Other		21,155	16,746
Total Expenses		578,198	379,684
OPERATING SURPLUS / (DEFICIT)		(247,776)	(141,365)
NET SURPLUS / (DEFICIT)		(247,776)	(141,365)
transferred to Equity Statement			
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	5,830,163
Total Other Comprehensive Income		-	5,830,163
TOTAL COMPREHENSIVE INCOME		(247,776)	5,688,798

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

STATEMENT OF FINANCIAL POSITION as at 30 June 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	1(d)	151,764	66,902
Trade and Other Receivables		32,152	1,958
Total Current Assets		<u>183,916</u>	<u>68,860</u>
Non-current Assets			
Infrastructure	10	25,329,000	25,329,000
Accumulated Depreciation Infrastructure	1(h), 10	(3,795,163)	(3,474,000)
Land	10	477,000	477,000
Total Non-current Assets		<u>22,010,838</u>	<u>22,332,000</u>
Total Assets		<u>22,194,753</u>	<u>22,400,860</u>
LIABILITIES			
Current Liabilities			
Trade & other payables		41,669	-
Borrowings		-	-
Total Liabilities		<u>41,669</u>	<u>-</u>
NET ASSETS		<u>22,153,084</u>	<u>22,400,860</u>
EQUITY			
Accumulated Surplus		13,471,111	13,718,887
Asset Revaluation Reserves	1(g)	8,681,973	8,681,973
TOTAL EQUITY		<u>22,153,084</u>	<u>22,400,860</u>

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2020

		Accumulated Surplus	Asset Revaluation Reserve	TOTAL EQUITY
2020	Notes	\$	\$	\$
Balance at end of previous reporting period		13,718,887	8,681,973	22,400,860
Restated opening balance		13,718,887	8,681,973	22,400,860
Net Surplus / (Deficit) for Year		(247,776)	-	(247,776)
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant & equipment		-	-	-
Balance at end of period		13,471,111	8,681,973	22,153,084
2019				
Balance at end of previous reporting period		13,860,252	2,851,810	16,712,062
Restated opening balance		13,860,252	2,851,810	16,712,062
Net Surplus / (Deficit) for Year		(141,365)	-	(141,365)
Other Comprehensive Income				
Gain on revaluation of infrastructure, property, plant & equipment		-	5,830,163	5,830,163
Balance at end of period		13,718,887	8,681,973	22,400,860

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

STATEMENT OF CASHFLOWS for the year ended 30 June 2020

		2020	2019
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		299,175	236,374
Interest Receipts		1,055	1,800
Payments		<u>(215,367)</u>	<u>(146,602)</u>
Net Cash provided by (or used in) Operating Activities		84,863	91,572
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Payments</u>			
Expenditure on new/upgraded assets		-	(84,081)
Net Cash provided by (or used in) Investing Activities		-	(84,081)
Net Increase (Decrease) in cash held	8.1	84,863	7,491
Cash & cash equivalents at beginning of period		<u>66,902</u>	<u>59,412</u>
Cash & cash equivalents at end of period	8.2	<u>151,764</u>	<u>66,902</u>

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

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

UNIFORM PRESENTATION OF FINANCIAL STATEMENTS for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
Operating Revenues		330,422	238,319
Less: Operating Expenses		(578,198)	(379,684)
Operating Surplus/(Deficit) before Capital Amounts		(247,776)	(141,365)
Less Net Outlays in Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets		-	-
Less Depreciation Amortisation and Impairment		(321,163)	(233,081)
Less Proceeds from Sale of Replaced Assets		-	-
		(321,163)	(233,081)
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets		-	84,081
Less Amounts received specifically for New and Upgraded Assets		-	-
Less Proceeds from Sale of Surplus Assets		-	-
		-	84,081
Net Lending / (Borrowing) for Financial Year		73,386	7,635

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

**Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020**

Note 1 - Statement of Significant Accounting Policies

a) The Local Government Reporting Entity

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

The Gawler River Floodplain Management Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, The Barossa Council, Town of Gawler, Light Regional Council, Adelaide Plains Council and The City of Playford.

All funds received and expended by the Authority have been included in the financial statements forming part of this financial report.

b) Basis of Accounting

This financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values, or except where specifically stated, current valuation of non-current assets.

c) Employees

The Authority has no employees.

d) Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdraft.

e) Infrastructure

The Bruce Eastick North Para Flood Mitigation Dam was constructed in 2007. The valuation includes all materials, contractor's costs plus costs incidental to the acquisition, including engineering design and supervision fees and all other costs incurred.

f) Land

The dam land includes the land on which the dam is constructed, rights of way access to the land and 'right to flood' easements over the land upstream from the dam that will be inundated by dam waters for short periods of time during a flood event. The Board valuation was undertaken at 30th June 2011. Additional Land surrounding the dam was purchased in 2017/18 and was revalued by Asset Valuation and Consulting Pty Ltd in May 2017 for part lot 750 Kemp Road Kingsford.

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020

g) Revaluation

The Board sought an independent valuation to be applied as at 30th June 2019, of the Bruce Eastick North Para Flood Mitigation Dam. The Board recognises that the dam is a unique infrastructure. The Board sought the advice of Entura (Hydro Tasmania), who provided a replacement cost valuation based on the actual construction contract costs, including some 'owner's costs' which would be incurred in the event of a replacement being necessary. The estimate of the replacement cost was \$25.245 million at June 2019. In accordance with Accounting Standard (AASB)13 Fair Value Measurement, it is to be noted that valuation has been under level 3 valuation.

Fair value level 3 valuations of buildings, infrastructure and other assets – There is no known market for these assets and they are valued at depreciated current replacement cost. The method involves:

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

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

h) Depreciation

The depreciation period for the Bruce Eastick North Para Flood Mitigation Dam is based straight line depreciation with an expected life of 80 years.

The depreciation period for the Access Road is based on straight line depreciation with an expected life of 15 years.

i) Revenue

Revenue from the Subscriptions is recognised upon the delivery of the service to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue is stated net of the amount of goods and services tax (GST).

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020

Note 2 - Schedule of Constituent Council's Interest in Net Assets as at 30th June 2020

Prepared to meet the requirements of Clause 16.6 of the Charter

"The 'Schedule of Constituent Councils' Interests in Net Assets' will reflect the proportionate contribution each Constituent Council has made to the growth of the net assets of the Authority having regard to the proportionate contribution to subscriptions. The Schedule when updated by the Board at the end of each financial year will reflect the proportionate contribution of each Constituent Council since the commencement of the Authority and once accepted by each Constituent Council will be evidence of the agreed proportion of a Constituent Council's interests in the net assets as at 30 June in that year."

For the purposes of this Clause all subscriptions by Constituent Councils have been included.

This Schedule has been prepared on the basis that the Authority was 'wound up' on 30 June 2020. The value of infrastructure and land as stated in the Audited Financial Statements at 30th June have been included. Grants and contributions from the Commonwealth Government, State Government and Northern Adelaide Barossa Catchment Water Management Board that have contributed to these costs have not been deducted.

Calculation of Net Equity

Assets

Investments / Debtors	\$ 183,916
Infrastructure	\$ 21,533,837
Land	<u>\$ 477,000</u>
	\$ 22,194,753

Less Liabilities

Accounts Payable / Creditors	<u>\$ 41,669</u>
NET EQUITY	\$ 22,153,084

Allocation of Councils Interest in Net Assets

Constituent Councils	Accumulated Subscriptions for Operations to 30 June 2020	Accumulated Subscriptions for Maintenance to 30 June 2020	Accumulated Subscriptions for Scheme Works to 30 June 2020	All Subscriptions to 30 June 2020	Percentage of Contributions to the Total	Council's Interests in Net Assets
Adelaide Hills Council	\$147,760	\$5,481	\$70,988	\$224,229	4.23%	\$937,075
The Barossa Council	\$147,760	\$27,452	\$354,951	\$530,163	10.01%	\$2,217,524
Town of Gawler	\$147,760	\$54,864	\$709,892	\$912,516	17.23%	\$3,816,976

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020

Light Regional Council	\$147,760	\$27,452	\$354,951	\$530,163	10.01%	\$2,217,524
Adelaide Plains Council	\$147,760	\$91,538	\$1,183,146	\$1,422,444	26.85%	\$5,948,103
City of Playford	\$147,764	\$109,810	\$1,419,763	\$1,677,337	31.67%	\$7,015,882
	\$886,564	\$316,597	\$4,093,691	\$5,296,852	100%	\$22,153,084

Schedule of Constituent Councils' Interests in Net Assets' as at the 30th June 2020 adopted by the Board in accordance with Clause 16.6 of the Charter on 13 August 2020.

Note 3 - Functions / Activities of the Association

- a) Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note b.
- b) The activities of the Authority are categorised into the following function / activities:
 - Administration: The operations of the Authority and its Board
 - Other Environment: Flood Mitigation
- c) Functions of the Gawler River Floodplain Management Authority (excluding depreciation)

	Year	Revenue		Expenses		Surplus (deficit)
		Grants	Other	Total Revenue	Expenses Total	
Administration	2020	-	\$146,042	\$146,042	\$90,152	\$55,890
	2019	-	\$148,842	\$148,842	\$75,351	\$73,491
Other Environment:	2020	\$98,980	\$ 85,400	\$184,380	\$166,883	\$17,497
Flood Mitigation	2019	-	\$ 89,477	\$ 89,477	\$71,251	\$32,251
Total	2020	\$98,980	\$231,442	\$330,422	\$257,035	\$73,387
	2019	-	\$238,319	\$102,028	\$146,602	\$91,717

Note 4 - Subscriptions

The following subscriptions were levied on the Constituent Councils in accordance with Clause 11.2 of the Charter for the year:

Constituent Council	Maintenance		Operations		TOTALS	
	2020	2019	2020	2019	2020	2019
Adelaide Hills Council	\$ 1,476	\$ 1,548	\$24,166	\$23,683	\$25,642	\$25,231
The Barossa Council	\$ 7,396	\$ 7,758	\$24,166	\$23,683	\$31,562	\$31,441
Town of Gawler	\$14,791	\$15,515	\$24,166	\$23,683	\$38,957	\$39,198
Light Regional Council	\$ 7,396	\$ 7,758	\$24,166	\$23,683	\$31,562	\$31,441
Adelaide Plains Council	\$24,660	\$25,868	\$24,166	\$23,683	\$48,826	\$49,551
City of Playford	\$29,581	\$31,030	\$24,170	\$23,683	\$53,751	\$54,713
TOTAL	\$85,300	\$89,477	\$145,000	\$142,098	\$230,300	\$231,575

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020

Note 5- Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

Consultants	2020	2019
I Baldwin *	\$0	\$770
David Hitchcock	\$58,681	\$49,253
Ball PR	\$0	\$5,000
Water Technology	\$2,270	\$1,080
Entura	\$0	\$8,100
REMO Contractors	\$0	\$14,540
Norman Watehouse	\$500	\$0
HARC	\$0	\$38,360
HWL Ebswoth Lawyers	\$1,633	\$0
Business Risk A S Solutions	\$2,600	\$2,600
Steed Surveyors	\$0	\$4,050
Floodplain Management	\$900	\$0
SMEC	\$16,991	\$0
Safecom	\$27,714	\$0
Aurecon Australasia	\$5,102	\$0
Succession Ecology	\$4,292	\$0
Bushfire Natural Hazards CRC	\$101,266	\$0
Jeff Tate	\$6,875	\$0
HLB Mann Judd	\$7,057	\$6,103
TOTALS	\$235,881	\$129,856

* Payment of Chair Honorarium is noted
in Note 15 Related Party Disclosures

Note 6 - Comparison of Budget and Actual Results (excluding depreciation)

	2020		2019	
	Budget	Actual	Budget	Actual
Revenue				
Administration	\$146,400	\$146,042	\$148,536	\$148,842
Other Environment: Flood Mitigation	\$0	\$100	\$0	\$0
State Grant	\$110,980	\$98,980	\$0	\$0
Maintenance	\$85,300	\$85,300	\$89,476	\$89,477
Other Environment: Flood Mitigation Capital	\$0	\$0	\$0	\$0
Total Revenue	\$342,680	\$330,422	\$238,012	\$238,319
Expenditure				
Administration	\$89,095	\$90,152	\$78,622	\$75,351
Other Environment: Flood Mitigation	\$25,150	\$27,858	\$0	\$0
Maintenance	\$158,475	\$139,025	\$157,400	\$71,251
Other Environment: Flood Mitigation Capital				
Total Expenditure	\$272,720	\$257,035	\$236,022	\$146,602
Surplus (deficit)	\$69,960	\$73,387	\$1,990	\$91,717

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020

Note 7 - Expenditure Commitment

- i. An agreement has been entered into with David Hitchcock to provide Executive Officer and Supervision of Consultants services to 31 December 2021.

Note 8 - Reconciliation Statement of Cash Flows

Cash Flows from Operating Activities	2020	2019
Net deficit from operations	(\$247,776)	(\$139,496)
Adjust for non-cash items		
Depreciation	\$321,163	\$231,213
Decrease in Debtors	(\$ 30,194)	(\$146)
Increase in Creditors	\$ 41,669	\$0
Works on Access Road	\$ 0	(\$84,227)
Net Cash Increase from operating activities	\$ 84,862	\$7,344

8.2 Cash and cash equivalents

Balance at bank	\$ 6,873	\$3,034
Balance at LGFA	\$144,891	\$63,868
Total cash and cash equivalents	\$151,764	\$66,902

Note 9 -Economic Dependence

The Gawler River Floodplain Management Authority (GRFMA) was formed as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999 in August 2002, by a Charter that was amended and published in The South Australian Government Gazette on 27th February 2020 at page 474.

The Gawler River Floodplain Management Authority (GRFMA) is dependent upon subscriptions levied on the Constituent Councils in accordance with Clause 11.1of the Charter for its continued existence and ability to co-ordinate the construction, operation and maintenance of flood mitigation infrastructure for the Gawler River.

No other payments have been made to Key Management Personnel of the Gawler River Floodplain Management Authority.

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020

Note 10 - Non-Current Assets Summary

	Fair Value Level	2020				2019			
		At Fair Value	At Cost	Accum Dep'n	Carrying Amount	At Fair Value	At Cost	Accum Dep'n	Carrying Amount
Land and easements	-	\$477,000	-	-	\$477,000	\$477,000	-	-	\$477,000
North Para Dam Access Roads	3	\$84,000	-	(\$8,600)	\$75,400	\$84,000	-	(\$3,000)	\$81,000
North Para Dam	3	\$25,245,000	-	(\$3,786,563)	\$21,458,437	\$25,245,000	-	(\$3,471,000)	\$21,774,000
Total Infrastructure and Land		\$25,806,000	-	(\$3,795,163)	\$22,010,837	\$25,806,000	-	(\$3,474,000)	\$22,332,000
Comparatives		\$25,806,000	-	(\$3,474,000)	\$22,332,000	\$18,823,364	\$139,323	(\$2,311,850)	\$16,650,837

	2019		Carrying Amount Movements During the Year						2020
	Carrying Amount	Additions		Disposals	Depreciation	Impairment	Transfers	Net Valuation	Carrying Amount
		New Upgrade	Renewals						
Land and easements	\$477,000	-	-	-	-	-	-	-	\$477,000
Access Roads	\$81,000	-	-	-	(\$5,600)	-	-	-	\$75,400
Infrastructure - North Para Dam	\$21,774,000	-	-	-	(\$315,563)	-	-	-	\$21,458,437
Total Infrastructure, Property, Plant & Equipment	\$22,332,000	-	-	-	(\$321,163)	-	-	-	\$22,010,837
Comparatives	\$16,650,837	\$84,081	-	-	(\$233,081)	-	-	\$5,830,163	\$22,332,000

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020

Note 11 - Financial Instruments

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

Accounting Policies - 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 0.25% and 1.25% (2019: 1.25% and 1.5%). Carrying amount: approximates fair value due to the short term to maturity.
Receivables - Fees & other charges	Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method Terms & conditions: Unsecured, and do not bear interest. Although the authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authorities boundaries. Carrying amount: approximates fair value (after deduction of any allowance).
Liabilities - Creditors and Accruals	Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority. Terms & conditions: Liabilities are normally settled on 30 day terms. Carrying amount: approximates fair value.

Liquidity Analysis

2020	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	151,764	-	-	-	151,764
Receivables	32,152	-	-	-	32,152
Total	183,916	-	-	-	183,916
Financial Liabilities					
Payables	41,669	-	-	-	41,669
Total	41,669	-	-	-	41,669
2019	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	66,902	-	-	-	66,9602
Receivables	1,958	-	-	-	1,958
Total	68,860	-	-	-	68,860

Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020

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.

Risk Exposures:

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

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authorities 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 Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates.

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

Note 12 Uniform Presentation of Financial Statements

		2020	2019
	Notes	\$	\$
Operating Revenues		330,422	238,319
Less: Operating Expenses		(578,198)	(379,684)
Operating Surplus/(Deficit) before Capital Amounts		(247,776)	(141,365)
Less Net Outlays in Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets		-	-
Less Depreciation Amortisation and Impairment		(321,163)	(233,081)
Less Proceeds from Sale of Replaced Assets		-	-
		(321,163)	(233,081)
Less Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets		-	84,081
Less Amounts received specifically for New and Upgraded Assets		-	-
Less Proceeds from Sale of Surplus Assets		-	-
		-	84,081
Net Lending / (Borrowing) for Financial Year		73,386	7,635
This Statement is to be read in conjunction with the attached Notes			

**Gawler River Floodplain Management Authority
Notes to and forming part of the Financial Statements
for the year ended 30th June 2020**

Note 13 – Contingencies & Assets & Liabilities not recognised in the Balance Sheet

There are no contingencies, asset or liabilities not recognised in the financial statements for the year ended 30 June 2020.

Note 14 - Events Occurring After Reporting Date

There were no events subsequent to 30 June 2020 that need to be disclosed in the financial statements.

Note 15 - Related Parties Disclosures

Key Management Personnel

The Key Management Personnel of the Gawler River Floodplain Management Authority (GRFMA) include the Chair, Board Members, Deputy Board Members and Executive Officer. In all Key Management Personnel were paid the following total compensation:

Salaries, honorarium allowances & Other Short Term Benefits	2020 \$	2019 \$
	\$66,930	\$57,012
TOTAL	\$66,930	\$57,012

	Amounts received from Related Party during the financial year	Amounts outstanding from Related Party at the end of the financial year
	2020 \$	2019 \$
Adelaide Hills Council	\$25,642	\$0
The Barossa Council	\$31,562	\$0
Town of Gawler	\$38,957	\$0
Light Regional Council	\$31,562	\$0
Adelaide Plains Council	\$48,826	\$0
City of Playford	\$53,751	\$0
TOTAL	\$230,300	\$0

The Authority has been established for the following purposes:

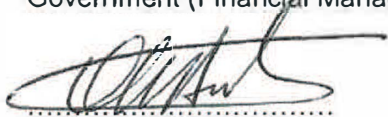
1. To co-ordinate the construction, operation and maintenance of flood mitigation infrastructure for the Gawler River. This purpose is the core business of the Authority;
2. To raise finance for the purpose of developing, managing and operating and maintaining works approved by the board;
3. To provide a forum for the discussion and consideration of topics relating to the Constituent Council's obligations and responsibilities in relation to management of flood mitigation for the Gawler River;
4. Upon application of one or more Constituent Councils pursuant to clause 3.2:
 1. to coordinate the construction, maintenance and promotion and enhancement of the Gawler River and areas adjacent to the Gawler River as recreational open space for the adjacent communities: and
 2. to enter into agreements with one or more of the Constituent Councils for the purpose of managing and developing the Gawler River.

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Gawler River Floodplain Management Authority for the year ended 30 June 2020 the Authority's Auditor Dean Newbery and Partners 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.



David Hitchcock

EXECUTIVE OFFICER



Peter Brass

PRESIDING MEMBER AUDIT COMMITTEE

4/8/2020



Ian Baldwin

CHAIR GRFMA

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

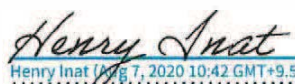
CERTIFICATION OF AUDITOR INDEPENDENCE

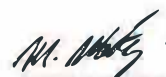
To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Gawler River Floodplain Management Authority for the year ended 30 June 2020 the Authority's Auditor Dean Newbery and Partners has maintained its independence in accordance with the requirements of the *Local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

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


Andrew Aitken (Aug 7, 2020 17:51 GMT+9.5)
 Aug 7, 2020
 Andrew Aitken
 Chief Executive Officer
 Adelaide Hills Council


 Aug 11, 2020
 James Miller
 Chief Executive Officer
 Adelaide Plains Council


Henry Inat (Aug 7, 2020 10:42 GMT+9.5)
 Aug 7, 2020
 Henry Inat
 Chief Executive Officer
 Town of Gawler


 Aug 8, 2020
 Martin McCarthy
 Chief Executive Officer
 The Barossa Council


 Aug 10, 2020
 Sam Green
 Chief Executive Officer
 City of Playford


 Aug 14, 2020
 Brian Carr
 Chief Executive Officer
 Light Regional Council



214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
F: (08) 8239 0895
E: admin@deannewbery.com.au

ABN: 30 164 612 890

Certification of Auditor's Independence

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

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

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

Jim Keogh
Partner

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS

Dated the 18th day of August 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

Opinion

We have audited the financial report of the Gawler River Floodplain Management Authority (the Authority), which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

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

Basis for Opinion

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

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

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

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

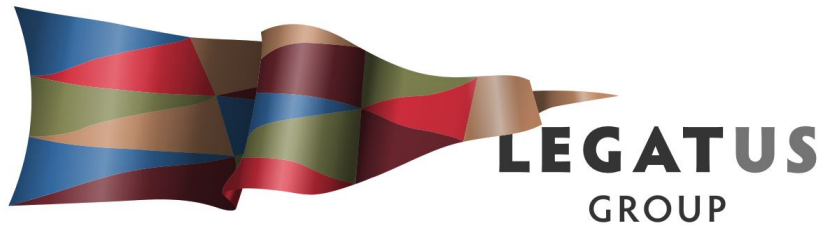
DEAN NEWBERY & PARTNERS CHARTERED ACCOUNTANTS



JIM KEOGH
PARTNER

Signed on the 18th day of August 2020,
at 214 Melbourne Street, North Adelaide

*Central Local Government Region of Councils
(Legatus Group)
Annual Report and Financial Statements*



2019/2020 ANNUAL REPORT

The Legatus Group AGM held on Friday 4 September 2019 adopted the annual report.

The Legatus Group Charter requires that the AGM receive the Legatus Group's Annual Report which may incorporate reports from committees and any representatives reports from other organisations.

2019/2020 ANNUAL REPORT

The Legatus Group Charter clause 6.3 Annual Report

6.3.1 The Legatus Group must each year, produce an Annual Report summarising the activities, achievements and financial performance of the Legatus Group for the preceding Financial Year.

6.3.2 The Annual Report must incorporate the audited financial statements of the Legatus Group for the relevant Financial Year.

6.3.3 The Annual Report must be provided to the Constituent Councils by 30 September each year.

The Legatus Group is a regional subsidiary of:

- Adelaide Plains Council
- Barunga West Council
- Clare & Gilbert Valleys Council
- Copper Coast Council
- District Council of Mount Remarkable
- District Council of Orroroo/Carrieton
- District Council of Peterborough
- Light Regional Council
- Northern Areas Council
- Port Pirie Regional Council
- Regional Council of Goyder
- The Barossa Council
- The Flinders Ranges Council
- Wakefield Regional Council
- Yorke Peninsula Council

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by the provisions of Section 25 of the Local Government (Implementation) Act 1999. In 2016 the

Central Local Government Region of South Australia adopted the trading name of Legatus Group to which it is referred. The Legatus Group is established to:

- undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
- facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils
- develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community
- develop further co-operation between its Constituent Councils for the benefit of the communities of the region
- develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region
- undertake projects and activities that benefit the region and its communities
- associate collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

The Legatus Group is a body corporate and is governed by a Board of Management which has the responsibility to manage all activities of the group and ensure that they act in accordance with its Charter.

Contact Details: Address: 155 Main North Road CLARE SA 5453 PO Box 419 CLARE SA 5453
Telephone: 0407819000 Email: ceo@legatus.sa.gov.au Website: www.legatus.sa.gov.au

Legatus Group Board of Management: The Board consists of all principal members (Mayors) of the Constituent Councils which for 2019/2020 were:

Council	Delegate
Adelaide Plains Council	Mayor Mark Wasley
Barunga West Council	Mayor Leonie Kerley
Clare & Gilbert Valleys Council	Mayor Wayne Thomas
Copper Coast Council	Mayor Roslyn Talbot
District Council of Mount Remarkable	Mayor Phillip Heaslip
District Council of Orroroo Carrieton	Mayor Kathie Bowman
District Council of Peterborough	Mayor Ruth Whittle OAM
Light Regional Council	Mayor Bill O'Brien
Northern Areas Council	Mayor Denis Clark
Port Pirie Regional Council	Mayor Leon Stephens

Regional Council of Goyder	Mayor Peter Matthey OAM
The Barossa Council	Mayor Bim Lange OAM
The Flinders Ranges Council	Mayor Peter Slattery
Wakefield Regional Council	Mayor Rodney Reid
Yorke Peninsula Council	Mayor Darren Braund

Office Bearers for 2019/20

Chairman:	Mayor Peter Matthey OAM
Deputy Chairs:	Mayor Kathie Bowman Mayor Bill O'Brien
South Australian Regional Organisation of Councils	Mayor Peter Matthey Mayor Bill O'Brien
Chief Executive Officer:	Mr Simon Millcock
Auditor:	Dean Newbery and Associates

Chairman's Report

It has been my pleasure to serve as Chairman in 2019/20 and take this opportunity to report on some highlights of the past year.

The Legatus Group provides a pivotal role in supporting member councils and advocating state-wide in the areas of Rating Equity for major energy producers, Community Wastewater Management Schemes, regional roads and coastal management. It is also taking a leadership role in the Regional Waste Management Strategy for the South Australian Regional Organisation of Councils (SAROC).

The organisation assisted all member councils in their successful efforts to access the Drought Communities Programme. The commitment by the Legatus Group on issues such as wellbeing, were a contributing factor for the State Government increasing resources to the Family and Business Support program, where two extra positions were made available. The drought continues to have a significant impact to regional SA, and our advocacy around inconsistencies re needs, assistance and funding are continued to be raised as appropriate.

The impacts of COVID-19 have been wide reaching, and I wish to recognise all councils in their efforts to support their communities. The disruptions to local government and Legatus will have an ongoing impact. Future implications are yet to be known, however as an organisation, strategic planning will assist in developing a way forward. As a broader region we escaped the devastating impact of bush fires in the summer of 2020. However, we acknowledge that there were significant impacts on the Yorke Peninsula, where member councils played a pivotal role in supporting communities.

Local government have been operating under the new LGA structure and this has meant a heavy load on our resources, for example, the new Planning and Design Code and consultation on the Local Government Reform Bill.

Announcements made by the state and federal government regarding funding for both the Horrocks and Barrier Highways are yet to result in any tangible results. The Road and Transport Infrastructure Advisory Committee have been active this year, and resulted in the renewed Deficiency Action Plan, a robust assessment of this year's Special Local Roads Program funding applications; and the release of the 2030 Industry Engagement report on the Legatus Group Regional Transport Plan. The Legatus Group 2019 Road and Transport Forum held in early July 2019 represented a very successful outcome by the committee, and future events are planned.

The region has been proactive in supporting the challenges and changing environment through the management of the Sector Agreement for the Climate Change Adaptation Plan, the release of a second report on a Regional Sustainability Hub, and the commencement of the Sustainability Hub Concept Plan (a Legatus Group funded project). The Legatus Group also managed the Yorke Mid North Coastal Management Action Plan which was released in early 2020 and have commenced (through funding from the Landscape Board) the implementation of the plan. In line with these initiatives the Legatus Group delivered a Regional Climate Ready webinar series throughout June due to COVID-19 restrictions.

We continue to encourage and foster closer working relationships with the three Regional Development Australia (RDA) organisations and Natural Resource Management Boards. Legatus Group was to have hosted the Yorke Regional Planning Forum in Clare, (impacted by COVID-19) a series of successful webinars took its place.

Legatus Group CEO committed large amounts of time to the development of the Conference and Forum and Mr Simon Millcock demonstrated immeasurable flexibility in changing these events to webinars at short notice. These events are available on our website as a result and provide a great resource. I also note with positivity his efforts to support regional councils through his role with the Functional Support Group re Waste and as the Chair of the Regional LGA Executive Officers Forum. On these collaborations, and his input, I again commend his work.

Collaborations have continued with regional organisations through the delivery of the Creative Industries report, Visitor Information Services report and Youth into Volunteering report. The collaboration and establishment of MoUs and partnerships with South Australian Universities, the City of Prospect and the Smarter Regions CRC are fruitful associations with long term benefit. The board through its CEO continues to position the Legatus Group as a proactive force in the region for engagement with all tiers of government. These advocacy and collaborative activities have enabled the securing of valuable and cost-effective research in areas that are of significance to local government, stakeholders and community.

The Audit and Risk Management Group Committee have ensured that the work plan has assisted us in improving our governance, and recommendations around variations to our policies and charter.

There has been valuable feedback gained from the Legatus Group Management Group meetings and information sharing opportunities by and for the CEO group. I note with interest their involvement with the Planning Commission and the ongoing discussions on Local Government Risk.

The Community Wastewater Management Advisory Committee assisted in the extension of the Joint CWMS program, staging of a successful SA conference and overseeing the release of the regional sludge viability report. Their continued work on issues around training and reduction in red tape is to be commended.

Whilst still in its infancy the Legatus Group Visitor Information Services Advisory Committee, are a great support via recent webinar, on the reopening of tourism in our region.

It has been pleasing to see the continued dialogue with the six State Government Members of Parliament, and our Federal Member. We are particularly enthused by their attendance at our board meetings.

In closing I would like to thank everyone who has taken a proactive role in progressing the strategic initiatives of the region. I thank Mayors Bill O'Brien (and also in his role on SAROC) and Kathie Bowman for your roles as Deputy Chairs.

Feedback tells that the reports prepared by Legatus Group CEO are progressed to the South Australian Regional Organisation of Councils (SAROC), and to other stakeholders and partners in all tiers of government. The organisation strives to continue to provide and improve upon strong partnerships and a collaborative approach, with our other regional local government associations, stakeholders and tiers of government. These activities are coordinated and managed by our CEO Mr Simon Millcock. I wish to thank him for his committed, dedicated and consistent approach in the development and delivery of the of the goals and directions of the board.

I would like to acknowledge all the Board members and those who have committed time to the Advisory Committees in what has been a tumultuous year. Your valuable service to the communities and the region continues to provide much needed leadership into the future.

Mayor Peter Matthey OAM
Chairman Legatus Group

CEO Report

In 2019-2020 the Legatus Group undertook a series of research papers and completed or commenced projects associated with the Legatus Groups Strategic and Business Plans, Yorke Mid North Regional Plan, Regional Climate Change Sector Agreement and the SAROC Strategic and Business Plans. The effort this year was to identify key projects in these plans and ensure that engagement and data were to be the drivers for ongoing programs. This was designed to increase the level of interest from other possible partners and to secure increased funding for the region by ensuring alignment with grant programs.

There was a significant increase in interest in partnering with the Legatus Group which has seen the Legatus Group become one of only 2 South Australian Showcase regions for both the Smarter Regions Cooperative Research Centre submission and for the Hub and Spoke Regional Innovation Hub project. Coupled with the Legatus Group support has been securing for the region the 2020 Parks and Leisure SA/NT and Mainstreet SA Conferences.

This year included a number of successful grant applications which have been acquitted or reporting on accordingly with \$550,340 (75%) of the Legatus Group's income coming from outside membership fees. This has placed the Legatus Group in a solid financial position which is reflected in the forthcoming 2020 – 2021 business plan and budget.

This year saw my attendance and deliver of the agendas, minutes and reports to over 30 Legatus Group Board / Committee, Yorke Mid North Alliance and SAROC meetings whilst managing the delivery of several regional forums, workshops and webinars. Administration responsibilities included the added roles of Chairing the Regional LGA Executive Officers, Secretariat to the Murray Darling Association Region 8 and a member of LGA Functional Support Groups associated with COVID-19 reference groups.

There were a series of forums and workshops including the 2019 Legatus Group Road and Transport Forum (plus a further information session on the progress of Major Road works by DPTI) and the 2019 SA Community Wastewater Management Conference. These provided a valuable opportunity for increased knowledge for both Elected Members and Operational Staff for member councils.

In response to COVID-19 there was a digital preparedness webinar which included topics such as cyber security and a Tourism Recovery webinar. Both were developed specifically for the Legatus Group councils recognising the competing demands on operational staff and programs being run by the LGA and others.

Due to COVID-19 restrictions the planned Yorke Mid North Forum and SA Climate Ready Conference were cancelled after the planning had been completed. In their place were the successful 7 week series of webinars which included 23 presenters and over 250 people registered. These are a great resource for councils and can be found at: <https://legatus.sa.gov.au/regional-learning/>

The Drought played a significant role with input into the Future Drought Fund Consultative Committee and efforts to develop and identify a strategic approach to funding opportunities for the region. A working group was established and the delivery of a gap analysis on emerging themes for drought response and climate change resilience report <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Drought-resilient-region-Gap-analysis-and-emerging-themes-report-v2.pdf> was completed. This is being used to position Legatus Group projects such as the Smart Irrigation for Public Spaces, Stormwater Harvesting and Reuse of Wastewater along with support for Wellbeing projects at a broader strategic level.

Whilst unsuccessful for funding of one of the two regional wellbeing officer roles via the LGA the Legatus Group was successful in securing a Local Government Information Linkages and Capacity Building Program for an Inclusive and Accessible Tourism Experiences for the Yorke Peninsula project for 20/21.

Support has been provided to the Legatus Management Group for key presenters at their meetings and their dialogue around Local Government Risk Management and changes to Planning.

Partnerships have been strengthened in the year with regional and state-based State Govt agencies including: SA Water, DIPT, PIRSA, DIS and DHS. This has led to new programs and forums / workshops being held and or supported for our region. Further work is required in the health sector and offers to assist continue.

The following is a list of 2019/2020 Legatus Group reports and projects:

1. Rating Equity report (completed) <https://legatus.sa.gov.au/wp-content/uploads/2020/03/Rating-Equity-Impact-Assessment-Final-Report-03Feb20.pdf> Note that the Legatus Group supports the approach by SAROC seeking a commitment from the State Government in working with local government on amendments to rating policy with regards to electricity generators.
2. Visitor Information Services report (completed and formation of advisory group) <https://legatus.sa.gov.au/wp-content/uploads/2019/08/Legatus-Group-Tourism-Visitor-Information-Services-Report-July-2019-Final.pdf>
3. Regional Transport Industry Engagement report (complete) <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Industry-Engagement-Documents.pdf>
4. Regional Sludge viability report (completed) <https://legatus.sa.gov.au/wp-content/uploads/2019/08/Final-Report-Draft-Legatus-Group-Sludge-Viability-Project-.pdf>
5. Local Roads updated deficiency report (completed) <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Regional-Transport-Plan-Road-Deficiency-Action-Plans-Apr-20-endorsed.pdf>

6. Coastal Management Action Plan (completed and implementation project commenced) https://landscape.sa.gov.au/files/sharedassets/northern_and_yorke/coast_and_marine/ny_coastactionplan_final_050520.pdf
7. Creative Industries report (completed) <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Final-Creative-Industries-Report-April-2020.pdf>
8. Youth in Music (commenced) <https://legatus.sa.gov.au/yim/>
9. Youth into Volunteering (report completed and projects commenced) <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Final-Report-Youth-Volunteering-20-April-2020.pdf>
10. Brighter Futures – Project completed in Yongala, Mundoora, Balaklava, Crystal Brook and Jamestown and commenced with Orreroo Carrieton and Flinders Ranges.
11. CWMS (ongoing) with significant communication with CWMS staff, at the annual conference and in a series of communications sessions. The work has grown to have a state-wide scope and involves close collaboration with the LGA CWMS Manager. The work has focused on addressing the training needs, including for regulatory compliance; developing applications of new technology to equipment monitoring (in cooperation with UniSA); undertaking research into equipment selection and design criteria for new Schemes; and, advancing the concept of a biosolids composting plant to deal with CWMS sludge. More generally, the work is addressing the broader strategic aim of enhancing the governance of CWMS.
12. SA Regional Waste Management Strategy (commenced)
13. MoU and Strategic Research Action Plan established with University of SA and MoU established with the University of Adelaide
14. Reconciliation Action Research project (commenced)
15. Pit and Quarry Management report to SAROC (completed)
16. Restricted Access Vehicle Route Assessment Tool (completed and progressed to SAROC)

Benefits to constituent councils:

- Identify training needs for the Legatus Region Constituent Councils.
- Regional collaboration and priority setting and sharing of knowledge and resources in the areas outlined above.
- Delivery of regional strategic and business plans and annual work plans.
- Operate Legatus Group in accordance with legislative requirements and board policies and procedures.
- Well regarded by members and stakeholders as valid and relevant through regional collaboration and undertaking or supporting actions on identified priorities.
- Identify regional priorities through collaboration with members and stakeholders and develop agreed actions and/or support.
- Advocate with a single and united voice and in partnership with other Regional LGA's.
- Fostering of economic, environmental and social sustainability through pro-active, innovative, efficient and collaborative approaches to priority issues.

Benefits across the local government sector:

- Assistance with coordinating workshops and consultation sessions and improved regional delivery of LGA services.
- Identified and aided with regional and longer-term outcomes for Constituent Councils.
- Facilitates stronger regional collaboration on projects and areas for sharing of knowledge and services.
- Being able to undertake research projects on the needs specific to regional councils.

Observation:

This has been an extremely difficult year for all sectors of the community which is replicated in the local government sector. Working in isolation with increased workloads has been compounded with increased levels of anxiety and, as organisations we need to ensure the wellbeing occurs internally as well as with the support being provided to our communities.

The focus on securing data to assist in decision making and to assist with raising policy issues has seen continued constructive dialogue with Constituent Councils, Members of Parliament, Ministers, the Local Government Association SA, public servants and other regional stakeholders. The platform is in place to now expand on these reports and projects via tangible and constructive programs.

Simon Millcock
CEO Legatus Group

The Legatus Group Audit and Risk Committee summary of activities undertaken, and recommendations made during 2019-2020. The committee met on 4 occasions during 2019-2020 with the following attendance.

Date	No of Members Attending
22 Aug 2019	4
1 Nov 2019	3
13 March 2020	3
22 May 2020	4

Committee Member	No of Meetings Attended
Chairman Kathie Bowman	4
Mayor Denis Clark	2
Peter Ackland	4
Colin Byles	3
Ian McDonald	4

The following table sets out the principal issues addressed by the Committee for 2019-20 year.

Principal Issues Examined	Recommendations to Board
Financial Report	No issues, unqualified audit, adopted for the 18/19 financial year.
Review of budget against actuals	Noted no issues and supported the allocation of the expenditure identified of carry over reserves and accumulated surplus for 20/21 business plan and budget.

Review of work plan, internal controls	Work planned maintained and review undertaken of policies including 3 new policies (1) Working from Home (2) Agenda items and Meeting Presentations (3) Board Members Code of Conduct being adopted
Charter	Variations to charter supported re the 5.1 budget via report on ways to assist with streamlining the current charter and the process for seeking approval of the budget and its reviews.
Business, Budget and Strategic Plan	Noted the development of the 2019-2020 business plan and budget and recommended streamlining of the presentation of current budget when reviewed.
Membership	Recommendations to Board re membership of Audit Committee
Equity / reserves	Recommendations to Board on levels to be held

Chairman Kathy Bowman
Chairman Legatus Group Audit and Risk Management Committee

Financial Statement

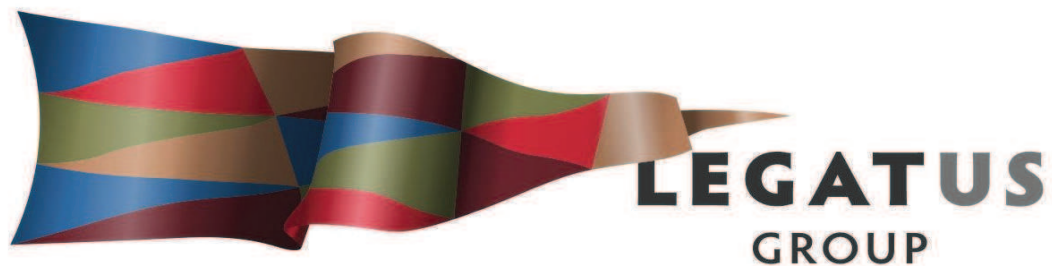
The financial statement for the year ending 30 June 2019 was presented at the 4 September 2020 Legatus Group AGM. The Legatus Group Charter requires that the AGM receive the audited financial statement for the preceding financial year.

The 2019/2020 Legatus Group audited annual financial report was undertaken by Dean Newberry and Partners. This report was prepared by Mr Sean Cheriton The Flinders Ranges Council Acting Finance and Administration Manager and was an agenda item at the Legatus Group Audit and Risk Committee meeting held on 21 August 2020. This meeting endorsed the Legatus Group annual financial statement for the year ending 30 June 2019 as presenting a fair view of the state of the financial affairs of the Legatus Group and that the board adopt the annual financial statement. The meeting also recommended that the Legatus Group retain Dean Newberry and Partners as Auditors for the year end 30 June 2021.

The reports and statements form part of the Legatus Group Annual Report and will be distributed to Constituent Councils for inclusion with their own annual reporting requirements.

The regulations also require that on an annual basis, the Chief Executive Officer of each Constituent Council, the Legatus Group Chair and the Chair of the Audit Committee provide a statement of certification that the auditor is independent of the subsidiary. This has been completed.

CENTRAL LOCAL GOVERNMENT
REGION of SA
trading as



Annual Financial
Statements

For the financial year

1 July 2019 – 30 June 2020

LEGATUS GROUP

General Purpose Financial Reports for the year ended 30 June 2020

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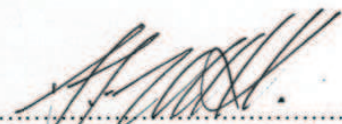
LEGATUS GROUP

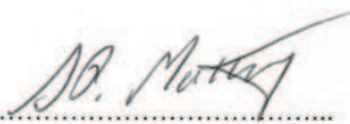
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Group 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 Group's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Group provide a reasonable assurance that the Group's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Group's accounting and other records.


.....
Simon Francis MILLCOCK
CHIEF EXECUTIVE OFFICER


.....
Mayor Samuel Peter MATTEY
PRESIDENT

Date: 4 SEPT 2020.

LEGATUS GROUP

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
INCOME			
Grants, subsidies and contributions	2	485,336	509,232
Investment income	2	10,845	16,573
Reimbursements	2	37,787	37,664
Other income	2	193,397	169,431
Total Income		<u>727,366</u>	<u>732,899</u>
EXPENSES			
Employee costs	3	221,194	191,317
Materials, contracts & other expenses	3	273,479	355,899
Depreciation, amortisation & impairment	3	5,695	6,311
Total Expenses		<u>500,368</u>	<u>553,527</u>
OPERATING SURPLUS / (DEFICIT)		226,998	179,372
Asset disposal & fair value adjustments	4	(3,690)	-
NET SURPLUS / (DEFICIT)		<u>223,308</u>	<u>179,372</u>
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		<u>223,308</u>	<u>179,372</u>

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

LEGATUS GROUP

STATEMENT OF FINANCIAL POSITION as at 30 June 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,258,006	972,087
Trade & other receivables	5	93,845	69,801
Total Current Assets		1,351,851	1,041,888
Non-current Assets			
Infrastructure, property, plant & equipment	6	24,850	11,177
Total Non-current Assets		24,850	11,177
Total Assets		1,376,701	1,053,065
LIABILITIES			
Current Liabilities			
Trade & other payables	7	135,189	46,729
Provisions	7	10,314	2,568
Total Current Liabilities		145,503	49,297
Non-current Liabilities			
Provisions	7	7,069	2,947
Total Non-current Liabilities		7,069	2,947
Total Liabilities		152,572	52,244
NET ASSETS		1,224,129	1,000,821
EQUITY			
Accumulated Surplus		704,359	166,358
Other Reserves	8	519,770	834,463
TOTAL EQUITY		1,224,129	1,000,821

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

LEGATUS GROUP

STATEMENT OF CHANGES IN EQUITY for the year ended 30 June 2020

		Accumulated Surplus	Other Reserves	TOTAL EQUITY
2020	Notes	\$	\$	\$
Balance at end of previous reporting period		166,358	834,463	1,000,821
Net Surplus / (Deficit) for Year		223,308	-	223,308
Other Comprehensive Income				
Transfers between reserves	8	314,693	(314,693)	-
Balance at end of period		704,359	519,770	1,224,129
2019				
Balance at end of previous reporting period		55,336	766,113	821,449
Net Surplus / (Deficit) for Year		179,372	-	179,372
Other Comprehensive Income				
Transfers between reserves	8	(68,350)	68,350	-
Balance at end of period		166,358	834,463	1,000,821

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

LEGATUS GROUP

STATEMENT OF CASH FLOWS for the year ended 30 June 2020

		2020	2019
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Investment receipts		11,352	18,714
Grants utilised for operating purposes		561,336	454,232
Reimbursements		37,787	37,664
Other revenues		193,398	161,248
<u>Payments</u>			
Employee costs		(210,531)	(186,562)
Materials, contracts & other expenses		(284,365)	(322,084)
Net Cash provided by (or used in) Operating Activities	9	308,977	163,211
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Sale of replaced assets		5,909	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(28,967)	-
Net Cash provided by (or used in) Investing Activities		(23,058)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>		-	-
<u>Payments</u>		-	-
Net Cash provided by (or used in) Financing Activities		-	-
Net Increase (Decrease) in cash held		285,919	163,211
Cash & cash equivalents at beginning of period	9	972,087	808,876
Cash & cash equivalents at end of period	9	1,258,006	972,087

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

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1. Basis of Preparation

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

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

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

All amounts in the financial statements have been rounded to the nearest dollar (\$).

1.1 Historical Cost Convention

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

1.2 The Local Government Reporting Entity

The Legatus Group ("the Group") is a regional subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999.

The Constituent Councils are:

- | | |
|--------------------------------------|--|
| 1. The Barossa Council | 2. District Council of Mount Remarkable |
| 3. Barunga West Council | 4. Northern Areas Council |
| 5. Clare and Gilbert Valleys Council | 6. District Council of Orroroo/Carrieton |
| 7. Copper Coast Council | 8. District Council of Peterborough |
| 9. The Flinders Ranges Council | 10. Port Pirie Regional Council |
| 11. Regional Council of Goyder | 12. Wakefield Regional Council |
| 13. Light Regional Council | 14. Yorke Peninsula Council, and |
| 15. Adelaide Plains Council. | |

All funds received and expended by the Group have been included in the Financial Statements forming part of this Financial Report.

1.3 Income recognition

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Group's operations for the current reporting period.

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Group'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 generally unsecured and do not bear interest. All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 11.

1.5 Property, Plant & Equipment

All non-current assets purchased are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". All assets are recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

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

Office Furniture & Equipment	\$5,000
Motor Vehicles, Other Plant & Equipment	\$5,000

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of the Group, 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 below.

Office Furniture & Equipment	5 to 10 years
Motor Vehicles, Other Plant & Equipment	3 to 5 years

1.6 Payables

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

Amounts received from external parties in advance of service delivery are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

1.7 Employee Benefits

Salaries, Wages & Compensated Absences

The Group has two employees as at the 30th June 2020, a Chief Executive Officer and a Project Officer. 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.

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

1.8 Superannuation

The Group contributes the statutory 9.5% SGC superannuation to the nominated superannuation funds for the Chief Executive Officer and Project Officer.

1.9 GST Implications

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

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

1.10 Leases

In the current year, the Group performed an assessment of the potential impact of AASB 16 *Leases*. The Group is only engaged in a short-term lease as per Section 5 of AASB 16 and therefore the lease is recognised as an operating expense on a straight-line basis over the term of the lease.

1.11 New Accounting Standards

In the current year, the Group 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 the Group's accounting policies.

The Group has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective. Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2020 reporting period and have not been used in preparing these reports.

AASB 1059 Service Concession Arrangements: Grantors

AASB 2018-6 Amendments to Australia Accounting Standards – Definition of a Business

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform

AASB 17 Insurance Contracts

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

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

1.12 Economic Dependencies

The Group is aware of its current dependence on Grants Revenue received from the Commonwealth Government, State Government and the Local Government Association for the ongoing operations of the Group. Should the Group not secure funding or a significantly reduced level of funding in future years, it may impact on the ability of the Group to continue operating as a going concern.

1.13 Disclaimer

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

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 2 - INCOME

	2020 \$	2019 \$
INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	10,807	16,507
Banks	39	65
	<u>10,845</u>	<u>16,573</u>
REIMBURSEMENTS		
- for Legal, Climate Change, USGRPG	37,787	37,664
	<u>37,787</u>	<u>37,664</u>
OTHER INCOME		
Council Contributions	177,025	165,225
Sundry	16,372	4,206
	<u>193,397</u>	<u>169,431</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Sundry	485,336	509,232
	<u>485,336</u>	<u>509,232</u>
Sources of grants		
Commonwealth government	17,000	-
State government	70,500	115,000
LGA	397,836	394,232
	<u>485,336</u>	<u>509,232</u>

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 3 - EXPENSES

	2020 \$	2019 \$
EMPLOYEE COSTS		
Salaries and Wages	166,435	141,645
Employee leave expense	27,745	23,815
Superannuation	17,828	15,217
Workers' Compensation Insurance	2,087	1,333
Professional Development	400	664
FBT	6,699	8,644
Total Operating Employee Costs	221,194	191,317
 Total Number of Employees	 1.5	 1.3
<i>(Full time equivalent at end of reporting period)</i>		
MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration	2,100	2,000
Subtotal - Prescribed Expenses	<u>2,100</u>	<u>2,000</u>
<u>Other Materials, Contracts & Expenses</u>		
Contractors & Consultants	210,349	303,167
Legal Expenses	-	-
Unleaded Fuel	3,003	4,734
Other Motor Vehicle Costs	362	3,540
Members Allowances & Support	5,500	4,600
Meetings & Conferences	14,517	6,937
Insurance	7,934	7,735
Rental - Premises	10,126	9,009
Advertising	28	1,650
Accommodation	1,022	768
Airfares	338	-
Travel - Reimbursement	834	425
Catering & Meals	3,293	1,040
Telephone & Internet	3,432	4,894
Postage/Stationery/IT	3,792	3,575
Sundry	6,849	1,826
Subtotal - Other Materials, Contracts & Expenses	<u>271,379</u>	<u>353,899</u>
	273,479	355,899
 DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Motor Vehicle	5,695	6,311
	<u>5,695</u>	<u>6,311</u>

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2020	2019
	\$	\$
PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	5,909	-
Less: Carrying amount of assets sold	9,599	-
Gain (Loss) on disposal	<u>(3,690)</u>	<u>-</u>
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	 <u>(3,690)</u>	 <u>-</u>

Note 5 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS		
Cash at Bank	77,756	78,151
Deposits at Call	1,180,250	893,936
	<u>1,258,006</u>	<u>972,087</u>
 TRADE & OTHER RECEIVABLES		
Accrued Revenues	436	944
Debtors - General	93,409	55,000
GST Recoupment	-	13,857
	<u>93,845</u>	<u>69,801</u>

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 6 - PLANT & EQUIPMENT

	Fair Value Level	2019 \$				2020 \$			
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Motor Vehicles Computers & Software		- -	33,353 3,948	(22,176) (3,948)	11,177 -	- -	28,967 3,948	(4,117) (3,948)	24,850 -
TOTAL PLANT & EQUIPMENT		-	37,301	(26,124)	11,177	-	32,915	(8,065)	24,850
Comparatives		-	37,301	(19,813)	17,488	-	37,301	(26,124)	11,177

	CARRYING AMOUNT MOVEMENTS DURING YEAR										2020
	2019 \$	\$								Net Revaluation	CARRYING AMOUNT \$
		CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers			
			New/Upgrade	Renewals				In	Out		
Motor Vehicles	11,177	-	28,967	(9,599)	(5,695)	-	-	-	-	24,850	
Computers & Software	-	-	-	-	-	-	-	-	-	-	
TOTAL PLANT & EQUIPMENT	11,177	-	28,967	(9,599)	(5,695)	-	-	-	-	24,850	
Comparatives	17,488	-	-	-	(6,311)	-	-	-	-	11,177	

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 7 - LIABILITIES

	2020		2019	
	\$		\$	
TRADE & OTHER PAYABLES	Current	Non-current	Current	Non-current
Goods & Services	2,143	-	24,196	-
Payments received in advance	110,500	-	-	-
Accrued expenses - employee entitlements	5,890	-	6,637	-
GST & PAYG	16,656	-	15,896	-
	135,189	-	46,729	-
PROVISIONS				
Employee entitlements - Annual Leave	10,314	-	2,568	-
Employee entitlements - Long Service Leave	-	7,069	-	2,947
	10,314	7,069	2,568	2,947

Note 8 - RESERVES

OTHER RESERVES	1/7/2019	Transfers to Reserve	Transfers from Reserve	30/6/2020
General Reserve	66,093	466,677	(263,000)	269,770
Rubble Royalties Projects	-	250,000	-	250,000
1 A009-Special Projects	9,825	-	(9,825)	-
2 P003-Waste Management	16,273	-	(16,273)	-
3 P022-Roads & Transport	46,087	377,570	(423,657)	-
4 P024-Climate Change Co-Ordinator 2015-17	11,694	-	(11,694)	-
5 P025-LG Outreach Phase 2	132,922	-	(132,922)	-
6 P027-LG Reform - Incentive Risk	144,000	-	(144,000)	-
7 P028-Regional Capacity Building	407,569	-	(407,569)	-
TOTAL OTHER RESERVES	834,463	1,094,247	(1,408,940)	519,770
Comparatives	766,113	75,000	(6,650)	834,463

PURPOSES OF RESERVES

(Other Reserves)

Rubble Royalties / Projects Reserve

This reserve was established from the Region's rubble royalty payments, with a percentage returned for allocation towards projects that provide a benefit to Member Councils

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2020 \$	2019 \$
Total cash & equivalent assets	5	1,258,006	972,087
Balances per Cash Flow Statement		1,258,006	972,087

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

Net Surplus (Deficit)	223,308	179,372
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	5,695	6,311
Net increase (decrease) in unpaid employee benefits	10,663	4,755
Net (Gain) Loss on Disposals	3,690	-
	243,356	190,438
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(33,993)	33,815
Net increase (decrease) in trade & other payables	(10,886)	(61,042)
Net increase (decrease) in other liabilities	110,500	-
Net Cash provided by (or used in) operations	308,977	163,211

(c) Non-Cash Financing and Investing Activities

(d) Financing Arrangements

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

Corporate Credit Cards	1,000	-
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Note 10 - FUNCTIONS

The activities of the Region are categorised into the following programmes

- 1 Corporate Function
- 2 P003 - Regional Waste Management
- 3 P015-Local Government Reform
- 4 P022-Roads & Transport
- 5 P024-Climate Change Co-Ordinator
- 6 P027-LG Reform - Incentive Risk
- 7 P028-Regional Capacity Building
- 8 P029 - LGA R&D Projects
- 9 P030 - Emerging Leaders Project
- 10 P031 - Digital Maturity Index Project
- 11 P032 - Sustainability Hub
- 12 P033 - Coastal Strategic Priorities
- 13 P034 - N&Y Coastal Management Action Plan
- 14 P037 - Creative Industries Project
- 15 P038 - Regional Waste Strategy

Income and expenses have been attributed to the functions/activities throughout the financial year.

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 11 - FINANCIAL INSTRUMENTS

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned. Terms & conditions: Short term deposits are available on 24 hour call with the LGFA and have an interest rate of 0.45% as at 30 June 2020 Carrying amount: approximates fair value due to the short term to maturity.
Receivables - Trade & other debtors	Accounting Policy: Carried at nominal value. Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. Carrying amount: approximates fair value.
Liabilities - Creditors and Accruals	Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group. Terms & conditions: Liabilities are normally settled on 30 day terms. Carrying amount: approximates fair value.

Liquidity Analysis

2020	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	1,258,006	-	-	1,258,006	1,258,006
Receivables	93,845	-	-	93,845	93,845
Total	1,351,851	-	-	1,351,851	1,351,851
Financial Liabilities					
Payables	129,299	-	-	129,299	129,299
Total	129,299	-	-	129,299	129,299

2019	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	972,087	-	-	972,087	972,087
Receivables	69,801	-	-	69,801	69,801
Total	1,041,888	-	-	1,041,888	1,041,888
Financial Liabilities					
Payables	24,196	-	-	24,196	24,196
Total	24,196	-	-	24,196	24,196

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 Group.

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 Group is the carrying amount, net of any allowance for doubtful debts. All Group investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Group's boundaries, and there is no material exposure to any individual debtor.

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

Liquidity Risk is the risk that the Group will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 12 - FINANCIAL INDICATORS

	2020	2019	2018
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These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

The Information Paper was revised in May 2015 and the financial indicators for previous years have been re-calculated in accordance with the revised formulas.

Operating Surplus Ratio

<u>Operating Surplus</u>	31.2%	24.5%	18.8%
Total Operating Income			

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	(165%)	(135%)	(143%)
Total Operating Income			

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

Asset Renewal Funding Ratio

<u>Net Asset Renewals</u>	305%	0%	0%
Depreciation Expenditure			

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.

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 13 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Group 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

	2020 \$	2019 \$
Income	727,366	732,899
Expenses	<u>(500,368)</u>	<u>(553,527)</u>
Operating Surplus / (Deficit)	226,998	179,372
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(28,967)	-
Add back Depreciation, Amortisation and Impairment	5,695	6,311
Proceeds from Sale of Replaced Assets	<u>5,909</u>	<u>-</u>
	(17,363)	6,311
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	-	-
Amounts received spec. for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>-</u>	<u>-</u>
	-	-
Net Lending / (Borrowing) for Financial Year	<u>209,635</u>	<u>185,683</u>

LEGATUS GROUP

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Group include the 15 Mayors/Chairpersons of the constituent Councils and the CEO. In all, 2 persons were paid the following total compensation:

	2020 \$	2019 \$
Salaries, allowances & other short term benefits	194,180	165,460
Member Allowance	5,500	4,600
Post-employment benefits	17,828	15,217
FBT	6,699	8,644
TOTAL	224,208	193,921

The Group received the following amounts in total:

	2020 \$	2019 \$
Contributions for fringe benefits tax purposes	-	-
TOTAL	-	-

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

During the reporting period, no Key Management Personnel or parties related to them had any transactions on more favourable terms than those available to the general public.

OTHER RELATED PARTIES

Amounts received from Related Parties during the financial year and owed by Related Parties at the end of the financial year.	Received 2020 \$	Outstanding 2020 \$
The Barossa Council	11,135	-
Barunga West Council	12,635	1,500
Clare and Gilbert Valleys Council	11,135	-
Copper Coast Council	12,635	1,500
The Flinders Ranges Council	16,135	-
Regional Council of Goyder	11,135	-
Light Regional Council	11,135	-
Adelaide Plains Council	11,135	-
District Council of Mount Remarkable	11,135	-
Northern Areas Council	11,135	-
District Council of Orroroo / Carrieton	16,135	-
District Council of Peterborough	11,135	-
Port Pirie Regional Council	11,135	-
Wakefield Regional Council	11,135	-
Yorke Peninsula Council	12,635	1,500
TOTAL	181,525	4,500

Description of Services provided to all Related Parties above:

The Legatus Group is the peak regional local government organisation that is focused on the interests of its communities. The Legatus Group's primary purpose focuses on the wealth, wellbeing and social cohesion of these communities via a sustainable approach of productive landscapes and natural environment. Its focus is on the key roles of local government.

The Group has Five Primary Goals and numerous strategies to achieve these are outlined in the Group's Strategic Plan 2018-2028 which is available on the Group's website.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LEGATUS GROUP

Opinion

We have audited the financial report of the LEGATUS Group (the Authority), which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

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

Basis for Opinion

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

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

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

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS



JIM KEOGH
PARTNER

Signed on the 8th day of September 2020,
at 214 Melbourne Street, North Adelaide

LEGATUS GROUP

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

CERTIFICATION OF AUDITOR INDEPENDENCE

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

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


CHIEF EXECUTIVE OFFICER
The Hawkes Bay Council


CHIEF EXECUTIVE OFFICER
Clare & Gilbert Valley's Council


CHIEF EXECUTIVE OFFICER
The Pukekohe District Council


CHIEF EXECUTIVE OFFICER
South Regional Council


CHIEF EXECUTIVE OFFICER
District Council of Mount Remarkable


CHIEF EXECUTIVE OFFICER
Fox Glen Regional Council


CHIEF EXECUTIVE OFFICER
York-Paerahi Council


CHIEF EXECUTIVE OFFICER
Wairarapa Regional Council

Date:


CHIEF EXECUTIVE OFFICER
District Council of Bay of Plenty


CHIEF EXECUTIVE OFFICER
District Council of the Coromandel


CHIEF EXECUTIVE OFFICER
Regional Council of Otago


CHIEF EXECUTIVE OFFICER
Adelaide Plains Council


CHIEF EXECUTIVE OFFICER
North Otago Council


CHIEF EXECUTIVE OFFICER
District Council of Otago Central


CHIEF EXECUTIVE OFFICER
District Council of Pukekohe


CHAIRMAN
Legatus Group
Board of Management

Certification of Auditor's Independence

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

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



Jim Keogh

Partner

DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS

Dated the 8th September 2020