



Yorke Peninsula Council 2018/19 Annual Report

A close-up portrait of a smiling Indigenous Australian man. His face is adorned with traditional body paint in shades of ochre, red, and white. He has a thick, grey beard and mustache. The background is blurred, showing more of his traditional attire.

Acknowledgement of Country

The Yorke Peninsula Council acknowledges the Narungga (Traditionally spelled Nharangga) people, the traditional owners of this land and pay respect to their Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land.

We acknowledge that they are of continuing importance to the Narungga people living here today.

**“We will foster opportunities
to support and enhance Yorke
Peninsula, which is valued for its
natural beauty, rich agriculture,
spectacular coastline and unique
blend of seaside and rural lifestyles”**

Contents

| | |
|---|------------|
| Welcome | 1 |
| Message from the Mayor & CEO | 2 |
| Our Council & Organisation | 4 |
| Our Governance | 9 |
| Our People & Culture | 15 |
| Our Organisational Highlights | 17 |
| Goal 1: Economically Prosperous Peninsula | 18 |
| Goal 2: Community Connected through Infrastructure | 21 |
| Goal 3: Valued and Restored Environment | 23 |
| Goal 4: Community Engaged and Supported | 26 |
| Goal 5: Responsible Governance | 31 |
| Our Council Performance | 35 |
| Financial | 36 |
| Capital Projects | 39 |
| Annual Business Plan | 44 |
| Appendix 1: Audited Financial Statements | 46 |
| Appendix 2: Support Documentation | 93 |
| Appendix 3: Legatus Group Annual Report | 102 |



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MAITLAND 5573

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MINLATON 5575

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YORKE TOWN 5575



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Welcome

The Yorke Peninsula Council covers an area of 5,900 square kilometres, has a distance of approximately 175 kilometres between its northern and southern boundaries, and being a Peninsula, has a varying width east to west averaging approximately 30 kilometres. The Council is unique in comparison to other Local Government Authorities in that it is bordered by sea on three sides and as such has 485 kilometres of coastline.

Yorke Peninsula is the traditional home of the Narungga people who have occupied the area for around 40,000 years.

Yorke Peninsula is known for its rich agricultural history and agriculture will remain for quite sometime as the largest source of employment and economic output on the Peninsula. However, tourism is emerging as an industry that must grow in order to ensure a sustainable future for all.

Council currently maintains three office locations and four works depots.

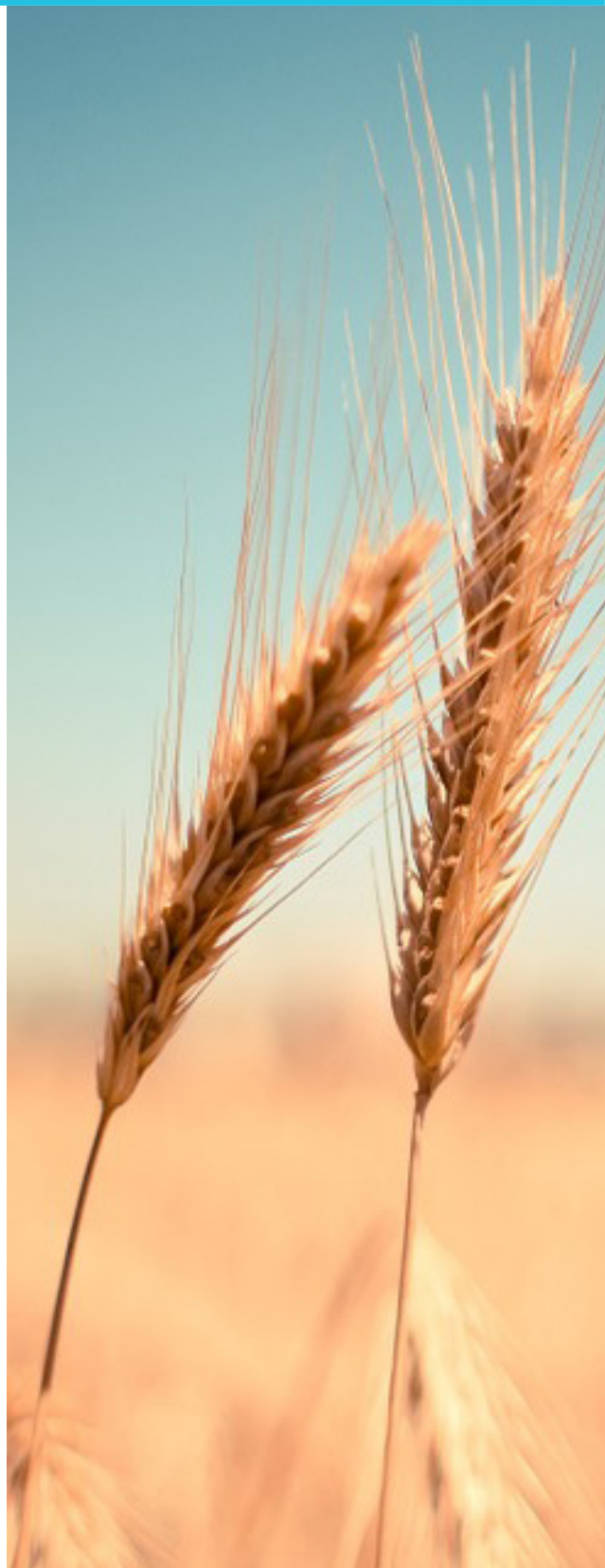
The Council area boasts both private and public schooling, is serviced by three hospitals (two public, one private) and associated specialist and aged care providers. A wide range of sporting clubs provide a varied range of recreational pursuits, together with the opportunities available from the coastline surrounding the peninsula. There are excellent walking trails established within the area including the award winning Walk the Yorke,

as well as National Trust / Museums and art / craft galleries.

This annual report provides our ratepayers, visitors, government agencies and our community with an account of Council's achievements and performance for the financial year 1 July 2018 to 30 June 2019.

The Yorke Peninsula Annual Report meets the requirements of the *Local Government Act 1999*. We trust that this report demonstrates our commitment in working together with the community to shape a sustainable future for current and future generations.

This year's Annual Report has seen a decrease in the length of the report to assist in reducing printing costs and assist in contributing to a healthier environment. Detailed listings of content referred to in the report is available on the Yorke Peninsula Council website www.yorke.sa.gov.au or on request through Council.



Narungga people have occupied the area for around 40,000 years

Message from the Mayor & CEO

Is it with great pleasure that together we present the 2018/19 Yorke Peninsula Council Annual Report.

Firstly, we must acknowledge the Elected Members that we lost in the November 2018 local government elections.

To Ray Agnew OAM, thank you for almost 40 years of commitment, leadership and dedication to the Yorke Peninsula Region as a Councillor, Deputy Mayor and Mayor. We wish you all the very best for your future endeavours. Previous Deputy Mayor Scott Hoyle was also unsuccessful in the Mayoral race.

Alan Headon and Trevor Davey also lost their seats in the 2018 elections, and Veronica Brundell, a long serving Councillor, decided not to run.

All of these Councillors have positively influenced decisions of Council for the betterment of the Yorke Peninsula community.

In the November elections we welcomed five new Councillors who were elected to serve the next four years on Council – Cr Anthony Bennett, Cr Richard Carruthers, Cr Roger Johns, Cr Kristin Murdock and Cr Leanne O'Brien.

This Annual Report outlines the many and varied projects and services that Council delivered throughout the year. Pages 39-42 list the substantial amount of capital projects undertaken throughout the year. Council has continued its focus on ensuring our financial sustainability. Staff have continued working through a multi-year program of service reviews to determine if each service was providing: best value for money, an appropriate level of service and a satisfactory mechanism for the delivery of the specific service.

A couple of significant savings have been made through the new waste management collection tender and also the insourcing of the electrical test and tagging function.

Further, Council's focus has included maintaining, renewing and upgrading its existing infrastructure. One of the key targets in Council's Long Term Financial Plan is to ensure assets are being renewed in accordance with Council's Asset Management Plans. As shown on page 81, Council's Asset Sustainability Ratio has improved significantly in the past three financial years

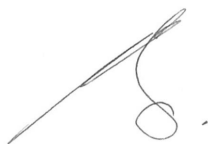
(NB: the ratio was negatively impacted in 2017/18 by delayed delivery of plant and equipment).

Throughout 2018/19 Council has continued to increase its focus on youth. We are delighted with the attendance rates for our key youth events such as YorkKON, community movies nights and the inaugural Community Food Fair. Council has been fortunate to receive additional grant funding for many more exciting events that are planned for the future.

Council has worked closely with the community to achieve many other noteworthy outcomes such as the partnership with Willo Industries. Through our Leisure Options program, members refurbished over 100 cricket bats for the Warooka Bats for Will Art Exhibition.

We continue to look for partnership opportunities to work with the community to deliver desirable outcomes for current and future generations. Collectively we would like to sincerely thank all of the volunteers and community members for everything that they do.

In closing we would like to thank all of the Council staff for their hard work and diligence, and the past and present elected body for their continuing support and dedication to the Yorke Peninsula community.



Darren Braund
MAYOR



Andrew Cameron
CHIEF EXECUTIVE OFFICER



Darren Braund
Mayor



Andrew Cameron
CEO

1:1.9

Current
population
density



8,770

Electors currently
enrolled



13,981

Ratable properties within
the Council region



1.1m

Visitors to the Region

Region includes Copper Coast and Barunga West Councils.



485km

Coastline

Total length of spectacular
coastline



11,328

Population

ABS Regional Population Growth
data issued 27/03/2019.



\$304.7m

Assets

Community assets owned by
Council.

45

Townships in the
Council region

25.4km

Total length of
constructed



3,890 KM

Total length of Yorke
Peninsula Council road
network

5,900 km²

Total area
serviced by
Council

Our Council & Organisation

The District Council of Yorke Peninsula was established on 10 February 1997 following the voluntary amalgamation of the District Councils of Central Yorke Peninsula, Minlaton, Yorketown and Warooka.

In September 2013 Council endorsed a resolution to change the Council's name to Yorke Peninsula Council.

Council is made up of 12 Elected Members, one of whom is the Mayor, and all are elected by eligible voters. In accordance with the Local Government (Elections) Act 1999, elections are held every four years, with the last election held in November 2018.

The next Council election will be held in November 2022.



Cr Naomi Bittner, Cr Kristin Murdock, Cr Anthony Bennett, Cr Leanne O'Brien, Cr Roger Johns, Cr Adam Meyer, Cr David Langford, Cr John Rich, Deputy Mayor Tania Stock, Mayor Darren Braund, Cr Jeff Cook, Cr Richard Carruthers

Elected Members

until 9 November 2018

The dedication, hard work and years of service of the non-returning Elected Members is acknowledged and celebrated.

Mayor Ray Agnew OAM

Deputy Mayor Scott Hoyle

Cr. Trevor Davey

Cr. Veronica Brundell

Cr. Alan Headon

Innes/Penton Vale Ward

Northern boundary of Hardwicke Bay, continuing along the northern boundaries of the Hundreds of Moorowie and Dalrymple.

Cr. Anthony Bennett

Cr. Adam Meyer

Cr. Kristin Murdock

Cr. John Rich

Kalkabury Ward

Southern boundaries of the hundreds of Kilkerran, Maitland and Cunningham

Cr. Richard Carruthers

Cr. Roger Johns

Cr. David Langford

Deputy Mayor Tania Stock

Gum Flat Ward

Northern boundaries of the Hundreds of Wuraltee and Mulloowurtie. Southern boundaries of the Hundreds of Ramsey and Minlacowie, continuing around the northern boundary of Hardwicke Bay.

Cr. Naomi Bittner

Cr. Jeffrey Cook

Cr. Leanne O'Brien



Organisational Structure



130 Yorke Peninsula Council Staff Members

Performance Highlights



\$100k

in Community Grants awarded to

33

Community Groups



\$20k

Sponsorship and donations



1,100

Trees planted on
National Tree Day



38 Health Assessments

73 Skin Screens

80 Flu Vaccinations

61 Hearing Assessments

15 Participants in the Healthy Life Program



3,992 tonnes of mixed waste collected

25% of waste diverted to landfill

1,015 tonnes of green waste collected and processed



\$49.5k given to local progress associations to assist in the valuable work they do in maintaining the local facilities and services

\$25k to disabled access issues in the community



Developed an online heavy vehicle access map and an online patrol grading map

Developed an online tool to search local cemetery records



456 Development Applications granted in 2018/19

\$30.2 million total value of approved developments



1,602 Customer Service Requests submitted to ensure our community needs are met

515 requests related to Construction and Maintenance

Community Events

500+

Community Food Fair

400+

YorKON

400+

Community Movie Nights



Performance Highlights

Over 30,000 external correspondence records captured
289,598 total website views
35% increase on website views on last financial year



57 Special Event applications approved
20 requests for limited liquor licences



3,460 active library members as of 30 June 2019
95,422 Library items loaned (Excluding school library)



2,852 Dog Registrations



\$4m external funding received

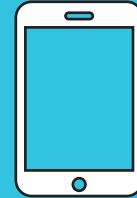


\$31.9m Operating income for 2018/19
\$32.8m Operating expenditure for 2018/19



325

Facebook posts



662,552

Views of these Facebook posts



954

New Facebook
likes



Capital Works Highlights

\$7.5m Transportation Infrastructure

\$616k Buildings and Structures

\$22k Stormwater

\$269k CWMS

\$53k Water Infrastructure

\$1.5m Major Plant Equipment

\$170k Furniture and Fittings

\$124k Other Assets

*Amounts listed above may differ from those presented in Council's General Purpose Financial Statements due to required accounting treatment and/or reclassification of capital works.

Our Governance

Governance is a framework of rules, relationships, systems and processes by which Council is controlled and operates, and the mechanisms by which it, and its staff, are held to account.

Made up of the establishment of policies and practices, through which decisions are taken and continuously monitored and implemented. Governance is most effective when these processes are participatory, accountable, transparent, efficient, inclusive, and respected. Yorke Peninsula Council strives for best practice in governance.

The following information reports on our Governance activity during 2018/19.

Council Planning Framework

The Yorke Peninsula Council 2016/2020 Strategic Management Plan is supported by a range of plans, which all work together to achieve Council's vision and goals and guides Council's strategic and operational decision making.



Confidential Items

During 2018/19 Council undertook 18 in camera closed sessions to discuss Confidential Items in accordance with Sections 90 (2) and (3) (a) (d) (g) (k) of the *Local Government Act 1999*.

A list of information is provided in Appendix 2.

Council Meetings

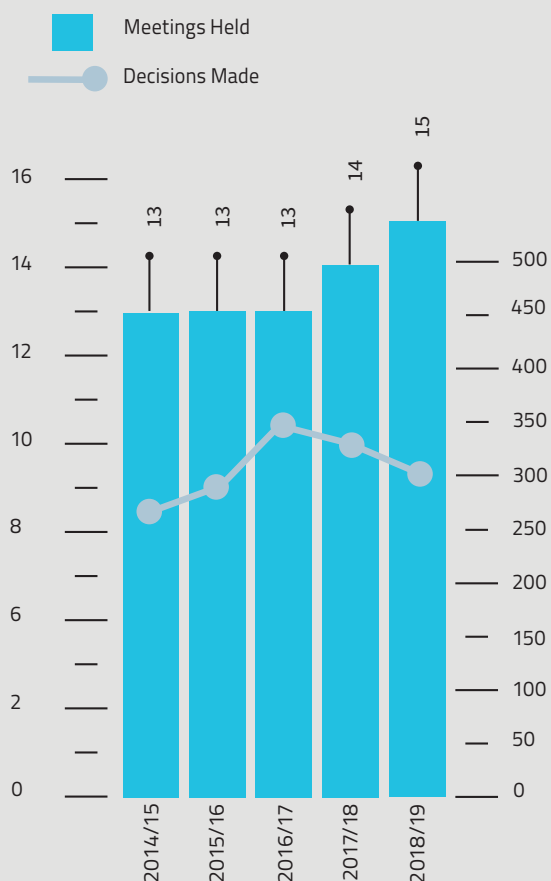
The Elected Body are the decision makers for Council. Ordinary meetings are usually held on the second Wednesday of every month at 5.30pm. The meetings are held at the Council Chamber, 57 Main Street, Minlaton and are open to the public.

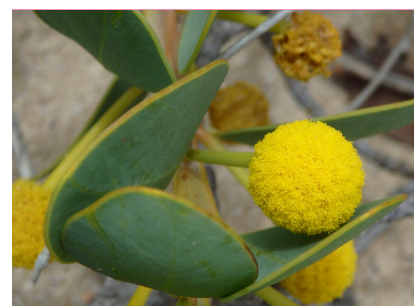
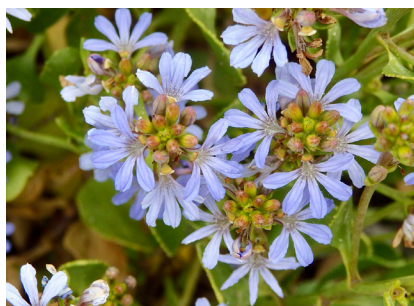
During 2018/19, the Elected Members held 15 Council Meetings (12 Ordinary and 3 Special) and made a total of 298 decisions.

| Record of Attendance | Meetings |
|-------------------------------------|----------|
| Mayor Ray Agnew OAM * | 5 |
| Mayor Darren Braund | 13 |
| Deputy Mayor Scott Hoyle * | 4 |
| Deputy Mayor Tania Stock | 10 |
| Cr Anthony Bennett ** | 9 |
| Cr Naomi Bittner | 13 |
| Cr Veronica Brundell * | 5 |
| Cr Richard Carruthers ** | 9 |
| Cr Jeff Cook | 13 |
| Cr Trevor Davey * | 6 |
| Cr Alan Headon * | 6 |
| Cr Roger Johns ** | 8 |
| Cr David Langford | 13 |
| Cr Adam Meyer | 15 |
| Cr Kristin Murdock ** | 9 |
| Cr Leanne O'Brien ** | 9 |
| Cr John Rich | 13 |
| *Council Term - To 09 November 2018 | |
| ** Council Term – From 30 June 2019 | |

Yearly Comparison of Meetings

Held and Decisions Made





Elected Members also attend an informal monthly workshop with senior staff, generally on the fourth Wednesday of each month at 5.30pm. These workshops are also open to the public and provide an opportunity for Elected Members to receive and clarify information. No decisions are made at these informal workshops.



Elected Member Allowances

A member of Council is entitled to receive an annual allowance for performing and discharging their official function and duties. Elected Member allowances are set by an independent remuneration tribunal, in accordance with Section 76 of the *Local Government Act 1999*; For 2018/19, our Council was determined as 'Group 3'.

| Ordinary Council (Group 3) | Annual Allowance |
|----------------------------|------------------|
| Mayoral | \$55,600 |
| Deputy Mayor | \$17,375 |
| Elected Members | \$13,900 |

In addition to the allowance, Council provide Elected Members with either a Surface Pro or iPad computing device. The Mayor is provided with a vehicle, mobile phone, iPad and computer to conduct official Council business.

Official Council business travel expenses are also reimbursed. Allowances for travel time, as determined by the Remuneration Tribunal of South Australia, are also provided to council members on the following basis:

- An allowance of \$410 per annum will be payable to council members, excluding principal members, whose usual place of residence is within the relevant council area and is located at least 30 kms but less than 50 kms from that council's principal office, via the most direct road route.

- An allowance of \$700 per annum will be payable to council members, excluding principal members, whose usual place of residence is within the relevant council area and is located at least 50 kms but less than 75 kms from that council's principal office, via the most direct road route.

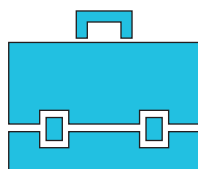
- An allowance of \$1,050 per annum will be payable to council members, excluding principal members, whose usual place of residence is within the relevant council area and is located at least 75 kms but less than 100 kms from that council's principal office, via the most direct road route.

- An allowance of \$1,490 per annum will be payable to council members, excluding principal members, whose usual place of residence is within the relevant council area and is located 100 kms or more from that council's principal office, via the most direct road route.

Elected Member Training Attendance

Elected Member Training and Development

Training and development activities are undertaken to assist Elected Members in the performance and discharge of their functions and duties in accordance with the Local Government Act 1999. Council has provided a range of training opportunities for our Elected Members.



| Training Course | No. Attending |
|---|---------------|
| 2018 Roads & Works Conference | 4 |
| LGA Conference and AGM | 5 |
| Elected Member Induction Training (in house) | 10 |
| Elected Member Post Election Training | 11 |
| National General Assembly Canberra | 1 |
| Mayors and Chairpersons Leadership Program | 1 |
| Public Interest Disclosure Act Briefing Session | 1 |
| 2019 Council Best Practice Showcase and LGA OGM | 3 |
| Audit Committees for Audit Committee Members | 3 |
| KESAB Annual Breakfast with the Minister | 1 |

Council Committees

Principal Committees have been formed to meet statutory obligations. Principal committee meetings are scheduled in line with their Terms of Reference. The principal committees are:

- Audit Committee
- Council Assessment Panel
- Section 101A Strategic Planning and Policy Development Committee
- Yorke Peninsula Building Fire Safety Committee (Section 71 (19) Development Act)

Minutes of the principal committee meetings are made publicly available via Council's website as soon as practicable.

Audit Committee

The Audit Committee is established under Section 41 of the *Local Government Act 1999* and Local Government (Financial Management) Variation Regulations 2013, to meet the purposes of Section 126 of the *Local Government Act 1999*. Under these regulations the Audit Committee is required to meet four times during the year.

The Committee is appointed by Council and consists of three Elected Members and two independent members. The members of the Audit Committee for 2018/2019 were:

- Mr Peter Brass (Chair)
- Mr Robert Reiman
- Councillor Naomi Bittner (To October 2018)
- Councillor Scott Hoyle (To October 2018)
- Councillor John Rich (To October 2018)
- Councillor Adam Meyer (From November 2018)
- Councillor Leanne O'Brien (From November 2018)
- Deputy Mayor Tania Stock (From November 2018)

The Audit Committee met four times in 2018/19 with the meeting scheduled for December 2018 cancelled, following the appointment of three Elected Members new to the Audit Committee and pending tuition to prepare these Elected Members for the tasks of the Committee.

In addition to the normal governance and financial responsibilities of the Audit Committee, the Committee's focus for 2018/19 was internal audit, internal financial controls, asset management and risk management systems.

Yorke Peninsula Council maintains an Internal Audit function which reports regularly to the Audit Committee. The role of Internal Audit is to ensure compliance with key policies and processes and to enhance business performance by recommending improvements in process effectiveness, efficiency and economy.

Audit Committee Allowances

Independent members of the Audit Committee are remunerated per sitting.

Chairperson \$450 per sitting; Independent Member \$350 per sitting.

Independent Audit Committee members are also reimbursed for associated travel costs.

Council Assessment Panel

The Council Assessment Panel (CAP) is granted delegated powers that are administered in accordance with the Terms of Reference as determined by resolution of the Council. These delegations allow the CAP to act as the relevant Authority under the Planning, Development and Infrastructure Act 2016, to approve or refuse certain types of development applications within the Council area. All other development applications not considered by the CAP, are considered by authorised officers of Council under delegated powers.

Council's CAP is comprised of four Independent Members (including an independent Presiding Member) and one Elected Member. The members of the Council Assessment Panel for 2018/2019 were:-

- Mr Rodney Button (Presiding Member)
- Ms Debra Agnew
- Ms Susan Hadley (To April 2019)
- Mr Peter Tonkin (To December 2018)
- Ms Elinor Walker (From April 2019)
- Councillor Jeff Cook

*At the time of completing this report, there was a vacancy on the CAP.

During the 2018/2019 financial year, the Panel conducted five meetings and considered ten applications. Of those, eight were approved on the day, one refused to proceed to an assessment, and one application was refused.

Council Assessment Panel Allowances

Independent members of the Council Assessment Panel are remunerated per sitting.

Chairperson \$150 per sitting; Independent Member \$100 per sitting.

Independent Council Assessment Committee members are reimbursed for travel costs.

Yorke Peninsula Building Fire Safety Committee

Council's Building Fire Safety Committee has the responsibility for matters relating to section 71 of the Development Act 1993, which requires public buildings to be compliant with fire and life safety requirements. During 2018/2019 the committee convened four times and have undertaken the following:

- 15 fire safety audit inspections, covering 17 premises.
- Issued reports to building owners identifying inadequate fire and life safety standards or equipment.
- Assisted building owners or occupiers with cost effective solutions to reduce fire risks
- Follow up inspections to ensure fire safety issues were addressed.

No notices were issued pursuant to section 71 of the Development Act 1993 during the period. One notice remains in force from the previous financial years.

Special Purpose Working Parties

A number of Special Working Parties have been established to assist Council with engagement, research and co-ordination of a specific Council function. These Working Parties comprise of Elected Members, staff and the public, whose aim is to investigate and/or advise Council on issues or manage specified property. Currently the Working Parties are:

- Access Advisory Working Party
- Alcohol Management Dry Zone Working Party
- Art Exhibition Working Party
- Bush Fire Prevention Working Party
- Coastal Management Strategy Working Party
- Edithburgh Tidal Pool Working Party
- Grants Working Party
- Roads Working Party
- Tender Evaluation Panel
- Leisure Options Working Party



Delegations

The Chief Executive Officer and other Officers have the delegated authority from Council to make certain decisions on a wide range of specified administrative and policy matters. These delegations are listed in the Delegations Register and are reviewed annually.

Legislative responsibilities of Council include:

- To determine policies to be applied by the Council in exercising its discretionary powers;
- To determine the type, range and scope of projects to be undertaken by the Council; and
- To develop comprehensive management plans, budgets, financial controls and performance objectives and indicators for the operations of the Council.

Council is charged to make decisions, which direct and/or determine its activities and functions. Such decisions include the approval of works and services to be undertaken and the resources which are to be made available to undertake such works and services.

Decisions are also made to determine whether or not approvals are to be granted for applications from residents for various forms of development.

Corporate Management Team Allowances

Salary packages for members of the Corporate Management Team include salary, superannuation, a motor vehicle or motor vehicle allowance, laptop, mobile phone, and mobile hotspot.

All benefits for all staff are recorded in the Officers Remuneration, Salaries and Benefits Register which is available for inspection at Council's Principal Office at Maitland upon request.

Notice of Council and Statutory Meetings

Notices of all Council and Statutory meetings and agendas are available for public viewing:

- At all Council offices three days before each meeting
- On the Council website as soon as practicable www.yorke.sa.gov.au



STARCLUB Program

The STARCLUB Field Officer (SFO) Program is a partnership between the South Australian Office for Recreation, Sport and Racing (State Government), regional councils (Yorke Peninsula Council) and local community organisations. The program has supported the local community in all areas of sport and recreation. Throughout 2018-19, the Officer worked with sport and active recreation clubs and associations in the Yorke Peninsula region, to provide a regionally based sport and active recreation resource. The SFO works with Council and the community to:

- Provide a vital and valued link between program stakeholders
- Develop well managed and sustainable clubs
- Build sporting organisations capacity to deliver quality programs and
- Ensure effective management and use of sport and recreation facilities.

Programs have delivered more than \$450,000 in Grants to local clubs. In addition, \$25,988 of Sports Vouchers through the Office for Recreation, Sport and Racing have been claimed in the Yorke Peninsula Council area.

Freedom of information

The Freedom of Information Statement is reviewed and published on Council's website at least every 12 months in accordance with the requirements of Section 9 (1) & (1a) of the Freedom of Information Act 1991.

Under this legislation, an application fee must be forwarded with the appropriately completed request form unless the applicant is granted an exemption. Copies of any documents inspected, pursuant to a Freedom of Information request, will incur charges as set out in the Act.

One Freedom of Information application was received in 2018/19 compared to two applications in the previous year.

Tendering and Procurement

Council's Purchasing and Procurement policy and supporting procedures, have been developed pursuant to Section 49 of the *Local Government Act 1999*. Refer to PO058 Purchasing and Procurement Policy available for viewing on Council Website, which was reviewed, updated and adopted in September 2019. www.yorke.sa.gov.au

Council Registers, Codes and Policies

Council maintains a series of registers, codes and policies in accordance with the *Local Government Act 1999* and the *Local Government (Elections) Act 1999*. A list of documents available for public inspection is provided in Appendix 2.

National Competition Policy

The National Competition Policy (NCP) supports economic reform from practices that restrained Australian markets and industries. The NCP identifies various principles to encourage competitive markets that will enhance national productivity for the benefit of the community whilst eliminating any unfair advantages.

In relation to Local Government, the principles of competitive neutrality are designed to neutralise any net competitive advantage that a government or local government engaged in significant business activities would otherwise have, by virtue of its control by the government or local government, over private business operating in the same market. Put simply, Council activities, such as operating caravan parks, must adhere to the same rules as private sector businesses. Council's caravan parks follow the same planning and development processes.

Council conducts a market survey of all Caravan Park operations within the Council area on an annual basis.

Yorke Peninsula Council has a complaints mechanism in place and in 2018/19 no complaints were received with regard to competitive neutrality.

Management Plans for Community Land

Community Land Management Plans guide the development and use of land pursuant to the requirement under Chapter 11 of the *Local Government Act 1999*, and to provide a community focus for the use and maintenance of these important land holdings.

All land has been identified and captured on a Council Community Land Register. During 2018/19 Council had nil acquisitions and three disposals.

New Policies

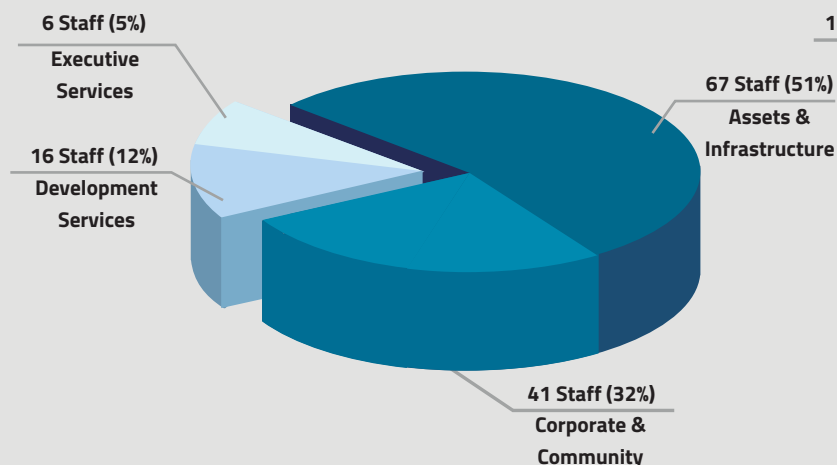
The ongoing review of Council policies continues, as a result there were four new policies developed, with many others being updated to reflect changes to legislation, best practice and other requirements.

- PO162 Tree Management Policy
- PO164 Guide Dog Access in YPC Holiday Parks
- PO166 Related Party Disclosures
- PO167 Open Space Contributions

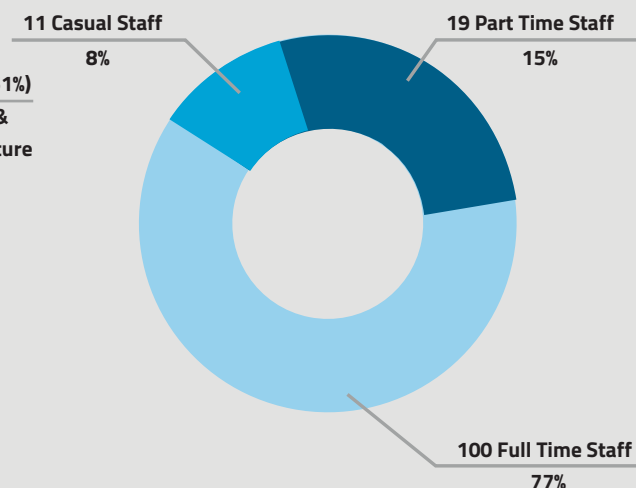
Our People and Culture

Council staff strive to be innovative and creative individuals that inspire for excellence in everything they do. As at 30 June 2019, Yorke Peninsula Council had a total of 130 staff comprising full time, part time and casual employees. The total full-time equivalent (FTE) equalled 115.73.

Staff Employed by Department



Staff Profile



Equal Employment Opportunity

Council continues to provide a comprehensive induction for all staff early in their employment. This program ensures staff are aware of their responsibilities and Council's expectations during their employment. Recruitment panels are balanced to ensure gender diversity and to eliminate unintentional gender bias in the selection process.

Council will continue to identify the barriers to equal opportunity and implement contemporary, relevant initiatives that promote equality in employment.

Total Employees by Gender

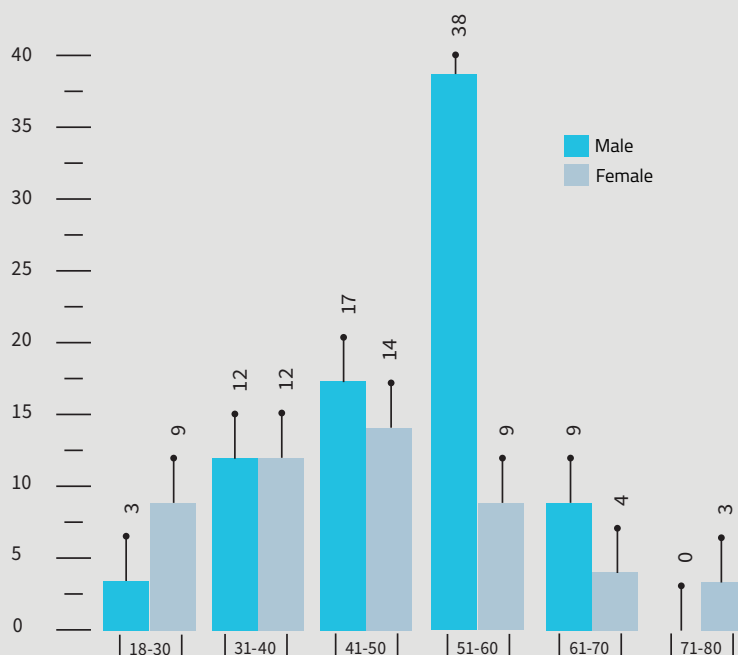


Corporate Health

Council continues to offer a number of programs and initiatives to support the health and wellbeing of our staff, including free flu vaccinations, health assessment and skin screenings, in partnership with the Local Government Association and Corporate Health Group.

During 2018/2019, Council also provided staff expos, health coaching, hearing assessments, a 'Mental Health' lifestyle program, monthly health tips and regular newsletters.

Total Employees by Age



How We Look After Staff

Recognition of Service Awards

Recognising and celebrating our employees' achievements is considered vital to a healthy workforce culture. In 2018/19, Council coordinated an end of year breakfast to acknowledge the year and celebrate long standing employees who had achieved 10, 15, 20 and 25 (or more) years of service.

The Mayor presented these staff members with a certificate and gift to acknowledge their significant milestone including:

- 1 staff with 35 years of service;
- 1 staff with 25 years of service;
- 2 staff with 20 years of service;
- 3 staff with 15 years of service; and
- 4 staff with 10 years of service.

Remuneration

Many factors play a role in determining remuneration levels for Council professionals, including work value, job complexity and benchmarking against other Local Government entities. This ensures remuneration levels for executives are appropriate, and Council is well placed to retain and attract professionals who have the skills to help deliver value-for-money services to the community.



105

Different types of training sessions attended

Re-Skilling Our Workforce

Council is committed to providing learning and development opportunities to ensure it has the right staff with the right skills delivering services to our community. Council blends induction, vocational training, professional development and skills training with on-the-job learning through secondments and acting in different roles. To ensure all roles have the necessary skills, a Training Needs Analysis process is undertaken each year to identify employee skills and capability gaps which assists to drive the annual training plan. Staff have the ability to access leadership programs, further and higher education and corporate learning activities which assists in engaging staff to further their education and meet the needs of Council, now and into the future.

Council coordinates the delivery of internally developed and delivered training sessions, online compliance learning modules, accredited external training opportunities along with conferences and general seminar bookings. In 2018/2019, Council staff attended 105 different types of training sessions (both internal and external excluding online learning modules) totalling 2743 hours of training (approximately 21.1 hours per employee).

Regional Youth Traineeship

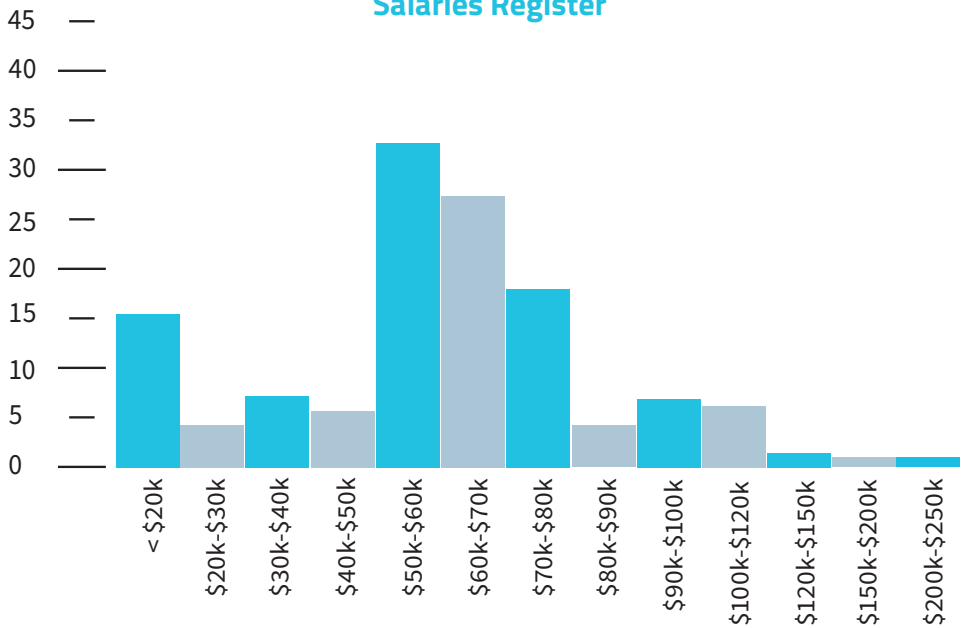
The Regional Youth Traineeship Program (RYTP) was introduced to help combat youth unemployment, as well as a 'brain drain', with many of our young people moving away from regional areas to Adelaide or interstate in search of education and employment opportunities.

There have been two rounds of program support funding totaling \$4m for traineeship opportunities. Round One of RYTP ran from 2015 to 2017 and Round Two of the programs ended in April 2019 (with a final report in August 2019).

Funding was provided by the Government of South Australia, administered by PIRSA, and coordinated and delivered by the Local Government Association of South Australia (LGA).

As reported in our previous years Annual Report, Council was an active participant in this key program with three young people completing their traineeship with Council. Since completion, all three participants have gained either full time or casual employment and remain employed within Council.

Salaries Register



Our Organisational Highlights

Local Government Councils deliver a wide and often complex range of services for the benefit of their local communities.

All services, projects and activities are aligned to achieving Council's Strategic Plan vision and goals and are funded in accordance with Council's Long Term Financial Plan and Annual Business Plans.

This section provides an overview of Yorke Peninsula Council's key achievements for 2018/19.

Goal 1: Economically Prosperous Peninsula

Create an environment that encourages and supports a strong, diverse economy that attracts more businesses, residents and visitors. Success will mean revitalisation of our towns and retaining young, active and working future generations.



\$117,030

Was the total generated income for Council's bush camping locations in the 2018/2019 financial year. This is an increase of approximately 15.1% on 2017/18.



Bush Camping

The annual expenditure for 2018/2019 was \$126,746, which included \$10,340 in new capital projects and \$51,856 in capital renewal projects.

Bush camping fees are charged for staying at 19 of Council's bush camping locations, which generated a total of \$117,030 for the 2018/2019 financial year, an increase of approximately 15.1% on the previous year. This increase is partially attributed to the increased monitoring of the camp sites by Council Rangers and the newly constructed proprietary system for online purchasing of bush camping permits.

The successful restructure of this system has enabled Council to collect and analyse data, which assists Council in regard to projects that will better enhance the bush camping facilities and improve visitor experience. The data also enables Council Officers to forecast staffing requirements in the field.

Council Rangers regularly monitor the locations, including weekends.

During 2018/2019, Council's Rangers issued 86 Expiation Notices primarily for failure to obtain a permit to camp. Projects for 2018/2019 included the upgrading of new Enviro toilets at The Gap and Burners Beach. Some new fencing was erected to delineate the Wauraltee Beach camp, whilst some direct seeding of trees was performed at Foul Bay camp site to delineate those camp sites. Tree planting was carried out at Parara to create habitat and provide shade in the long term.

Caravan Parks

The Yorke Peninsula Council Holiday Parks comprising of five Council owned parks at Black Point, Marion Bay, Point Turton, Port Vincent and Yorketown are widely recognised at a State and National level.

Throughout 2018/19, the parks have continued to work on infrastructure upgrades and improvements and have achieved an increase of approximately 10% in income and over 16% occupancy over the five parks.

A change in reservation management system has streamlined administrative

systems and enabled more comprehensive reporting processes to be implemented. All parks are now using the same software system which has simplified training and improved support structures in parks. Marketing initiatives have expanded with a more targeted marketing approach being undertaken. Social media promotions have been well received and culminated in a successful campaign being provided by the "Trip In A Van" family.

Leases and Licences

During 2018/2019 Council granted 13 new lease/licence arrangements and 25 extension of lease/licence pursuant to Section 202 – Alienation of community land by lease or licence of the *Local Government Act 1999*. The majority of these were granted to Sporting and Community Groups.

Limited Liquor Licences

Throughout the year Council receives requests for limited liquor licences and/or the extension to existing liquor licences. Council gave support to 20 requests which were granted for events on both Council owned property and privately owned premises.



Boat Ramps

Council owns and maintains 33 boat launching facilities, eight of which require a Boat Launch Permit or a daily ticket, generating an annual income of \$157,245 during 2018/2019.

Regular patrols of the boat ramps shows that only a very small percentage of users of the facilities do not have an appropriate permit/ticket to launch their boats. For 2018/2019, 84 Expiation Notices were issued.



\$5,000+

Approximately spent regionally by the delegates attending the South Australian Accredited Visitor Information Annual Conference.



Tourism

Yorke Peninsula attracts approximately 1.1 million visitors each year (region includes Copper Coast and Barunga West Councils), highlighting the significance of tourism for Yorke Peninsula, which provides economic benefits and employment in the region. The value of tourism continues to grow with expenditure now estimated at around \$205 million per annum.

As reported by the South Australian Tourism Commission, 89% of visitors are from intrastate, 11% from interstate and just 1% are international.

Of the 89% from intrastate, 64% are from Adelaide with the remaining 25% from regional SA.

Council funds the Yorke Peninsula Tourism (YPT) organisation, in conjunction with the Copper Coast and Barunga West Councils and the South Australia Tourism Commission.

YPT is charged with the responsibility of encouraging investment and growth of tourism, and attracting visitors to the region - increasing awareness of Yorke Peninsula as a must see holiday destination.

Visitor Information Servicing

Council is focused on supporting the network of Visitor Information Outlets (VIOs) across the Peninsula by way of training, brochure supply and general guidance, and continues to service customer phone calls and emails during business hours.

Given the tremendous uptake of online bush camping permits, each VIO is now equipped with either a public access PC or an iPad to ensure visitors could purchase permits online if they did not have their own devices.

In 2018/19 Council started trialling new 'kiosk style' software at the Edithburgh VIO, which has been successful. This kiosk software allows Council staff to resolve technical issues remotely, allows better tracking of usage rates and to date indicates that customers are better serviced under this model. This trial will be expanded to other VIOs throughout 2019/2020.



2019 Accredited Visitor Information Annual Conference

In June 2019 the Yorke Peninsula region played host to the 2019 Accredited Visitor Information Centre (VIC) annual conference. The Yorke Peninsula Council worked with the Copper Coast Council to put together an action packed three day program.

Delegates from every VIC in South Australia converged on the Peninsula. The Conference was attended by 78 delegates and consisted of a program of many inspirational and local speakers.

The final day of the Conference was a 'family day' carefully planned by Yorke Peninsula Council staff, with a total of 49 delegates attending.

In developing the 'famil' program, our primary goal was to show the delegates that in addition to our spectacular beaches and fishing, Yorke Peninsula offers many other amazing attractions.

All delegates reportedly had a fantastic time at the conference and hopefully took home many wonderful memories of Yorke Peninsula that they can now share with friends and travellers.

2018/19 Tourism Activities

- Preparing for the arrival of the first cruise ship into Wallaroo.
- Tasting Australia event in Rundle Mall, Adelaide.
- Yorke Peninsula Tourism winner of 2018 SA and Australian Tourism Awards.
- Commissioned a Consumer Research Project on Yorke Peninsula Consumer Behaviour.
- Marketing fund application submitted for the production of video footage through SA Weekender to build our marketing collateral.



Goal 2: Community Connected Through Infrastructure

Maintain and expand the connectivity of our community through a sustainable road network and planning for the necessary infrastructure for every age group in the district.



Point Turton Natural Playspace and Bike Track

In 2017, Council received grant funding of \$157,260 for the Point Turton Natural Playspace and Bike Trail Upgrade project.

In co-operation with the Point Turton Progress Association, construction commenced in October 2018 and saw the transformation of the existing playground into a natural playspace, as well as the development of a bike trail, which incorporates features for mountain bike riding. The site was officially opened by Mayor Darren Braund; Mr Fraser Ellis MP, Member for Narungga; and Jo Forbes, representing Point Turton Progress Association on Saturday 16 March 2019.



Access Advisory Committee

The Access Advisory Committee comprises a member from each Progress Association, two Councillors and relevant Council staff. Annually, Council contributes \$25,000 towards access issues throughout the district.

Projects committed and completed during the 2018/2019 financial year include: -

- Yorketown Council Office entrance ramp project.
- Installation of an access ramp on the corner of Waterloo Bay Road and the main intersection, Yorketown.
- Installation of a cross-over at the Elizabeth Street and Kilkerran Terrace Corner, Maitland – adjacent the Child Care Centre.
- Funding to the Port Clinton Progress Association for the purchase of a disabled friendly table and chair setting for a public recreational space.
- Funds provided to the Warooka Progress Association for a paved access area at the Warooka Rotunda.
- Installation of an access ramp adjacent the Yorketown Doctors Surgery, Yorketown.
- Installation of two access ramps adjacent the flag pole median strip, on either side of Edith Street, Edithburgh.
- Funding to Western United Sports Club at Warooka towards the installation of an access ramp and fire safety doors.

Asset Management

Reviews were completed of the Furniture and Other Equipment; Information Technology; and Other Assets registers during the year. Council also engaged an independent valuer to undertake a valuation of all Land, Buildings and Structures.

This valuation ensured that Council complied with Australian Accounting Standards AASB 116 – Property, Plant and Equipment and AASB 13 – Fair Value

Measurement, as well as providing insurance valuations for all buildings and structures.

CCTV inspections and GPS plotting of stormwater infrastructure was also undertaken in Point Turton, Stansbury and Yorketown. The inspection work located previously unidentified infrastructure and also enabled staff to address several problem areas where blockages have occurred.

Main Township Footpath Replacement Program

In 2017, Council was successful in obtaining \$300,000 in grant funding through the State Local Government Infrastructure Partnership (SLGIP) for the Main Township Footpath Replacement Program. The funding is being used to upgrade existing footpath surfaces to paved surfaces within the townships of Ardrossan, Edithburgh, Maitland, Minlaton, Port Clinton, Port Vincent, Port Victoria, Price, Stansbury, Warooka and Yorketown. Works are ongoing, with an expected completion date of December 2019.

Other Road Related Activities

The current patrol grading model applied by Council (four separate sectors with two operators each working three, 12 hour shifts per week) ensures efficiencies are sustained at a serviceable level throughout the district. The frequency of grades is determined by the road category, as identified within the Transport Asset Management Plan (TAMP), and natural elements applicable to individual roads.

To better inform the community of patrol grading activities Council developed an online patrol grading map, which shows when a road was last graded; if the road is scheduled to be graded in the next two weeks; and the road category.

Council also developed an online heavy vehicle access map to assist operators when lodging application to the National Heavy Vehicle Regulator (NHVR) for 30m Road Train operations on Council roads.

Both maps are available on Council's website www.yorke.sa.gov.au.

Other road related activities undertaken by Council include street sweeping and jet patching upon the sealed road network.

Road Infrastructure

Council invests heavily in the maintenance and upgrading of its expansive road network of approximately 3,890km (sealed and unsealed); however, it is a delicate balancing act to ensure that the required works are undertaken within available resources.

Council applies the principles contained within its TAMP, to ensure that road segment renewals identified within the TAMP are programmed for reconstruction and other maintenance activities in a timely manner.

In 2018/19 Council spent \$8.8 million on the reconstruction and maintenance of its road network including: resealing sections of Clinton Road and Wauraltee Road; rehabilitation work upon Clinton Road; sealed road shoulder rework upon White Hut Road; unsealed road construction upon 13 roads; and patch sheeting upon 30 roads across the district.

Swimming Pools

Council has five swimming pools and two toddler wading pools, associated with tourist accommodation, that are monitored during the summer season to ensure good standards of hygiene and disinfection are maintained.



Goal 3: Valued and Restored Environment

Be an investor, activator and custodian of our spectacular coastline and pristine environment. We will promote sustainable development and encourage the conservation of water, energy, the natural environment and buildings of local heritage significance and minimise waste.



Ardrossan Stormwater Reuse Scheme

The Ardrossan Stormwater Reuse Scheme is an initiative of the Ardrossan Progress Association and the Ardrossan Golf Club. Supported by Council, the scheme looks to increase the amount of stormwater being diverted to the stormwater retention pond located within the Ardrossan Golf Club, for reuse by the golf club, bowls club and community oval, thereby reducing these facilities reliance on mains water.

Stage four of the Ardrossan Stormwater Reuse Scheme was completed in May 2019.

Coastal Management Strategy

Council is preparing a Coastal Management Strategy (Strategy) that will provide direction to Council and other land managers/ stakeholders by developing a framework for the management of coastal Council land.

To enable ease of delivery in preparing a Strategy for such an expansive geographical area, Council land has been distinguished into three sections.

Section One: The strategy for Hickey's Point to Corny Point has been drafted with input from various stakeholders including community members and groups, and government agencies, with input gathered via meetings prior to a public consultation process that included a workshop.

Section Two: Corny Point to the Council border (Cape Elizabeth) will have recommendations prepared during the 2019/20 financial year.

Section Three: Council border (Federation Park) to Hickey's Point, to be prepared in 2020/21. The drafting of the recommendations includes a comprehensive community engagement process that identifies the issues and the most suitable strategies to manage them, as well as public consultation.

Gum Flat Restoration Project

Council continues to support a committed group of stakeholders, including the Minlaton and District Progress Association, Prince Alfred College, Minlaton District Early Learning Centre, Minlaton District School, Natural Resources Management Northern and Yorke, and community members, including the Rural Women's Gathering Conference Committee, in delivering the Gum Flat Restoration Project.

Activities include nature play, weed removal, trail construction, horse yard restoration and revegetation.

In October 2018 'The Great Gum Flat Adventure' was held as part of the state-wide Natural Play Festival. 120 people participated in a range of activities, including cubby-building, rock art, plant and bird self-guided walks, catching water bugs, Narungga Totem Bush Art.

National Tree Day

Yorke Peninsula Council actively participates in National Tree Day, coordinating several planting sites across the Council area.

In 2018, Operations staff assisted with site identification and preparation, and tree planting, as part of National Tree Day to the following schools:

- Ardrossan Area School
- Central Yorke School
- Curramulka Primary School
- Maitland Lutheran School
- Minlaton District School
- St Columba's Memorial School
- Stansbury Primary School
- Warooka Primary School
- Yorketown Area School

In total these schools planted approximately 1,100 trees, which provide many ecosystem services, including increasing biodiversity and suppressing weeds.

Roadside Vegetation Clearance Contract

In 2016/17, Council engaged a contractor to undertake roadside vegetation clearance activities upon identified road sections throughout the district for a three year period. The third and final year (2018/19) of this contract resulted in roadside vegetation maintenance activities being applied to the remaining 311km of identified road corridor length in the Hundreds of Clinton, Coonarie, Cunningham, Dalrymple, Kilkerran, Maitland, Melville, Moorowie, Mulloowurtie, Para Wurlie, Tiparra and Wauralte, improving road safety throughout the Council area. Council also undertakes roadside vegetation maintenance activities in-house on a scheduled basis.

Nuisance and Litter Complaints and Offences

The Local Nuisance and Litter Control Act 2016 (the Act) is new legislation that came into full effect as of 1 July 2017. Councils are designated as the principal authority in dealing with this legislation. Generally, Council will become involved if an issue within the community (e.g. between neighbors) cannot be resolved. The depositing of litter is now also contained within this legislation.

A local nuisance is described in the Act as being any adverse impact on the amenity value of an area, which unreasonably interferes with, or is likely to unreasonably interfere with, the enjoyment of that area by people in that area. A person's activities should not unreasonably interfere with the well-being or enjoyment of an area by others. This includes not only the indoor and outdoor spaces of a person's own property but public and community areas such as parks, other places of public recreation, and commercial precincts.

2018/19 Complaints and Expiations

| | |
|----|------------------------------|
| 19 | Complaints of local nuisance |
| 22 | Complaints of littering |
| 7 | Litter offences expiated |
| 2 | Abatement notices |



Waste Management

Council (via contractors) continues to provide a kerbside waste and recycling collection service and Transfer Station outlets for waste and recycling material. Collection of green waste also forms part of the kerbside waste and recycling collection service contract with townships serviced on a monthly basis.

In 2018/19 Council commenced a new kerbside waste and recycling collection service contract,

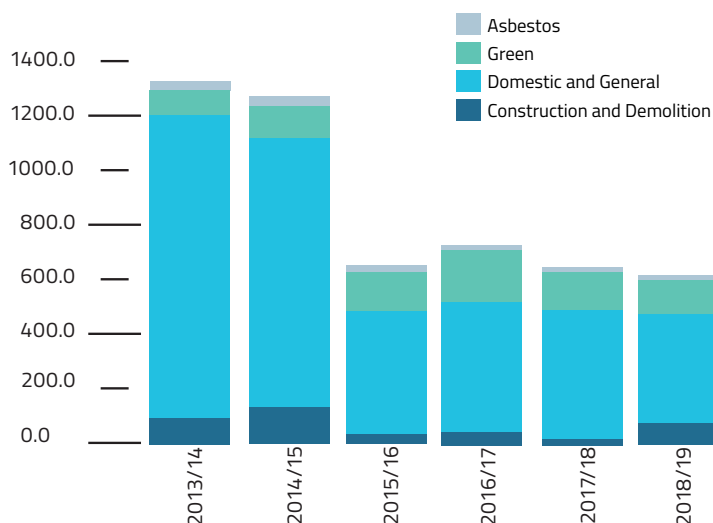
including kerbside green waste collection, which will be in place for at least the next seven years. As part of this contract new green waste bins were rolled out to eligible properties in January 2019, with new waste and recycling bins to be rolled out in the future.

In 2018/19 approximately 3,992 tonnes of mixed waste was collected with an estimated 984 tonnes (25%) of recyclable material diverted from landfill. During this period 1,015 tonnes of green waste was collected and processed, with

material being used by Council for rehabilitation purposes, as well as being provided to community groups for community projects.

The chart below outlines the breakdown of waste streams collected at Transfer Stations for 2018/19 financial year. An aggregated total of 621 tonnes of material was received across the three sites. The three sites are: Central Yorke Peninsula (near Arthurton), Ramsey (Port Vincent) and Warooka.

Breakdown of Tonnes Collected at Transfer Stations



Waste Control Systems

Council regularly undertakes assessment of wastewater applications and inspecting the installation of these approved systems. Such applications cover;

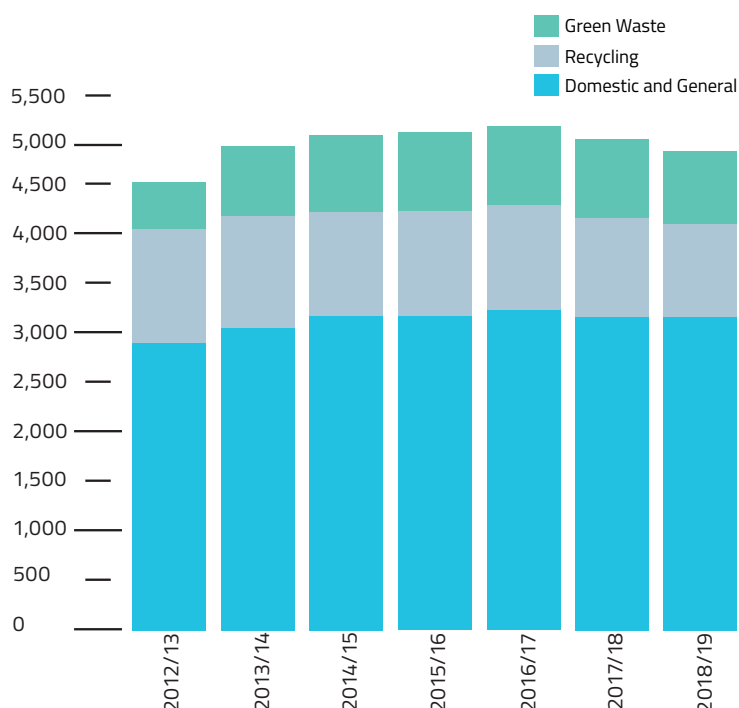
- local sewer schemes
- common wastewater management schemes
- on-site disposal via septic/aerobic tank and soakage/irrigation area
- on-site disposal incorporating pressure dosed soakage beds, these can be particularly useful for small blocks and difficult sites
- off-site disposal of effluent via a holding tank for properties within 100m of the high water mark (sensitive coastal zone) – holding tanks are not allowed for new developments and are only considered for particular locations.

3,992

**Tonnes of mixed waste
was collected during
2018/19**

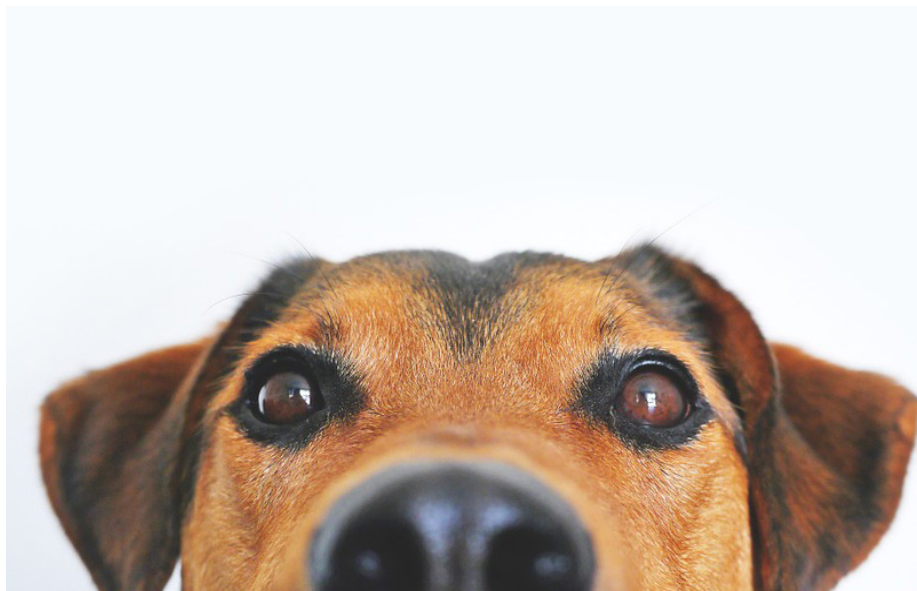


Comparative Breakdown of Waste Collection



Goal 4: Community Engaged and Supported

Continually seek innovative ways to engage and support our community and improve the quality of life on the Peninsula. Council will continue to work in partnership with Progress Associations and other key stakeholders to achieve this goal.



\$98,124

Council received 2852 dog registrations in 2018/19, which generated an income of \$98,124.



Animal Management

Council's Animal Management Plan, adopted pursuant to the Dog and Cat Management Act, aims to encourage responsible pet ownership, where people and pets integrate safely and harmoniously within the community. The plan recognises that companion animals are part of the community, contributing to quality of life. Council is committed to ensuring that the needs of animals and their owners are accommodated while recognising the needs of all members of the community and meeting legislative requirements. During 2018/19, Council reviewed its Animal Management Plan, which was then adopted by Council for a five year period.

Council received 2852 dog registrations in 2018/19, generating an income of \$98,124 throughout the district.

The majority of cat complaints received by Council relate to feral/un-owned cats.

Australia Day and Citizen of the Year Awards

Council's Australia Day celebrations are held on Australia Day and hosted by Mayor Darren Braund in the Minlaton Town Hall, with the community invited to attend the Australia Day Program.

Australia Day 2019, attended by 180 community members, welcomed three new Australian citizens, followed by an Australian Affirmation Ceremony. The affirmation is a statement of commitment to the values that all Australians share. It is based on the Australian Citizenship Pledge made by new citizens and is a voluntary statement that can be made by all Australians on Australia Day as a special way to express our national pride and spirit.

Council was fortunate to have Mr Wayne Anthony as our Australia Day Ambassador

along with an excellent guest speaker.

Two categories of awards were presented at the Australia Day 2019 Program. These included Citizen of the Year and Community Group or Event of the Year.

Citizen of the Year – Mr Keith Lovelock. Awarded for the countless hours he has volunteered to ensure our local community has access to on-call emergency health care when required.

Community Group or Event of the Year – Maitland Music and Arts Club Performing Arts School. Awarded for their production of Madagascar Jr.

Cemeteries

Council manages 11 cemeteries located at Maitland, Ardrossan, Arthurton, Port Victoria, Minlaton, Curramulka, Port Vincent, Stansbury, Edithburgh, Warooka and Pink Lake.

Council staff have developed a new on-line tool allowing people to search local cemetery records to find burial records which has drawn favorable feedback from users. The tool can be located on Council's website www.yorke.sa.gov.au.

To cater for the increase in demand for cremations, the Maitland cemetery was provided with a new niche wall during 2018/19, with works also commencing on a new niche wall at the Stansbury cemetery. Council also have information stands in the Maitland and Port Victoria cemeteries built by Maitland Apex Club which will display cemetery maps and local history information.

Citizenship Ceremony

Throughout 2018/19 the Mayor presided over four citizenship ceremonies, welcoming nine new citizens to our district.

Community Grants, Sponsorship and Donations

Council remains committed to assisting local groups through a series of grants and support programs each year.

The Community Grants Scheme provides financial grants to community groups and not-for-profit organisations to contribute to the community by funding projects, programs and activities which achieve recreation, culture, environmental, community, social development or welfare outcomes.

In 2018/19, 33 Community Grants totalling \$100,507.67 were made to community groups and organisations. A detailed list of all funding recipients is provided in Appendix 2.

Council also provides a small amount of discretionary funding for sponsorships and donations. In 2018/19 Council provided over \$20k in discretionary funding which included sponsorship for the South Australian Rural Women's Gathering, 2018 Friends of the Park Forum, Maitland Music and Arts Club, Yorketown Discovery Weekend, Harry Butler Centenary Celebrations, Roar Outsider SALA event, SYP Agricultural Show, Edithburgh Carols by the Sea, Australian Senior Side Bowls Championships, Inter-Church Council Wellbeing Event, Gynburra Festival, 2019 Berry Bay Surf Championship and the Yorkes Surf Classic.

Donations included support to Yorketown Area School, the Hannay Prize for Warooka Primary School, NAIDOC school initiatives and a number of donations to local children who were chosen to play sport regionally, state or nationally.

Customer Service

Our customers are our community and when interacting with them, we are guided by certain legislative standards and requirements. We also have a general commitment towards providing a positive experience to those we serve and the Customer Service Charter sets out the information and direction to our customers and staff on our service standards and feedback mechanisms.

The Customer Service Team and Information Technology Team have recently embarked on a project to explore the opportunities in the industry to continuously improve our interactions with our customers in line with current trends in customer service – both electronically and physically.



Fire Prevention

Council is part of the Yorke Peninsula Fire Ban District. The Fire Danger Season commenced on 1 November 2018 and concluded at the end of April 2019.

Fuel reduction notices were issued from September 2018 to protect the property from fire and to reduce the likelihood of an outbreak or spread of a fire on the land. From time to time, it has been necessary for Council to engage contractors to reduce the fuel levels, stipulated in the notice, and landowners were subsequently invoiced for the work. 1427 fuel reduction notices were sent out to landholders requiring them to reduce the fire hazard on their properties. A further inspection revealed that 306 landholders had not complied with the fuel reduction notice by the required date and were subsequently sent further correspondence to reduce the fuel loads within 7 days as per the notice or Council would arrange the works to be carried out. Council engaged the services of a contractor to mow 39 properties as a result of non-compliance. 31 Expiations Notices were issued to property owners who did not take appropriate action to reduce the fuel loads.

During 2018/19, Council issued 80 Schedule 9 permits pursuant to the Fire and Emergency Services Act for farmers to burn off their land in preparation for the following season, which is substantially less than the 148 issued last year.

The Online Burn-off Notification system continued to be extremely well received by many sections of our community. Local farmers used the live data to monitor fires in the area as did the general public. All proposed burn offs are pin pointed on a map on Council's website which can be viewed by the public and emergency services. The local Country Fire Service (CFS) brigades and SAPOL also regularly used the data to ascertain if a proposed burn was occurring in the vicinity.

204 Burn Offs

During the 2018/19 season, there was only 204 burn offs (including 80 schedule 9 permits) validated, which is a reduction of 55% on the previous year and 78% less than 2016/17.



Food Safety

Routine and follow up inspections of food businesses are regularly undertaken by qualified Council staff. Council now uses the voluntary Food Safety Rating Scheme (Scores on Doors) developed by SA Health to guide food inspections. This provides a visual performance indicator, which helps provide measurable food safety goals for food business owners. Routine inspections seek to determine the knowledge and skill level of the persons involved in food preparation and sale, along with the general cleanliness and suitability of the premises. Council also provides advice and support to all food businesses, ensuring a continual improvement in the safety of food handling practices.

Council deals with food complaints from the public and any food recalls are brought to our attention and dealt with by Council.

Food safety training is also available through Council for volunteer groups that may not be able to cover the cost of accredited training.

Legionella

Legionnaires' disease (Legionellosis) is a serious and sometimes fatal form of pneumonia caused by the bacteria Legionella. Legionella bacteria are found naturally in the environment and thrive in warm water and warm damp places.

In the Yorke Peninsula Council area three sites at which warm water systems are in place have been registered with Council and annual audit reports of the systems are received.

Leisure Options

Council's Yorke Peninsula Leisure Options (YPLO) program provides diverse recreational and social opportunities for seniors and people with disabilities. YPLO currently runs group sessions across four days each week (excluding holiday periods) based at Minlaton and Yorketown and

receives funds from State and Commonwealth Governments to support the program. With many members transitioning into the National Disability Insurance Scheme (NDIS), YPLO has become a Registered NDIS provider and continues to offer the broad range of services to Southern Yorke Peninsula residents.

In 2018/19 YPLO engaged a Graphic Designer to assist in rebrand the program. The project created icon logos for each group. The icon logos are symbols that are colour coordinated to represent each group, removing any literacy barriers for our members to identify information regarding groups on our calendars and within our newsletters.

Working towards inclusion, these logos and icons give the program an easily identifiable brand throughout Australia being promoted via social media pages on Facebook and Instagram.

A detailed account of the 2018/2019 YPLO annual highlights can be found in Appendix 2.

Libraries

Yorke Peninsula Libraries have continued to work together to provide a high level of community service. A number of author events, Bounce and Rhyme and other community events have been held and well received throughout the region.

Council, in conjunction with the joint use School Community libraries have continued to work with the Public Library Service of SA to ensure ongoing improvements to customer access and services provided.



Community Libraries Activity 2018/19

| | Ardrrossan | Maitland | Minlaton | Yorketown |
|---|------------|----------|----------|-----------|
| Number of borrowers | 733 | 756 | 908 | 1,063 |
| Number of items for loan | 10,249 | 13,656 | 12,706 | 21,583 |
| Number of items loaned | 22,821 | 21,375 | 22,432 | 28,794 |
| Number of depots | 0 | 1 | 2 | 5 |
| Average number of contacts per depot per week | N/A | 7 | 20 | 9 |



Youth

The Yorke Peninsula Alliance Regional Public Health Plan (the Plan) and Council's Strategic Plan set out specific goals towards building stronger, healthier communities for all generations, particularly for our young people.

Along with participation and mentoring as key tools in addressing some of the priority actions, Council are committed to improving opportunities to participate in community life through bringing events to our region.

Successful partnerships with multiple parties including State and Federal Government departments, Flinders University, local businesses, community organisations, schools and young people have created some wonderful opportunities for young people, their families and the region over the past 12 months.

Enormous benefits exist for communities that are prepared to capitalise on the resources offered by young people, and the Yorke Peninsula Council values the youth population as a critical contributor. By building upon its strong community partnerships, Council will continue to positively contribute to the wellbeing of young people and the broader community through events and other sustainable opportunities.

Community Food Fair

Recent data identified in the Yorke Peninsula Alliance Regional Public Health Plan, indicates that the Yorke Peninsula region has some of the highest incident rates for chronic health conditions along with generally poor dietary behaviours.

Council embraced an opportunity to partner with the Flinders University in a collaborative

project to address some of these health and wellbeing issues. The partnership involved working with several fourth year dietetic students towards improving nutrition for young people, their families and the greater community in our region.

Flinders University worked closely with Council and community members to bring the first of its kind event to the region, showcasing opportunities for healthy eating and living through local produce and education. Around 500 attendees enjoyed food tastings, cooking demonstrations and food-related activities, along with give-aways and access to health-related resources and advice. Follow up research has revealed that the event was successful in improving the health and wellbeing of the Yorke Peninsula community, with many community members incorporating new foods/ideas from the fair into their lives.

YorKON

Held in the Minlaton Town Hall, for the second year, Council's YorKON Gaming Convention was a huge success. To build upon its success in 2018, the 2019 event was extended over two days, with under 15 year olds and their families able to participate in the multiple games and activities on offer over the two days, with 15 and over participants enjoying the fun on the evening of the first day. Again, this fantastic, free youth event was made possible by the amazing commitment from Team AVCon, the Copper Coast Table Top Gamers, Galactic Games and Our Cupcakery. In addition new partners, Retrospekt and Little Adventurers brought a whole new level of fun to the event with some awesome retro gaming and "outside the box" cardboard creations.

To keep the "octane" levels high, gamers again enjoyed cupcakes, toasties and fruit from Our Cupcakery and a variety of pizzas from Rendezvous Café.

Community Movie Nights

In partnership with the Marion Bay Skate Park Committee (Marion Bay Progress), Minlaton District School and Edithburgh Caravan Park, Council were able to positively contribute to the wellbeing of young people and the broader community by hosting four free, fun and engaging outdoor movie nights. Close to 400 people enjoyed the outdoor cinema experience along with delicious food. Community movie nights offer a valuable opportunity for social participation for all.

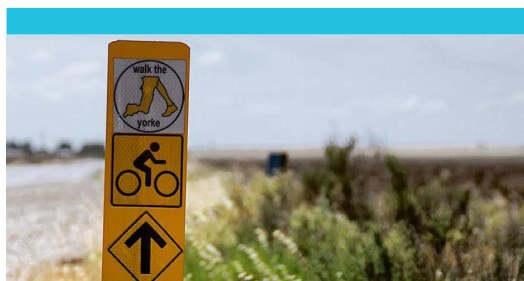
Public Health

The South Australian Public Health Act 2011 charges Councils with the responsibility of preserving, protecting and promoting public health within its area. Council investigate and consider all risks to public health and action accordingly. During 2018/19, complaints were received concerning the risk from:

- Offensive odours
- Illegal wastewater discharge
- Noise
- Asbestos
- Living conditions
- Potential contamination
- Failing effluent disposal systems
- Pests
- Water quality
- Air pollution
- Quality or safety of food for sale

Goal 5: Responsible Governance

Demonstrate leadership, improve service delivery and ensure its business is conducted in a compliant, transparent, accountable, sustainable and efficient way using technology as an enabler.



\$4m

Grant funding obtained for operating and capital projects



External Grant Funding

Successfully obtaining grant funding is an important function for Council and provides a mechanism for delivering additional projects that would otherwise have to be sourced through additional rates or other revenue streams. Grant funding can be viewed in two components – regular (known) Federal and State funding and also competitive grants which involve writing winning submissions and successfully obtaining funding.

In 2018/19 the Yorke Peninsula Council obtained a total of \$4 million grant funding for operating and capital projects. A breakdown of all grant funding received is provided in Appendix 2.

Awards

Council is proud to be the recipient of an award from the 2018/19 Local Government Information Technology SA Awards for Council's drone work under the category Infrastructure and Operational Excellence Award.

Financial Services

During 2018/19 the Financial Services team delivered and managed Council's day to day finance functions such as payment of invoices, collection of rates and other income, management of cash and loans, reconciliation of accounts, preparation and review of budgets, financial and management reporting, legislative compliance etc. The team also focused on financial governance especially in regard to long term financial sustainability and achievement of Council's Long Term Financial Plan (LTFP) objectives.

This focus is maintained by continuing training and presentations to staff and Elected Members and the continuation of strategic reporting, all linked back to the LTFP and its strategic key performance indicators.

The team continues implementing process improvements resulting from Internal Audit recommendations and the demand for 'internal financial controls' that provide reasonable assurance that assets are safeguarded and our

financial reporting is accurate and reliable. A number of system and process improvements have increased efficiencies, reduced duplication while reducing the need for paper records.

Council adopted a revised ten year LTFP in April 2019, reflecting the changes to its internal and external environments and circumstances. The objective of the LTFP is to ensure that Council remains financially sustainable and is able to provide at least the current level of services over the next 10 years. Council has identified that its operating deficits and asset replacement levels have been below local government sector targets and the revised LTFP recognises the need for Council to remain financially viable whilst increasing its asset replacement programs. The revised LTFP will drive future Budgets and provide to the community an indication of Council's proposed future financial performance.

The LTFP is also used as a tool to ensure that the future impacts of budget variations, and proposed new projects, are fully understood before any changes are adopted.

The revised LTFP, due to commence late 2019, will see Council move closer to industry targets in relation to operating results and asset sustainability progressively over the next 10 year period.

Information Services

The Information Services team continue to deliver and manage the day to day IT operations of Council including routine support, maintenance, risk mitigation and planned hardware replacements.

During 2018/2019, projects were undertaken on systems to improve service delivery to our internal customers which provided efficiency gains for Council. System upgrades and enhancements within the reporting period included Council's records management system, website and intranet. Work also commenced on upgrading Council's mapping, risk and email systems.

Improvements to customer experience were delivered by enhancing online services. This

included upgrades to website performance and delivery of new online services, such as, cemetery searches, online bush camping and boat launch permits.

The team also increased its focus on security and risk management by implementing a number of upgrades to systems. This improved our risk profile and included tasks such as upgrading Council's Firewall, implementing a redundant network and improving Council's disaster recovery systems.

Internal Review of Council Decisions

Council is committed to ensuring its customers are provided with an open, responsive and accountable process for reviewing grievances. There were no new matters considered during the 2018/19 financial year.

The Review of Internal Decisions Policy (PO037) serves to provide a fair, consistent and structured process for Council's customers if they are dissatisfied with a previous decision made by Council (including Council employees or other persons acting on behalf of the Council), in accordance with the requirements under Section 270 of the *Local Government Act 1999*.

Managing Complaints

Council is committed to continually improving the service it provides and all feedback received is considered a mechanism for collecting information on Council's performance in the eyes of the community. Complaints are managed in accordance with our Complaints Policy (PO147) which is available on Council's website www.yorke.sa.gov.au.

During 2018/19, 19 complaints were received, 17 were addressed and closed. Council are working towards finalising the agreed actions in both cases for the remaining two complaints. A detailed list of complaints are available on the Yorke Peninsula Council website. www.yorke.sa.gov.au



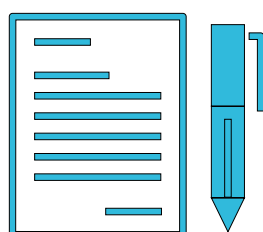
Representation Review

As per the *Local Government Act 1999*, a Council is required to conduct a review of its representation at least once in every eight years or when specified by the Electoral Commissioner and also when the number of electors for a ward varies from the ward quota by more than 20%.

The purpose of the review is to determine whether the community would benefit from an alteration to its composition or ward structure.

The corresponding table compares the Yorke Peninsula Council's representation quota with neighbouring and other comparable councils. The representation quota is determined by dividing the total number of electors by the number of Elected Members (including Mayors).

The Australian classification of local government defines each council based on its population, the population density and the proportion of the population that is classified as urban for that council. As shown below, the Yorke Peninsula Council is classified as Rural Agricultural – Very Large (RAV) along with the neighboring Copper Coast Council.



When Council undertakes a representation review, the community are invited to make written submissions to the council within a specified timeframe. The community are alerted to the consultation period by way of copies of the report available at council offices, a public notice in the YP Country Times and council's website. Interested parties also have the opportunity to appear before council.

Under the provisions of the *Local Government Act 1999*, the public may also initiate submissions. The grounds for public initiated submissions are detailed within Chapter 3, Division 5 of the *Local Government Act 1999*. Any member of the community wishing to pursue this option must submit a formal letter to Council's Chief Executive Officer who will present the submission at the next available Council meeting.

Yorke Peninsula Council will be undertaking its next representation review in October 2020.

Revocation of Classification of Land as Community Land

Council revoked the classification of community land in accordance with Section 194 of the *Local Government Act 1999* situated at 14 Bennett Street, Port Vincent for the purpose of sale.

Risk Management

Council maintains an effective risk management program to ensure that exposure to operational, strategic, legal, material, contractual and financial risk is mitigated. Council complies with its obligations under the *Local Government Act 1999* and maintains the risk management practices, principles and procedures in accordance with the Australian Standard AS/NZS ISO31000:2018 which addresses the process of risk identification, risk control, risk evaluation, risk treatment and risk financing.

Local Government Representation Quota Comparison

| Council | No. of Elected Members | No. of Electors | Ratio | Class. |
|---------------------------------|------------------------|-----------------|--------|--------|
| Adelaide Plains | 10 | 5,975 | 1:597 | RAL |
| Clare & Gilbert Valleys Council | 10 | 6,687 | 1:668 | RAL |
| Copper Coast | 10 | 11,226 | 1:1122 | RAV |
| Light Regional | 11 | 10,316 | 1:937 | RAV |
| Port Pirie Council | 10 | 12,790 | 1:1279 | RAV |
| Wakefield Regional Council | 10 | 4,765 | 1:476 | RAL |
| Yorke Peninsula Council | 12 | 8,770 | 1:730 | RAV |



Work Health and Safety

Council is committed to achieving, so far as is practicable, a working environment that is safe and without risks to health for all persons. Through the Work Health Safety and Injury Management (WHS&IM) system, a proactive approach is applied including injury prevention strategies along with an early intervention approach to all work-related injuries and illnesses that focuses on sustainable return-to-work programs.

Personal commitment and active involvement by all management and staff is essential to establish and maintain a

safe and healthy working environment. With the support from Health and Safety Representatives at all worksites, Council ensures hazards are identified and control measures introduced early to hopefully prevent any injuries. The WHS&IM program continually undergoes review and improvement to ensure it complies with the ReturnToWorkSA Performance Standards for Self-Insurers requirements.

Safety initiatives are released frequently and the implemented WHS&IM Plan aims to improve the health and wellbeing of the workforce, in the workplace, ensuring a safe work environment for everyone.

The delivery of compliance training ensures we met our legislative obligations. Throughout 2018/19, Council provided numerous training activities to ensure staff are/remain competent to undertake their roles. Some of the training included; Work Health Safety Due Diligence, Work Zone Traffic Management Refresher, Load and Unload Plant Restraint training, Senior First Aid training, Chem Alert Hazardous Chemicals, Asbestos Awareness, Health and Safety Representative, Comprehensive Playground Inspector and Sharps and Infectious Waste Handling training.



Staff Training

Work Health Safety Due Diligence, Work Zone Traffic Management Refresher, Load and Unload Plant Restraint training, Senior First Aid training, Chem Alert Hazardous Chemicals, Asbestos Awareness, Health and Safety Representative, Comprehensive Playground Inspector and Sharps and Infectious Waste Handling training.

Our Council Performance

Annual Business Plan & Strategic Plan

The challenges and opportunities drive our vision for the Peninsula and set the direction for our five strategic goals as outlined in Council's 2016-2020 Strategic Management Plan.

The Strategic Management Plan is supported by a range of operational plans to achieve Council's vision and goals. Council's Long Term Financial Plan and the Annual Business Plans underpin the success of the Strategic Management Plan.

Planning a sustainable future for the Peninsula relies on being responsible today – responsible in our care of the environment, our people and culture, our heritage and our prosperity. It also relies on building and maintaining productive partnerships and strong relationships with the Yorke Peninsula community to achieve a more sustainable future for our community.

An online version of Council's 2016-2020 Strategic Management Plan, Long Term Financial Plan and the 2018/2019 Annual Business Plan can all be viewed or downloaded at www.yorke.sa.gov.au

Annual Business Plan

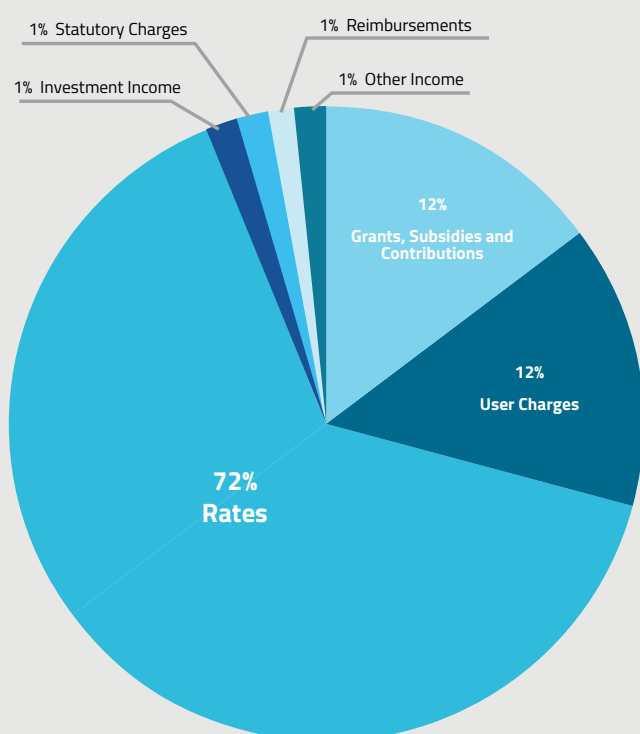
Performance: Financial

Operating Income

The following summary presents a snapshot of Council's financial performance for 2018/19 including comparisons to previous years. The full audited financial statements are provided as Appendix 1 of this report.

Council's income is derived from various sources including rates, statutory charges, user charges, investment revenue, and grants and contributions. A breakdown of Council's 2018/19 incomes sources is shown below

Operating Income Breakdown



Total Operating Income

| Income Classification | 2018/19 (\$,000) | 2017/18 (\$,000) | Variance (\$,000) | Variance (%) |
|----------------------------------|------------------|------------------|-------------------|--------------|
| Rates | 23,021 | 21,994 | 1,027 | 4.5% |
| Statutory Charges | 404 | 396 | 8 | 2.0% |
| User Charges | 3,743 | 3,386 | 357 | 9.5% |
| Grants, subsidies, contributions | 3,957 | 4,661 | (704) | (17.8%) |
| Investment Income | 231 | 217 | 14 | 6.1% |
| Reimbursements | 277 | 713 | (436) | (157.4%) |
| Other Income | 217 | 395 | (178) | (82.0%) |
| TOTAL | 31,850 | 31,762 | 88 | 0.3% |

Operating income received during 2018/19 totalled \$31.8million. Total income increased marginally by \$88k (0.27%) compared to 2017/18. As shown, this increase was mainly attributed to the growth in rates (up \$1.0m) and growth in user charges (up \$357k). These two areas of growth were largely offset by a \$704k decrease in grants, subsidies and contributions.

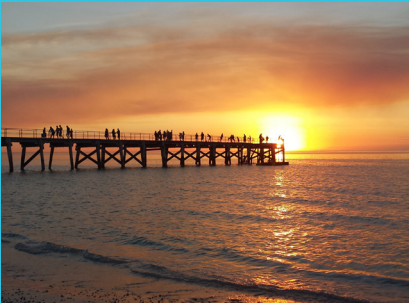
The growth in general rates of 4.7% (\$1.0m) is consistent with the planned overall increase of 4.8% in the Annual Business Plan, which was

adopted by Council in June 2018. The increase is made up of \$814k in general rates (net of discounts), an increase of \$49k for the Natural Resource Management Levy, \$103k increase in the waste collections service charge and \$50k increase in the Community Wastewater Management Systems (CWMS) service charge.

User charges were also up due to a growth in income from Council's five owned and managed holiday parks (up \$203k) and an increase in Council's Leisure Options program income

\$121k following the introduction of the National Disability Insurance Scheme (NDIS).

Reimbursements are significantly lower than 2017/18 levels due to the completion of a number of projects in 2017/18 such as; Minlaton underground power (\$183k), Ardrossan stormwater \$170k), Ardrossan jetty shelter (\$24k) which received contributions from both other levels of government and Progress Associations and an overall reduction in insurance settlement payments (\$50k).



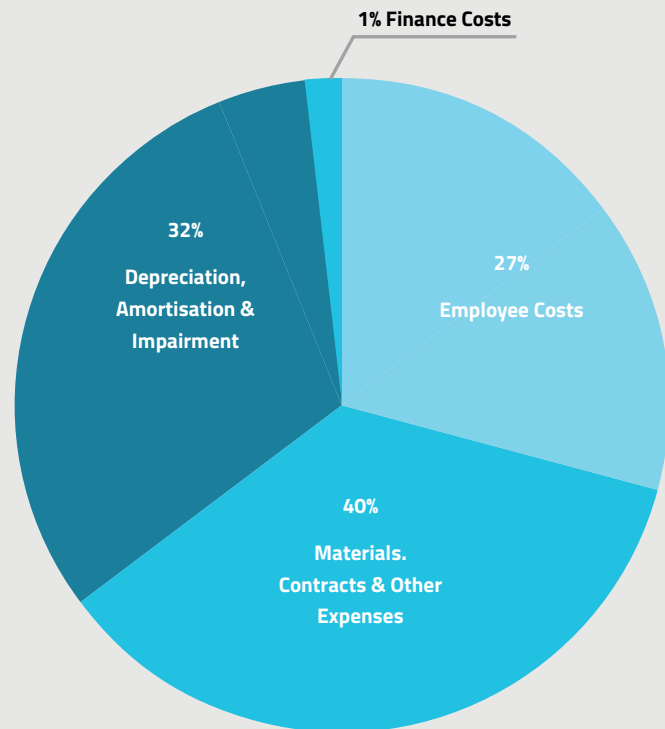
Operating Expenses

Operating expenses consist of employee costs, materials, contracts and other expenses, depreciation and finance costs. A breakdown of Council's 2018/19 expenses is shown below.

Operating expenses totalled \$32.7 million in 2018/19, an overall increase of 2.7% (\$848k) against 2017/18.

The largest increase was in relation to depreciation due to a revaluation of Council's assets. Depreciation charges in relation to Council's buildings and other structures increased by \$1.0m. Transport infrastructure (i.e. roads) depreciation increased by \$332k and depreciation also increased for Council's plant, equipment and other assets by \$35k.

Operating Expenses Breakdown



Operating Expenses Breakdown

| Income Classification | 2018/19 (\$,000) | 2017/18 (\$,000) | Variance (\$,000) | Variance (%) |
|---------------------------------------|---------------------|---------------------|----------------------|--------------|
| Employee Costs | 8,748 | 8,793 | (45) | (0.5%) |
| Materials, contracts & other expenses | 13,049 | 13,571 | (522) | (4.0%) |
| Depreciation | 10,591 | 9,186 | 1,405 | 13.3% |
| Finance Costs | 386 | 376 | 10 | 2.6% |
| TOTAL | 32,774 | 31,926 | 848 | 2.7% |

Actual Performance Against Original Budget

Council's budget is reviewed monthly and formally reviewed and updated each quarter to ensure targets are being met, and cash flow is maintained with changes to the adopted budget officially endorsed by Council. The analysis below is based on the original adopted budget for 2018/19.

The table below identifies that as at 30 June 2019 Council made an overall improvement to the bottom line compared to the Adopted Budget forecast.

User charges were \$269k higher than originally budgeted. This is due to higher than forecast increases in caravan park revenue from the five Council owned and managed parks (\$112k above budget), Leisure Options program income (\$82k), hall hire fees (\$19k), water usage charges (\$16k), waste collection services fees (\$8k) and other sundry items (\$11k).

While less than in 2017/18, Council received more in grants, subsidies and contributions than anticipated in the Adopted Budget. Specifically the increase was due to: CWMS augmentation fees (\$10k), CWMS Subsidy funding (\$210k), a Department of Social Services grant (\$31k), a Department of Industry, Innovation and Science grant (\$18k) and Supplementary Local Roads funding (\$811k).

Supplementary Roads funding, while expected to be received in 2019/2020 and 2020/21, was received in advance during 2017/18, requiring it to be recognised as operating income in this current year. Employee costs were lower than anticipated due to a number of staff vacancies and other absences, some of which was offset by increased labour hire expenditure which is reported under materials, contracts and other expenses.

Due to all the above, the adjusted net operating result for 2018/19 was more favourable than originally budgeted.

Actual vs. Budgeted

| Income Classification | 2018/19 Actual (\$,000) | 2018/19 Budget (\$,000) | Variance (\$,000) | Variance (%) |
|---------------------------------------|-------------------------|-------------------------|-------------------|---------------|
| Rates | 23,021 | 22,983 | 38 | 0.2% |
| Statutory Charges | 404 | 415 | -11 | -2.7% |
| User Charges | 3,743 | 3,474 | 269 | 7.7% |
| Grants, subsidies, contributions | 3,957 | 2,857 | 1,100 | 38.5% |
| Investment Income | 231 | 175 | 56 | 32.0% |
| Reimbursements | 277 | 114 | 163 | 143.0% |
| Other Income | 217 | 223 | -6 | -2.7% |
| TOTAL | 31,850 | 30,241 | 1,609 | 5.3% |
| Operating Expenses (\$,000) | | | | |
| Employee Costs | 8,748 | 9,067 | -319 | -3.5% |
| Materials, contracts & other expenses | 13,049 | 13,040 | 9 | 0.1% |
| Depreciation | 10,591 | 9,428 | 1,163 | 12.3% |
| Finance Costs | 386 | 377 | 9 | 2.4% |
| TOTAL | 32,774 | 31,912 | 862 | 2.7% |
| NET OPERATING RESULT | -924 | -1,671 | -747 | -44.7% |



Annual Business Plan

Performance: Capital Projects

The Yorke Peninsula Council's 2018/19 Annual Business Plan identified a range of budgeted capital projects. The table below highlights the performance against actual expenditure for the year.

| Projects | 2018/19 Actual Expenditure | 2018/19 Adopted Budget | \$ Variance | % Variance |
|--|----------------------------|------------------------|------------------|------------|
| Transportation Infrastructure | \$7,483,070 | \$7,245,638 | \$272,278 | 3% |
| Sealed Road Resealing Program | \$145,510 | \$134,846 | \$10,664 | 8% |
| Patch Sheeting (North) | \$960,495 | \$1,168,177 | -\$207,682 | -18% |
| Sealed Road Shoulder Rework | \$250,000 | \$250,000 | \$0 | 0% |
| Clinton Road Pavement Rehabilitation | \$244,336 | \$250,000 | -\$5,664 | -2% |
| Patch Sheeting (South) | \$850,610 | \$712,817 | \$137,793 | 19% |
| Nalyappa Road (2.6km) | \$529,379 | \$529,360 | \$19 | 0% |
| Pine Point Road (5km) - From Sandy Church Road | \$859,028 | \$794,212 | \$64,816 | 8% |
| Pine Point Road (4.5km) - From Sandy Church Road to James Well | \$800,040 | \$708,611 | \$91,429 | 13% |
| North Coast Road (Rehabilitation) | \$79,000 | \$99,274 | -\$20,274 | -20% |
| South Coast Road (2km) | \$159,108 | \$376,394 | -\$217,286 | -58% |
| Corny Point Road (1.6km) | \$186,008 | \$199,865 | -\$13,857 | -7% |
| Waterloo Bay Road (4.5km) | \$614,303 | \$628,546 | -\$14,243 | -2% |
| Sturt Bay Road (3km) | \$186,882 | \$403,413 | -\$216,531 | -54% |
| Brutus Road (2.4km) | \$85,937 | \$215,108 | -\$129,171 | -60% |
| Troubridge Hill Road (2.4km) | \$163,079 | \$169,511 | -\$6,432 | -4% |
| Old Coast Road (2.5km) | \$155,471 | \$179,949 | -\$24,478 | -14% |
| Old Port Vincent Road (2km) | \$29,316 | \$142,759 | -\$113,443 | -79% |
| Weavers North Road (2km) | \$148,899 | \$123,057 | \$25,842 | 21% |
| Dump Road (1.8km) | \$152,691 | \$148,739 | \$3,952 | 3% |
| Point Turton Walking Trail | \$12,055 | \$11,000 | \$1,055 | 10% |
| Kerbing Reinstatement - Maitland | \$25,599 | \$0 | \$25,599 | 100% |
| Yorke town Airstrip - Conversion to Sealed Runway | \$17,500 | \$0 | \$17,500 | 100% |
| Footpath Replacement Program | \$827,824 | \$0 | \$827,824 | 100% |

| Projects | 2018/19 Actual Expenditure | 2018/19 Adopted Budget | \$ Variance | % Variance |
|--|----------------------------|------------------------|------------------|-------------|
| Land, Buildings and Structures | \$616,014 | \$218,126 | \$397,888 | 182% |
| Yorke town Caravan Park - Dump Point | \$5,064 | \$0 | \$5,064 | 100% |
| Bush Camping Infrastructure - Annual Allocation | \$62,196 | \$30,000 | \$32,196 | 107% |
| Curramulka Town Hall - Gutter Replacement | \$6,036 | \$6,040 | -\$4 | 0% |
| Signs Renewal Program - Stage 2 | \$32,737 | \$38,000 | -\$5,263 | -14% |
| Disabled Access (Access Advisory Committee) | \$27,679 | \$25,000 | \$2,679 | 11% |
| Marion Bay Caravan Park - CCTV & Motion Sensor Lighting | \$6,688 | \$6,900 | -\$212 | -3% |
| Minlaton Office Refurbishment | \$55,934 | \$55,000 | \$934 | 2% |
| Minlaton Office - Airconditioner, Office Furniture, IT Equipment | \$28,503 | \$0 | \$28,503 | 100% |
| Point Turton Caravan Park - Amenities Upgrade | \$32,810 | \$34,186 | -\$1,376 | -4% |
| Point Turton Caravan Park - Camp Kitchen Upgrade | \$11,380 | \$10,000 | \$1,380 | 14% |
| Point Turton Caravan Park - Grounds Upgrade | \$8,585 | \$5,000 | \$3,585 | 72% |
| Point Turton Public Toilet Walkway | \$0 | \$20,000 | -\$20,000 | -100% |
| Port Julia CWMS Compound Fence Replacement | \$0 | \$5,000 | -\$5,000 | -100% |
| Edithburgh Outdoor Fitness Equipment | \$2,000 | \$0 | \$2,000 | 100% |
| Point Turton Caravan Park - Fencing | \$46,000 | \$0 | \$46,000 | 100% |
| Point Turton Nature Playground | \$174,378 | \$0 | \$174,378 | 100% |
| Council House Yorketown - Renovations | \$18,360 | \$0 | \$18,360 | 100% |
| Balgowan - Playground Shade Sail | \$14,700 | \$0 | \$14,700 | 100% |
| Hardwicke Bay - Playground Equipment | \$5,894 | \$0 | \$5,894 | 100% |
| Hardwicke Bay - Playground Fence | \$5,000 | \$0 | \$5,000 | 100% |
| Port Clinton - Outdoor Exercise Equipment | \$23,848 | \$0 | \$23,848 | 100% |
| Maitland - Town Hall - Theatre Seating Installation | \$18,460 | \$0 | \$18,460 | 100% |
| Port Rickaby - Outdoor BBQ Replacement | \$8,450 | \$0 | \$8,450 | 100% |
| Corny Point Hall - External Fire Door Replacement | \$11,581 | \$0 | \$11,581 | 100% |
| Ardrossan Hall - Electrical Switchboard Upgrade | \$9,731 | \$0 | \$9,731 | 100% |
| Stormwater Infrastructure | \$21,841 | \$0 | \$21,841 | 100% |
| Ardrossan Stormwater Harvest Project | \$13,183 | \$0 | \$13,183 | 100% |
| Maitland - Stormwater | \$8,658 | \$0 | \$8,658 | 100% |
| Community Wastewater Management Systems | \$268,836 | \$210,500 | \$58,336 | 28% |
| Ardrossan - Chlorine Tank Monitoring | \$10,337 | \$5,500 | \$4,837 | 88% |
| Balgowan - Pump Station and Wastewater Treatment Plant Switchboard Replacement | \$37,059 | \$35,000 | \$2,059 | 6% |
| Hardwicke Bay - Pump Station #2 Switchboard and Valving Replacement | \$45,680 | \$30,000 | \$15,680 | 52% |

| Projects | 2018/19 Actual Expenditure | 2018/19 Adopted Budget | \$ Variance | % Variance |
|--|----------------------------|------------------------|------------------|------------|
| Maitland - Chlorine Tank Monitoring and Gravity Drain Network Renewal | \$33,505 | \$35,500 | -\$1,995 | -6% |
| Point Turton - Wastewater Treatment Plant #2 Pump Station Replacement | \$49,929 | \$50,000 | -\$71 | 0% |
| Port Julia - Improve Level Control and Pump Operation | \$8,600 | \$6,000 | \$2,600 | 43% |
| Port Vincent - Marina Pump Station Switchboard and Valving Replacement | \$31,044 | \$28,000 | \$3,044 | 11% |
| Stansbury - Chlorine Tank Monitoring | \$6,200 | \$5,500 | \$700 | 13% |
| Yorke town - Memorial Drive Pump Station Valving Replacement | \$26,244 | \$15,000 | \$11,244 | 75% |
| Port Victoria - Chlorine Monitoring System | \$11,843 | \$0 | \$11,843 | 100% |
| Bluff Beach - Pump and Pump Station | \$1,495 | \$0 | \$1,495 | 100% |
| Black Point - Irrigation System | \$6,900 | \$0 | \$6,900 | 100% |
| Water Infrastructure | \$53,116 | \$29,500 | \$23,616 | 80% |
| Balgowan Water Scheme House Connection Saddle Replacement | \$16,160 | \$10,000 | \$6,160 | 62% |
| Hardwicke Bay Water Scheme Tank 2 Roof Replacement | \$8,018 | \$12,500 | -\$4,482 | -36% |
| Marion Bay Desal Plant - Pressure Pump Reconditioning | \$28,938 | \$7,000 | \$21,938 | 313% |
| Major Plant, Equipment, Fleet Vehicles and Minor Plant | \$1,531,347 | \$1,208,500 | \$322,847 | 27% |
| Fleet Vehicles | \$358,744 | \$355,000 | \$3,744 | 1% |
| 1 x Back Hoe/Front End Loader | \$160,000 | \$160,000 | \$0 | 0% |
| 1 x Patrol Grader | \$352,971 | \$375,000 | -\$22,029 | -6% |
| 1 x Prime Mover | \$187,261 | \$185,000 | \$2,261 | 1% |
| 1 x Side Tipper | \$112,250 | \$113,500 | -\$1,250 | -1% |
| 1 x Sweeper | \$312,756 | \$0 | \$312,756 | 100% |
| Minor Plant | \$37,901 | \$20,000 | \$17,901 | 90% |
| 1 x Lawnmower (Port Vincent Foreshore Caravan Park) | \$9,464 | \$0 | \$9,464 | 100% |
| Furniture and Fittings | \$170,448 | \$135,900 | \$34,548 | 25% |
| IT Hardware - Computers | \$48,614 | \$38,950 | \$9,664 | 25% |
| IT Hardware - Servers & Switches | \$11,374 | \$26,000 | -\$14,626 | -56% |
| IT Hardware - Telecommunications | \$28,416 | \$22,500 | \$5,916 | 26% |
| Ardrossan Community Library - Public Access Computers | \$1,488 | \$4,500 | -\$3,012 | -67% |
| IT Hardware - Elected Members | \$12,122 | \$22,000 | -\$9,878 | -45% |

| Projects | 2018/19 Actual Expenditure | 2018/19 Adopted Budget | \$ Variance | % Variance |
|--|----------------------------|------------------------|--------------------|------------|
| Furniture and Fittings Cont. | \$170,448 | \$135,900 | \$34,548 | 25% |
| Maitland Community Library - Public Access Computers | \$1,488 | \$1,500 | -\$12 | -1% |
| Minlaton Community Library - Public Access Computer | \$2,975 | \$1,500 | \$1,475 | 98% |
| Office Furniture - Annual Allocation | \$5,030 | \$5,000 | \$30 | 1% |
| Office Requirements - Workstations (Sit Stand Desk - WHS), Airconditioner Repairs, Testing and Tagging Equipment | \$31,842 | \$0 | \$31,842 | 100% |
| Point Turton Caravan Park - Desktop Computer | \$1,216 | \$1,450 | -\$234 | -16% |
| Yorke town Community Library - Public Access Computers | \$0 | \$4,500 | -\$4,500 | -100% |
| Point Turton Caravan Park - Furniture | \$3,912 | \$4,000 | -\$88 | -2% |
| Marion Bay Caravan Park - Furniture | \$1,800 | \$2,000 | -\$200 | -10% |
| Point Turton Caravan Park - Storage Improvements | \$0 | \$2,000 | -\$2,000 | -100% |
| IT Intranet (Stage 2) - Process Improvements | \$4,461 | \$0 | \$4,461 | 100% |
| IT Hardware - Computers - YP Leisure Options | \$7,845 | \$0 | \$7,845 | 100% |
| Depot Equipment | \$7,865 | \$0 | \$7,865 | 100% |
| Other | \$124,199 | \$184,000 | -\$59,801 | -33% |
| Landfill Rehabilitation | \$10,150 | \$15,000 | -\$4,850 | -32% |
| Aerial Drone Photography | \$4,041 | \$4,000 | \$41 | 1% |
| Ardrossan Jetty Area - Stairs and Boardwalk Upgrade (Southern Side - Stage 1) | \$52,111 | \$50,000 | \$2,111 | 4% |
| Edithburgh Tidal Pool | \$27,002 | \$30,000 | -\$2,998 | -10% |
| Maitland Plane Tree Root Control | \$4,800 | \$38,000 | -\$33,200 | -87% |
| Sea Rise Protection | \$9,800 | \$20,000 | -\$10,200 | -51% |
| Marion Bay Caravan Park - Camping Sites | \$0 | \$11,000 | -\$11,000 | -100% |
| Upgrade Lawned Area - Cumberland Rd / Emeu St, Port Clinton | \$16,295 | \$16,000 | \$295 | 2% |
| TOTAL CAPITAL EXPENDITURE | \$10,219,429 | \$9,249,161 | \$1,019,710 | 11% |

Annual Business Plan:

Capital Projects

As at 30 June 2019 11% overspend for the year. However, within the table it identifies a number of positive and negative variances for a range of reasons. Specifically these were:-

- A number of projects were carried over from 2017/18 and completed throughout 2018/19. The carried over projects also had their budgets shifted over from 2017/18. These projects were:
 - o Footpath Replacement Program
 - o Bush Camping Infrastructure - Annual Allocation (only \$47,856 carried over)
 - o Disabled Access (Access Advisory Committee) (only \$6,201 carried over)
 - o Edithburgh Outdoor Fitness Equipment
 - o Point Turton Caravan Park - Fencing
 - o Point Turton Nature Playground
 - o Ardrossan Stormwater Harvest Project
 - o 1 x Sweeper
 - o IT Intranet (Stage 2) - Process Improvements
- The sum of these projects is \$1.47m, therefore if these were removed, the table would show an underspend for the year.
- Due to these additional projects being completed, some of the projects scheduled for 2018/19 were unable to be fully completed. The remainder of the following projects have been carried over to 2019/2020 for completion:-
 - o South Coast Road (2km)
 - o Sturt Bay Road (3km)
 - o Brutus Road (2.4km)
 - o Old Port Vincent Road (2km)
 - o Yorketown Airstrip - Conversion to Sealed Runway
 - o Point Turton Public Toilet Walkway
 - o Maitland Plane Tree Root Control
- The North Coast Road (Rehabilitation) project had its scope changed, therefore completed under budget.
- The Yorketown Community Library - Public Access Computers was not required.

Budget allocations are reviewed every quarter as required by Council's PO142 Budget Reporting and Amendment Policy, with all changes submitted to Council for endorsement.

Whilst every care is taken in developing Council's Annual Business Plan other priorities will always emerge throughout the course of the year that take precedence.

In addition, this Council continually seeks to attract additional grant funding in order to implement key projects for the benefit of the community without any additional burden on our rate payers. Therefore, when Council is successful in obtaining additional grant funding during the year, all planned projects must be re-prioritised due to the limited resources available to carry out the works.

Annual Business Plan Performance

The Yorke Peninsula Council's 2016-2020 Strategic Management Plan (the Plan) provides the foundation for Council to plan for the future. The Plan outlines priorities and sets out what must be achieved. The Plan was last reviewed, updated and came into effect on 1 July 2016.

At the time of writing this report, the Yorke Peninsula Council has commenced reviewing its Strategic Plan. The new 2020-2024 Strategic Plan should be ready for implementation in the first quarter of 2020. The following table outlines Council's performance in completing the strategies outlined within the current Plan.



Ongoing Activity































Not Yet Commenced



Completed

| Strategies | | Status |
|--|--|--------|
| Goal 1 – Economically Prosperous Peninsula | | |
| 1.1 | Provide easier, streamlined development approval application process | |
| 1.2 | Deliver strategic and responsible land use planning | |
| 1.3 | Improve visitor experiences, infrastructure, signage, information and support | |
| 1.4 | Support local events and help attract new events | |
| 1.5 | Partner and build positive relationships with key stakeholders (e.g. Regional Development Australia, Central Local Government Region, YP Tourism and Progress Associations) to progress tourism and business growth, including enabling the attraction of niche businesses | |
| 1.6 | Identify opportunities to advocate on behalf of key industries (e.g. agriculture, tourism etc.) | |
| 1.7 | Support employment opportunities for our community | |
| 1.8 | Explore opportunities for 'missing or sub-standard' infrastructure (e.g. freight movement, function centre, large accommodation etc.) | |
| 1.9 | Efficient delivery of permits, leases and licences | |
| Goal 2 – Community Connected through Infrastructure | | |
| 2.1 | Develop and deliver on Asset Management Plans for all asset classes | |
| 2.2 | Utilise technology to provide easy access to Council information (e.g. planned infrastructure works, location of public facilities, events etc.) | |
| 2.3 | Provide disability access infrastructure | |
| 2.4 | Create partnerships with State Government to maintain State's assets (roads, jetties etc.) | |
| 2.5 | Explore provision of new infrastructure | |
| 2.6 | Install and upgrade appropriate traffic control device management | |
| 2.7 | Upgrade and beautification of open (recreation) spaces (e.g. playgrounds, water parks, BBQ areas etc.) | |
| Goal 3 – Valued and Restored Environment | | |
| 3.1 | Improve efficiency of watering public spaces | |
| 3.2 | Implement actions to improve water quality | |
| 3.3 | Partnership and advocacy with NRM to secure environmental projects | |
| 3.4 | Support Progress Associations and other community groups to improve environmental outcomes | |

| Strategies | | Status |
|---|---|---|
| Goal 3 – Valued and Restored Environment | | |
| 3.5 | Review the Roadside Vegetation Management Plan and recommend updates to the Native Vegetation Council |  |
| 3.6 | Develop Environmental Management Plan |  |
| 3.7 | Develop and implement a Coastal Management Strategy |  |
| 3.8 | Continue to effectively manage the collection, recycling and disposal of waste |  |
| 3.9 | Integrate environmental sustainability consideration in land use planning and development |  |
| Goal 4 – Community Engaged and Supported | | |
| 4.1 | Invest in youth activities and events |  |
| 4.2 | Explore possibility of an annual "health/wellbeing" event |  |
| 4.3 | Support and/or deliver community events, workshops and skills training, including school programs |  |
| 4.4 | Continue providing community grants, donations and sponsorships |  |
| 4.5 | Continue delivering compliance and environmental health services and inspections |  |
| 4.6 | Audit, assess, rationalise and upgrade community meeting halls and meeting spaces |  |
| 4.7 | Foster productive working relationships with Progress Associations |  |
| 4.8 | Continue providing cemetery services and finalise the cemeteries project |  |
| 4.9 | Continue Dry Area management |  |
| 4.10 | Continue to provide Council's 'Leisure Options' services |  |
| 4.11 | Review and improve accessibility to library services |  |
| 4.12 | Continuous improvement in communicating with and engaging the community |  |
| 4.13 | Support key community initiatives provided by 3rd parties (e.g. YP Community Transport) |  |
| Goal 5 – Responsible Governance | | |
| 5.1 | Openness and transparency of reporting Council's performance |  |
| 5.2 | Effective leadership and informed decision making |  |
| 5.3 | Meet all legislative requirements and compliance with Council's internal controls |  |
| 5.4 | Seek alternate income streams and ensure financial sustainability |  |
| 5.5 | Undertake effective risk management |  |
| 5.6 | Workplace wellbeing programs |  |
| 5.7 | Improved mobility, accessibility, efficiency of staff via Information Technology solutions |  |
| 5.8 | Continuous improvement of Council processes |  |
| 5.9 | Develop programs and actions to become an Employer of Choice |  |
| 5.10 | Celebrate, communicate and promote Council's achievements |  |

Appendix 1:

Audited Financial

Statements

Yorke Peninsula Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2019

We will foster opportunities to support and enhance Yorke Peninsula which is valued for its natural beauty, rich agriculture, spectacular coastline and unique blend of seaside and rural lifestyles.



Yorke Peninsula Council

General Purpose Financial Statements for the year ended 30 June 2019

| Contents | Page |
|---|-------------|
| 1. Council Certificate | 2 |
| 2. Primary Financial Statements: | |
| - Statement of Comprehensive Income | 3 |
| - Statement of Financial Position | 4 |
| - Statement of Changes in Equity | 5 |
| - Statement of Cash Flows | 6 |
| 3. Notes to the Financial Statements | 7 |
| 4. Independent Auditor's Report - Financial Statements | 40 |
| 5. Independent Auditor's Report - Internal Controls | 42 |
| 6. Certificates of Audit Independence | |
| - Council Certificate of Audit Independence | 44 |
| - Audit Certificate of Audit Independence | 45 |

Yorke Peninsula Council

General Purpose Financial Statements for the year ended 30 June 2019

Certification of Financial Statements

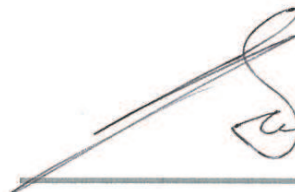
We have been authorised by the Council to certify the financial statements in their final form.

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2019 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.



Andrew Cameron
CHIEF EXECUTIVE OFFICER



Darren Braund
MAYOR

Date: 1st November 2019

Yorke Peninsula Council

Statement of Comprehensive Income for the year ended 30 June 2019

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|----------------|----------------|
| Income | | | |
| Rates Revenues | 2a | 23,021 | 21,994 |
| Statutory Charges | 2b | 404 | 396 |
| User Charges | 2c | 3,743 | 3,386 |
| Grants, Subsidies and Contributions | 2g | 3,957 | 4,661 |
| Investment Income | 2d | 231 | 217 |
| Reimbursements | 2e | 277 | 713 |
| Other Income | 2f | 217 | 395 |
| Total Income | | 31,850 | 31,762 |
| Expenses | | | |
| Employee Costs | 3a | 8,748 | 8,793 |
| Materials, Contracts & Other Expenses | 3b | 13,049 | 13,571 |
| Depreciation, Amortisation & Impairment | 3c | 10,591 | 9,186 |
| Finance Costs | 3d | 386 | 376 |
| Total Expenses | | 32,774 | 31,926 |
| Operating Surplus / (Deficit) | | (924) | (164) |
| Asset Disposal & Fair Value Adjustments | 4 | (1,254) | (1,177) |
| Amounts Received Specifically for New or Upgraded Assets | 2g | 36 | 22 |
| Physical Resources Received Free of Charge | 2i | 49 | - |
| Net Surplus / (Deficit) ¹ | | (2,093) | (1,319) |
| Other Comprehensive Income | | | |
| <i>Amounts which will not be reclassified subsequently to operating result</i> | | | |
| Changes in Revaluation Surplus - I,PP&E | 9a | 14,253 | 211 |
| Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve | 9a | (54) | - |
| Total Other Comprehensive Income | | 14,199 | 211 |
| Total Comprehensive Income | | 12,106 | (1,108) |

¹ Transferred to Statement of Changes in Equity

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

Yorke Peninsula Council

Statement of Financial Position as at 30 June 2019

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|----------------|----------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 5a | 7,771 | 6,155 |
| Trade & Other Receivables | 5b | 2,068 | 1,993 |
| Inventories | 5d | 376 | 372 |
| Total Current Assets | | 10,215 | 8,520 |
| Non-Current Assets | | | |
| Financial Assets | 6a | 635 | 605 |
| Infrastructure, Property, Plant & Equipment | 7a | 304,731 | 293,281 |
| Total Non-Current Assets | | 305,366 | 293,886 |
| TOTAL ASSETS | | 315,581 | 302,406 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade & Other Payables | 8a | 1,899 | 1,622 |
| Borrowings | 8b | 831 | 688 |
| Provisions | 8c | 2,361 | 2,210 |
| Total Current Liabilities | | 5,091 | 4,520 |
| Non-Current Liabilities | | | |
| Borrowings | 8b | 7,472 | 7,027 |
| Provisions | 8c | 282 | 229 |
| Total Non-Current Liabilities | | 7,754 | 7,256 |
| TOTAL LIABILITIES | | 12,845 | 11,776 |
| Net Assets | | 302,736 | 290,630 |
| EQUITY | | | |
| Accumulated Surplus | | (14,601) | (11,860) |
| Asset Revaluation Reserves | 9a | 315,100 | 300,901 |
| Other Reserves | 9b | 2,237 | 1,589 |
| Total Council Equity | | 302,736 | 290,630 |

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

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

| \$ '000 | Notes | Accumulated Surplus | Asset Revaluation Reserve | Other Reserves | Total Equity |
|--|-------|------------------------|---------------------------------|-------------------|-----------------|
| 2019 | | | | | |
| Balance at the end of previous reporting period | | (11,860) | 300,901 | 1,589 | 290,630 |
| a. Net Surplus / (Deficit) for Year | | (2,093) | - | - | (2,093) |
| b. Other Comprehensive Income | | | | | |
| - Gain (Loss) on Revaluation of I,PP&E | 7a | - | 14,253 | - | 14,253 |
| - IPP&E Impairment (Expense) / Recoupments Offset to ARR | 7a | - | (54) | - | (54) |
| Other Comprehensive Income | | - | 14,199 | - | 14,199 |
| Total Comprehensive Income | | (2,093) | 14,199 | - | 12,106 |
| c. Transfers between Reserves | | (648) | - | 648 | - |
| Balance at the end of period | | (14,601) | 315,100 | 2,237 | 302,736 |
| 2018 | | | | | |
| Balance at the end of previous reporting period | | (10,082) | 300,690 | 1,130 | 291,738 |
| a. Net Surplus / (Deficit) for Year | | (1,319) | - | - | (1,319) |
| b. Other Comprehensive Income | | | | | |
| - Gain (Loss) on Revaluation of I,PP&E | 7a | - | 211 | - | 211 |
| Other Comprehensive Income | | - | 211 | - | 211 |
| Total Comprehensive Income | | (1,319) | 211 | - | (1,108) |
| c. Transfers between Reserves | | (459) | - | 459 | - |
| Balance at the end of period | | (11,860) | 300,901 | 1,589 | 290,630 |

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

Yorke Peninsula Council

Statement of Cash Flows for the year ended 30 June 2019

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|----------------|----------------|
| Cash Flows from Operating Activities | | | |
| <u>Receipts</u> | | | |
| Rates Receipts | | 23,089 | 21,725 |
| Statutory Charges | | 404 | 396 |
| User Charges | | 3,743 | 3,386 |
| Grants, Subsidies and Contributions (operating purpose) | | 3,957 | 4,661 |
| Investment Receipts | | 231 | 217 |
| Reimbursements | | 277 | 713 |
| Other Receipts | | 167 | 675 |
| <u>Payments</u> | | | |
| Payments to Employees | | (8,765) | (8,854) |
| Payments for Materials, Contracts & Other Expenses | | (12,640) | (13,692) |
| Finance Payments | | (386) | (376) |
| Net Cash provided by (or used in) Operating Activities | 11b | 10,077 | 8,851 |
| Cash Flows from Investing Activities | | | |
| <u>Receipts</u> | | | |
| Amounts Received Specifically for New/Upgraded Assets | | 36 | 22 |
| Sale of Replaced Assets | | 348 | 408 |
| Sale of Surplus Assets | | 818 | 26 |
| Repayments of Loans by Community Groups | | 89 | 91 |
| <u>Payments</u> | | | |
| Expenditure on Renewal/Replacement of Assets | | (9,500) | (7,193) |
| Expenditure on New/Upgraded Assets | | (713) | (2,499) |
| Loans Made to Community Groups | | (128) | - |
| Net Cash provided by (or used in) Investing Activities | | (9,050) | (9,145) |
| Cash Flows from Financing Activities | | | |
| <u>Receipts</u> | | | |
| Proceeds from Borrowings | | 1,916 | 182 |
| Proceeds from Bonds & Deposits | | 1 | - |
| <u>Payments</u> | | | |
| Repayments of Borrowings | | (1,328) | (656) |
| Repayment of Bonds & Deposits | | - | (3) |
| Net Cash provided by (or used in) Financing Activities | | 589 | (477) |
| Net Increase (Decrease) in Cash Held | | 1,616 | (771) |
| plus: Cash & Cash Equivalents at beginning of period | 11 | 6,155 | 6,926 |
| Cash & Cash Equivalents at end of period | 11 | 7,771 | 6,155 |

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

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

Contents of the Notes accompanying the Financial Statements

| Note | Details | Page |
|------|--|------|
| 1 | Significant Accounting Policies | 8 |
| 2 | Income | 14 |
| 3 | Expenses | 17 |
| 4 | Asset Disposal & Fair Value Adjustments | 19 |
| | Current Assets | |
| 5a | Cash & Cash Equivalents | 19 |
| 5b | Trade & Other Receivables | 19 |
| 5c | Inventories | 19 |
| | Non-Current Assets | |
| 6a | Financial Assets | 19 |
| | Fixed Assets | |
| 7a | Infrastructure, Property, Plant & Equipment | 20 |
| 7b | Valuation of Infrastructure, Property, Plant & Equipment | 21 |
| | Liabilities | |
| 8a | Trade & Other Payables | 23 |
| 8b | Borrowings | 23 |
| 8c | Provisions | 24 |
| | Reserves | |
| 9a | Asset Revaluation Reserve | 24 |
| 9b | Other Reserves | 24 |
| 10 | Assets Subject to Restrictions | 25 |
| 11 | Reconciliation to Statement of Cashflows | 26 |
| 12a | Functions | 27 |
| 12b | Components of Functions | 28 |
| 13 | Financial Instruments | 29 |
| 14 | Commitments for Expenditure | 32 |
| 15 | Financial Indicators | 33 |
| 16 | Uniform Presentation of Finances | 35 |
| 17 | Operating Leases | 36 |
| 18 | Superannuation | 37 |
| 19 | Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet | 38 |
| 20 | Related Party Transactions | 39 |

n/a - not applicable

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

Note 1. Summary of Significant Accounting Policies

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

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 13th November 2019.

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

Yorke Peninsula Council is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 8 Elizabeth Street, Maitland. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income Recognition

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

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in these notes. Also disclosed is the amount of grants, contributions and receivables recognised as incomes in a previous reporting period which were obtained in respect of the Council's operations for the current reporting period.

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

| | Cash Payment Received | Annual Allocation | Difference |
|---------|-----------------------------|----------------------|--------------|
| 2016/17 | \$3,363,515 | \$2,219,769 | +\$1,143,746 |
| 2017/18 | \$2,293,271 | \$2,218,129 | +\$75,142 |
| 2018/19 | \$3,440,144 | \$2,635,769 | +\$804,375 |

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

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

Note 1. Summary of Significant Accounting Policies (continued)

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 Initial Recognition

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

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and

engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

| | |
|---|----------|
| Office Furniture & Equipment | \$1,000 |
| Other Plant & Equipment | \$1,000 |
| Buildings - new construction/extensions | \$5,000 |
| Park & Playground Furniture & Equipment | \$2,000 |
| Paving & footpaths, Kerb & Gutter | \$2,000 |
| Drains & Culverts | \$5,000 |
| Road construction & reconstruction | \$10,000 |
| All other assets | \$1,000 |

6.3 Subsequent Recognition

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

6.4 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are listed below. Depreciation periods for infrastructure assets have been estimated based on

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

Note 1. Summary of Significant Accounting Policies (continued)

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.

Useful life estimates since to 1 July 2018:

Building & Other Structures

| | |
|-----------------------------|-----------------|
| Buildings (with components) | 10 to 100 years |
| Buildings (no components) | 20 to 100 years |
| Structures | 5 to 100 years |

Stormwater Drainage

| | |
|-----------------|-----------------|
| Nodes | 25 to 75 years |
| Pipes/Drains | 30 to 100 years |
| Reuse & Storage | 10 to 50 years |

Community Wastewater Management Schemes

| | |
|---------------------------------------|-----------------|
| Nodes | 20 to 70 years |
| Pipes | 50 to 70 years |
| Pumping Stations | 15 to 50 years |
| Wastewater Treatment Plants & Storage | 10 to 100 years |

Transport Infrastructure

| | |
|--|-----------------|
| Sealed Roads (Upper Surface) | 17 to 30 years |
| Sealed Roads (Lower Surface) | 80 to 90 years |
| Sealed Roads (Pavement) | 80 to 90 years |
| Unsealed Roads (Wearing Surface) | 15 to 50 years |
| Unsealed Roads (Low Base & Earthworks) | 90 to 400 years |
| Paving & Footpaths | 30 to 60 years |
| Drains, Kerb & Gutter | 80 years |
| Walking Trails | 30 years |
| Airfields | 20 to 80 years |

Water Scheme Infrastructure

| | |
|--------------------------------|-----------------|
| Nodes | 25 to 60 years |
| Pipes | 60 to 100 years |
| Pumping, Storage and Treatment | 15 to 50 years |

Plant, Equipment & Other Assets

| | |
|-----------------------------|--------------------------------|
| Fleet Vehicles | 2 years (Residual 55%) |
| Major Plant | 5 to 25 years (Residual 5-35%) |
| Minor Plant | 5 to 60 years |
| Information Technology | 3 to 20 years |
| Furniture & Other Equipment | 5 to 100 years |
| Other Assets | 5 to 100 years |
| Carparks | 30 to 60 years |

Useful life estimates prior to 1 July 2018:

Building & Other Structures

| | |
|------------|-----------------|
| Buildings | 20 to 100 years |
| Structures | 15 to 100 years |
| Carparks | 30 to 60 years |

Stormwater Drainage

| | |
|--------------------------------|-----------------|
| Nodes | 25 to 75 years |
| Pipes/Drains | 30 to 100 years |
| Pumping, Storage and Treatment | 15 to 100 years |

Community Wastewater Management Schemes

| | |
|---------------------------------------|-----------------|
| Nodes | 20 to 70 years |
| Pipes | 70 years |
| Pumping Stations | 15 to 50 years |
| Wastewater Treatment Plants & Storage | 15 to 100 years |

Transport Infrastructure

| | |
|--|-----------------|
| Sealed Roads (Upper Surface) | 17 to 30 years |
| Sealed Roads (Lower Surface) | 80 to 90 years |
| Sealed Roads (Pavement) | 80 to 90 years |
| Unsealed Roads (Wearing Surface) | 15 to 50 years |
| Unsealed Roads (Low Base & Earthworks) | 90 to 400 years |
| Paving & Footpaths | 30 to 60 years |
| Drains, Kerb & Gutter | 80 years |
| Culverts | 50 to 75 years |

Water Scheme Infrastructure

| | |
|--------------------------------|-----------------|
| Nodes | 25 to 60 years |
| Pipes | 60 to 100 years |
| Pumping, Storage and Treatment | 15 to 100 years |

Plant & Equipment

| | |
|-------------------------|---------------|
| Fleet Vehicles | 3 years |
| Major Plant & Equipment | 5 to 25 years |
| Minor Plant & Equipment | 5 to 50 years |

Furniture & Fittings

| | |
|-----------------------------|---------------|
| Office Equipment | 5 to 15 years |
| Office Furniture & Fittings | 5 to 20 years |

Other Assets

| | |
|-------------------------------|----------------|
| Marine Assets | 10 to 50 years |
| Caravan Park Assets | 5 to 30 years |
| Park Structures / Playgrounds | 5 to 30 years |
| Recreation Structures | 50 to 80 years |
| Memorial Statue | 100 years |

6.5 Impairment

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

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's

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

Note 1. Summary of Significant Accounting Policies (continued)

carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

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

6.6 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

8 Borrowings

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

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is

accrued over the period to which it relates, and is recorded as part of "Payables".

9 Employee Benefits

9.1 Salaries, Wages & Compensated Absences

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

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

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

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. No changes in accounting policy have occurred during either the current or previous reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

10 Provisions for Reinstatement, Restoration and Rehabilitation

Council has a recorded Provision for future restoration liability which facilitates for the rehabilitation of the following four closed landfill sites Arthurton, Ramsey, Warooka (including leachate monitoring) and Wool Bay. Council will annually review and update where deemed necessary the liability recorded to ensure the liability disclosed in

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

Note 1. Summary of Significant Accounting Policies (continued)

Note 8 accurately reflects the future landfill monitoring obligations of the Council.

Future estimates are based on historical rehabilitation and monitoring expenditure patterns, and are subject to environmental requirements which may change. Significant uncertainty exists in relation to estimated timeframe for which Council remains responsible for rehabilitation of the closed landfill sites.

11 Leases

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

In respect of finance leases, where Council substantially carries all of the risks incident to ownership, the leased items are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed within the appropriate asset class and are amortised to expense over the period during which the Council is expected to benefit from the use of the leased assets. Lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

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

12 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".

For works undertaken on a fixed price contract basis, revenues and expenses are recognised on a percentage of completion basis. Costs incurred in advance of a future claimed entitlement are classified as work in progress in inventory. When it is probable

that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

13 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.

14 New accounting standards and UIG interpretations

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

Yorke Peninsula Council has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

AASB 7 Financial Instruments - Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and have the effect that non-contractual receivables (e.g. rates & charges) are now treated as financial instruments. Although the disclosures made in Note 13 Financial Instruments have changed, there are no changes to the amounts disclosed.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities, which will commence from 1 July 2019, affect the timing with which revenues, particularly special purpose grants, are recognised. Amounts received in relation to contracts with sufficiently specific

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

Note 1. Summary of Significant Accounting Policies (continued)

performance obligations will in future only be recognised as these obligations are fulfilled. In these Statements, the sum of \$17,000 has been recognised as revenue, in accordance with the current Standard. This amount relates to revenue generated by the sale of interment rights, in future this revenue will continued to be recognised on receipt as application of the new Standard will result in a non-material adjustment.

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for non-material amounts - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2019, Council has no leases to which this treatment will need to be applied.

Effective for annual reporting periods beginning on or after 1 January 2019

- AASB 15 Revenue from Contracts with Customers
- AASB 16 Leases
- AASB 16 Leases (Appendix D)
- AASB 1058 Income of Not-for-Profit Entities
- AASB 1058 Income of Not-for-Profit Entities Appendix D)
- AASB 1059 Service Concession Arrangements: Grantors
- AASB 1059 Service Concession Arrangements: Grantors (Appendix D)
- AASB 2016-8 Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities
- AASB 2017-1 Amendments to Australian Accounting Standards - Transfers of Investment Property, Annual Improvements 2014-2016 Cycle and Other Amendments

- AASB 2017-4 Amendments to Australian Accounting Standards – Uncertainty over Income Tax Treatments
- AASB 2017-6 Amendments to Australian Accounting Standards – Prepayment Features with Negative Compensation
- AASB 2017-7 Amendments to Australian Accounting Standards – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments to Australian Accounting Standards – Annual Improvements 2015–2017 Cycle
- AASB 2018-2 Amendments to Australian Accounting Standards – Plan Amendment, Curtailment or Settlement
- AASB 2018-3 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements
- AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Public Sector Licensors
- AASB 2018-5 Amendments to Australian Accounting Standards - Deferral of AASB 1059

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

- AASB 17 Insurance Contracts
- AASB 17 Insurance Contracts (Appendix D)

15 Comparative Figures

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

16 Disclaimer

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

Yorke Peninsula Council

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

Note 2. Income

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|---------------|---------------|
| (a). Rates Revenues | | | |
| General Rates | | | |
| General Rates | | 17,826 | 16,999 |
| Less: Mandatory Rebates | | (115) | (112) |
| Less: Discretionary Rebates, Remissions & Write Offs | | (30) | (20) |
| Total General Rates | | 17,681 | 16,867 |
| Other Rates (Including Service Charges) | | | |
| Natural Resource Management Levy | | 1,044 | 995 |
| Waste Collection | | 2,476 | 2,373 |
| Water Supply | | 163 | 159 |
| Community Wastewater Management Systems | | 1,515 | 1,465 |
| Separate & Special Rates | | 48 | 48 |
| Total Other Rates | | 5,246 | 5,040 |
| Other Charges | | | |
| Penalties for Late Payment | | 94 | 87 |
| Total Other Charges | | 94 | 87 |
| Total Rates Revenues | | 23,021 | 21,994 |
| (b). Statutory Charges | | | |
| Development Act Fees | | 192 | 191 |
| Health & Septic Tank Inspection Fees | | 34 | 30 |
| Animal Registration Fees & Fines | | 105 | 113 |
| Parking Fines / Expiation Fees | | 35 | 25 |
| Other Registration Fees | | 11 | 10 |
| Sundry | | 27 | 27 |
| Total Statutory Charges | | 404 | 396 |
| (c). User Charges | | | |
| Cemetery Fees | | 22 | 21 |
| Commercial Activity Revenue | | 135 | 110 |
| Hall & Equipment Hire / Property Lease | | 50 | 36 |
| Sundry | | 74 | 69 |
| Commercial Activity Revenue (Caravan Parks) | | 2,913 | 2,710 |
| Boat Ramp Fees | | 157 | 164 |
| Refuse Disposal | | 58 | 48 |
| Water | | 194 | 169 |
| Commercial Activity Revenue (Art Exhibition) | | - | 40 |
| YP Leisure Options | | 140 | 19 |
| Total User Charges | | 3,743 | 3,386 |

Yorke Peninsula Council

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

Note 2. Income (continued)

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|--------------|--------------|
| (d). Investment Income | | | |
| Interest on Investments | | | |
| - Local Government Finance Authority | | 189 | 169 |
| - Banks & Other | | 6 | 7 |
| - Loans to Community Groups | | 36 | 41 |
| Total Investment Income | | 231 | 217 |
| (e). Reimbursements | | | |
| Community Group Reimbursements | | 93 | 221 |
| Insurance Reimbursements | | 87 | 126 |
| Government Agencies Reimbursements | | 31 | 94 |
| Public Corporations | | - | 183 |
| Other | | 66 | 89 |
| Total Reimbursements | | 277 | 713 |
| (f). Other Income | | | |
| Rebates Received | | 178 | 346 |
| Sundry | | 39 | 49 |
| Total Other Income | | 217 | 395 |
| (g). Grants, Subsidies, Contributions | | | |
| Amounts Received Specifically for New or Upgraded Assets | | 36 | 22 |
| Other Grants, Subsidies and Contributions | | 3,957 | 4,661 |
| Total Grants, Subsidies, Contributions | | 3,993 | 4,683 |
| The functions to which these grants relate are shown in Note 12. | | | |
| (i) Sources of grants | | | |
| Commonwealth Government | | 36 | 1,259 |
| State Government | | 3,885 | 3,261 |
| Other | | 72 | 163 |
| Total | | 3,993 | 4,683 |

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

Note 2. Income (continued)

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|----------------|----------------|
| (h). Conditions over Grants & Contributions | | | |
| Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows: | | | |
| Unexpended at the close of the previous reporting period | | 1,408 | 1,335 |
| <i>Less:</i> | | | |
| <i>Expended during the current period from revenues recognised in previous reporting periods</i> | | | |
| SLGIP - Main Township Footpath Replacement Program | | (49) | - |
| National Science Week | | (3) | - |
| Open Space and Places for People Grants | | - | (46) |
| Regional Aviation Access Programme - Remote Airstrip Upgrade Grant | | - | (5) |
| Untied - Financial Assistance Grants (Paid in Advance) | | (1,216) | (1,144) |
| Subtotal | | (1,268) | (1,195) |
| <i>Plus:</i> | | | |
| <i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i> | | | |
| Regional Aviation Program Grant | | 43 | - |
| CWMS Expansion Grant | | 40 | - |
| Biosecurity Management of Pests and Weeds Grant | | 31 | - |
| Untied - Financial Assistance Grants (Paid in Advance) | | 1,201 | 1,216 |
| Supplementary Local Road Funding (Paid in Advance) | | 811 | - |
| National Science Week | | - | 3 |
| SLGIP - Main Township Footpath Replacement Program | | - | 49 |
| Subtotal | | 2,126 | 1,268 |
| Unexpended at the close of this reporting period | | 2,266 | 1,408 |
| Net increase (decrease) in assets subject to conditions in the current reporting period | | 858 | 73 |
| (i). Physical Resources Received Free of Charge | | | |
| Plant, Equipment and Other Assets | | 49 | - |
| Total Physical Resources Received Free of Charge | | 49 | - |

Yorke Peninsula Council

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

Note 3. Expenses

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|--------------|--------------|
| (a). Employee Costs | | | |
| Salaries and Wages | | 7,631 | 7,687 |
| Employee Leave Expense | | 825 | 683 |
| Superannuation - Defined Contribution Plan Contributions | 18 | 615 | 598 |
| Superannuation - Defined Benefit Plan Contributions | 18 | 186 | 185 |
| Workers' Compensation Insurance | | 246 | 303 |
| Other | | 305 | 293 |
| Less: Capitalised and Distributed Costs | | (1,060) | (956) |
| Total Operating Employee Costs | | 8,748 | 8,793 |
| Total Number of Employees (full time equivalent at end of reporting period) | | 115 | 114 |
| (b). Materials, Contracts and Other Expenses | | | |
| (i) Prescribed Expenses | | | |
| Auditor's Remuneration | | | |
| - Auditing the Financial Reports | | 23 | 25 |
| Bad and Doubtful Debts | | - | 10 |
| Elected Members' Expenses | | 289 | 284 |
| Election Expenses | | 62 | 4 |
| Operating Lease Rentals - Non-Cancellable Leases | 17 | | |
| - Minimum Lease Payments | | 78 | 87 |
| Subtotal - Prescribed Expenses | | 452 | 410 |
| (ii) Other Materials, Contracts and Expenses | | | |
| Contractors | | 3,119 | 3,192 |
| Energy | | 785 | 772 |
| Underground Power Lines | | - | 507 |
| Legal Expenses | | 42 | 87 |
| Levies Paid to Government - NRM levy | | 1,041 | 995 |
| Levies - Other | | 53 | 55 |
| Parts, Accessories & Consumables | | 1,394 | 1,174 |
| Professional Services | | 541 | 358 |
| Sundry | | 642 | 614 |
| Water | | 652 | 630 |
| Insurance | | 470 | 475 |
| Professional Services - Waste Management | | 2,383 | 2,599 |
| Community Grants / Donations / Sponsorship | | 187 | 239 |
| Contribution - Community Seawall | | - | 182 |
| License Fees - Information Technology | | 263 | 235 |
| Subscriptions | | 55 | 63 |

(continued on next page)

Yorke Peninsula Council

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

Note 3. Expenses (continued)

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|---------------|---------------|
| (b). Materials, Contracts and Other Expenses (continued) | | | |
| (ii) Other Materials, Contracts and Expenses (continued) | | | |
| Telecommunications - Phones, Internet, Wireless Area Network | | 219 | 208 |
| Contribution - Yorke Peninsula Community Transport | | 77 | 71 |
| Plant & Machinery - Registration | | 128 | 112 |
| Contribution - Regional Development Australia | | 31 | 30 |
| Contribution - Yorke Peninsula Tourism | | 53 | 48 |
| Bank Charges | | 69 | 70 |
| Roadside Vegetation Maintenance - Contractors | | 393 | 445 |
| Subtotal - Other Material, Contracts & Expenses | | 12,597 | 13,161 |
| Total Materials, Contracts and Other Expenses | | 13,049 | 13,571 |
| (c). Depreciation, Amortisation and Impairment | | | |
| (i) Depreciation and Amortisation | | | |
| Buildings & Other Structures | | 2,672 | 1,619 |
| Stormwater Drainage | | 165 | 165 |
| CWMS | | 499 | 488 |
| Transport Infrastructure | | 5,639 | 5,307 |
| Water Scheme Infrastructure | | 70 | 71 |
| Plant, Equipment & Other Assets | | 1,546 | 1,511 |
| Subtotal | | 10,591 | 9,161 |
| (ii) Impairment | | | |
| Plant & Equipment | | - | 25 |
| Buildings & Structures | | 54 | - |
| Subtotal | | 54 | 25 |
| Less: Impairment Expense Offset to Asset Revaluation Reserve | 9 | (54) | - |
| Total Depreciation, Amortisation and Impairment | | 10,591 | 9,186 |
| (d). Finance Costs | | | |
| Interest on Loans | | 386 | 376 |
| Total Finance Costs | | 386 | 376 |

Yorke Peninsula Council

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

Note 4. Asset Disposal & Fair Value Adjustments

| \$ '000 | Notes | 2019 | 2018 |
|---|-------|----------------|----------------|
| Infrastructure, Property, Plant & Equipment | | | |
| (i) Assets Renewed or Directly Replaced | | | |
| Proceeds from Disposal | | 348 | 408 |
| Less: Carrying Amount of Assets Sold | | (1,708) | (1,475) |
| Gain (Loss) on Disposal | | (1,360) | (1,067) |
| (ii) Assets Surplus to Requirements | | | |
| Proceeds from Disposal* | | 818 | 26 |
| Less: Carrying Amount of Assets Sold* | | (712) | (136) |
| Gain (Loss) on Disposal | | 106 | (110) |
| Net Gain (Loss) on Disposal or Revaluation of Assets | | (1,254) | (1,177) |

* Includes the disposal of a property which settled on 5 July 2019.

Note 5. Current Assets

| | | | |
|--|--|--------------|--------------|
| (a). Cash & Cash Equivalents | | | |
| Cash on Hand at Bank | | 376 | 94 |
| Deposits at Call | | 7,395 | 6,061 |
| Total Cash & Cash Equivalents | | 7,771 | 6,155 |
| (b). Trade & Other Receivables | | | |
| Rates - General & Other | | 795 | 863 |
| Accrued Revenues | | 61 | 60 |
| Debtors - General | | 377 | 468 |
| GST Recoupment | | 224 | 235 |
| Prepayments | | 306 | 280 |
| Loans to Community Organisations | | 96 | 87 |
| Debtors - Land Sales | | 209 | - |
| Total Trade & Other Receivables | | 2,068 | 1,993 |
| (c). Inventories | | | |
| Stores & Materials | | 369 | 365 |
| Trading Stock | | 7 | 7 |
| Total Inventories | | 376 | 372 |

Note 6. Non-Current Assets

| | | | |
|----------------------------------|--|------------|------------|
| (a). Financial Assets | | | |
| Loans to Community Organisations | | 635 | 605 |
| Total Financial Assets | | 635 | 605 |

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

Note 7a. Infrastructure, Property, Plant & Equipment

| | Fair Value Level | as at 30/6/2018 | | | | Asset Movements during the Reporting Period | | | | | | | | | | as at 30/6/2019 | | | |
|--|------------------|-----------------|---------------|----------------|----------------|---|--------------|------------------------|--------------------------------|---|---|---------------|-------------------------|---|---|-----------------|---------------|----------------|----------------|
| | | At Fair Value | At Cost | Acc. Dep'n | Carrying Value | New / Upgrade | Renewals | WDV of Asset Disposals | Depreciation Expense (Note 3c) | Impairment Loss (recognised in P/L) (Note 3c) | Impairment Loss (recognised in Equity) (Note 9) | WIP Transfers | Adjustments & Transfers | Revaluation Decrements to Equity (ARR) (Note 9) | Revaluation Increments to Equity (ARR) (Note 9) | At Fair Value | At Cost | Acc. Dep'n | Carrying Value |
| | | | | | | | | | | | | | | | | | | | |
| \$ '000 | | | | | | | | | | | | | | | | | | | |
| Capital Work in Progress | | - | 334 | - | 334 | 124 | 473 | - | - | - | - | (318) | - | - | - | - | 613 | - | 613 |
| Land | 2 | 73,436 | 406 | - | 73,842 | 86 | - | (712) | - | - | - | - | - | - | 3,773 | 76,904 | 85 | - | 76,989 |
| Buildings & Other Structures | 2 | 5,342 | 2,230 | 1,483 | 6,089 | - | - | - | (4) | - | - | - | (5,673) | (407) | - | - | 482 | - | 477 |
| Buildings & Other Structures | 3 | 84,517 | 2,817 | 49,514 | 37,820 | 165 | 312 | (450) | (2,668) | - | (54) | 44 | 5,347 | - | 2,713 | 96,179 | 521 | 53,471 | 43,229 |
| Stormwater Drainage | 3 | 12,050 | 146 | 3,753 | 8,443 | 17 | 5 | - | (165) | - | - | 231 | - | - | - | 12,050 | 398 | 3,917 | 8,531 |
| CWMS | 3 | 24,788 | 1,360 | 9,727 | 16,421 | 45 | 214 | (87) | (499) | - | - | - | - | - | - | 24,612 | 1,619 | 10,137 | 16,094 |
| Transport Infrastructure | 3 | 222,970 | 19,734 | 110,033 | 132,671 | 150 | 6,774 | (686) | (5,639) | - | - | 16 | - | - | 8,174 | 255,487 | 6,939 | 120,966 | 141,460 |
| Water Scheme Infrastructure | 3 | 3,672 | 116 | 946 | 2,842 | - | 49 | (6) | (70) | - | - | - | - | - | - | 3,664 | 163 | 1,012 | 2,815 |
| Plant & Equipment | | - | 13,384 | 5,742 | 7,642 | - | - | - | - | - | - | - | (7,642) | - | - | - | - | - | - |
| Furniture & Fittings | | - | 2,615 | 993 | 1,622 | - | - | - | - | - | - | - | (1,622) | - | - | - | - | - | - |
| Plant, Equipment & Other Assets | | - | - | - | - | 126 | 1,722 | (479) | (1,546) | - | - | 27 | 15,145 | - | - | - | 25,374 | 10,379 | 14,995 |
| Other Assets | | - | 8,892 | 3,337 | 5,555 | - | - | - | - | - | - | - | (5,555) | - | - | - | - | - | - |
| Total Infrastructure, Property, Plant & Equipment | | 426,775 | 52,034 | 185,528 | 293,281 | 713 | 9,549 | (2,420) | (10,591) | - | (54) | - | - | (407) | 14,660 | 469,378 | 35,712 | 200,359 | 304,731 |
| Comparatives | | 431,571 | 44,937 | 182,333 | 294,175 | 2,499 | 7,193 | (1,611) | (9,161) | (25) | - | - | - | (570) | 781 | 426,775 | 52,034 | 185,528 | 293,281 |

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

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

\$ '000

Valuation of Assets

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

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

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

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

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

Refer to Note 7a for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on Valuations

Fair Value Hierarchy Level 2 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.

Fair Value Hierarchy Level 3 Valuations of Buildings, Infrastructure and Other Assets

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

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

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

Highest and best use

The following non financial assets of Council are being utilised at other than their highest and best use:

For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

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

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

\$ '000

Valuation of Assets (continued)

Highest and best use (continued)

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

Land

- Basis of valuation: Fair Value
- Date of valuation: 01 July 2018
- Date of next valuation: 01 July 2022
- Valuer: Jones Lang LaSalle

The resultant increase to asset carrying values due to revaluation was \$3.8 million.

Buildings & Other Structures

- Basis of valuation: Fair Value
- Date of valuation: 01 July 2018
- Date of next valuation: 01 July 2022
- Valuer: Jones Lang LaSalle

As a result of unit rate increases and changes in assumptions relating to the estimated useful lives of assets, applied as at 1 July 2018 the written down value of assets increased by \$2.3 million with a corresponding increase to annual depreciation of \$1.0 million.

Infrastructure

Transport Infrastructure

- Basis of valuation: Written down current replacement cost
- Date of valuation: 1 July 2018
- Date of next valuation: 01 July 2019
- Valuer: Tonkin Consulting

As a result of unit rate increases the written down value of assets increased by \$8.2 million as at 1 July 2018, with a corresponding estimated increase to annual depreciation of \$330,000.

Stormwater Drainage

- Basis of valuation: Written down current replacement cost
- Date of valuation: 1 July 2014
- Date of next valuation: 01 July 2019
- Valuer: Tonkin Consulting

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

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

\$ '000

Valuation of Assets (continued)

Community Wastewater Management Schemes

- Basis of valuation: Written down current replacement cost
- Date of valuation: 1 July 2014
- Date of next valuation: 01 July 2019
- Valuer: Tonkin Consulting

Water Supply Schemes

- Basis of valuation: Written down current replacement cost
- Date of valuation: 1 July 2015
- Date of next valuation: 01 July 2019
- Valuer: Tonkin Consulting

Plant, Equipment and Other Assets

The following asset classes are recognised on the cost basis and were amalgamated into the Plant, Equipment and Other Assets class for financial reporting purposes as at 1 July 2018:

- Plant and Equipment
- Furniture & Fittings
- Other Assets

These assets continue to be recognised on the cost basis. The consolidation of these asset classes has no impact on the financial performance or financial position of Council.

Note 8. Liabilities

| \$ '000 | Notes | 2019 | 2019 | 2018 | 2018 |
|--|-------|--------------|-------------|--------------|-------------|
| | | Current | Non Current | Current | Non Current |
| Goods & Services | | 1,255 | - | 999 | - |
| Payments Received in Advance | | 65 | - | 7 | - |
| Accrued Expenses - Employee Entitlements | | 306 | - | 306 | - |
| Accrued Expenses - Other | | 262 | - | 300 | - |
| Deposits, Retentions & Bonds | | 11 | - | 10 | - |
| Total Trade and Other Payables | | 1,899 | - | 1,622 | - |

(b). Borrowings

| | | | | |
|-------------------------|------------|--------------|------------|--------------|
| Loans | 831 | 7,472 | 688 | 7,027 |
| Total Borrowings | 831 | 7,472 | 688 | 7,027 |

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

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

Note 8. Liabilities (continued)

| | | 2019 | 2019 | 2018 | 2018 |
|--|-------|---------|-------------|---------|-------------|
| \$ '000 | Notes | Current | Non Current | Current | Non Current |
| (c). Provisions | | | | | |
| Future Reinstatement / Restoration, etc | | 15 | 125 | 15 | 94 |
| Employee Entitlements - Annual Leave | | 773 | - | 790 | - |
| Employee Entitlements - Long Service Leave | | 1,573 | 157 | 1,405 | 135 |
| Total Provisions | | 2,361 | 282 | 2,210 | 229 |

Note 9. Reserves

| \$ '000 | 1/7/2018 | Increments (Decrements) | Transfers | Impairments | 30/6/2019 |
|--|----------------|----------------------------|-----------|-------------|----------------|
| (a). Asset Revaluation Reserve | | | | | |
| Land | 73,286 | 3,773 | - | - | 77,059 |
| Buildings & Other Structures | 48,425 | 2,306 | - | (54) | 50,677 |
| Stormwater Drainage | 9,758 | - | - | - | 9,758 |
| CWMS | 15,420 | - | - | - | 15,420 |
| Transport Infrastructure | 151,939 | 8,174 | - | - | 160,113 |
| Water Scheme Infrastructure | 2,073 | - | - | - | 2,073 |
| Total Asset Revaluation Reserve | 300,901 | 14,253 | - | (54) | 315,100 |
| Comparatives | 300,690 | 211 | - | - | 300,901 |

(b). Other Reserves

| | | | | | |
|-------------------------------------|--------------|--------------|----------------|----------|--------------|
| Combined Water Supply Reserve | 355 | 252 | (170) | - | 437 |
| Combined Effluent Reserve | 949 | 1,738 | (1,182) | - | 1,505 |
| Hardwicke Bay Effluent Augmentation | 192 | 6 | - | - | 198 |
| Hardwicke Bay Water Augmentation | 41 | - | - | - | 41 |
| Point Souttar Effluent Augmentation | 52 | 4 | - | - | 56 |
| Total Other Reserves | 1,589 | 2,000 | (1,352) | - | 2,237 |
| Comparatives | 1,130 | 1,759 | (1,300) | - | 1,589 |

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).

Combined Water Supply Reserve

Balance of historic cash flows associated with operation of Council's water supply schemes in Balgowan, Black Point and Hardwicke Bay. This balance does not represent the under or over-recovery of costs for the scheme. This reserve is not cash backed.

Yorke Peninsula Council

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

Note 9. Reserves (continued)

\$ '000

(b). Other Reserves (continued)

Combined Effluent Reserve

Balance of historic cash flows associated with operation of Council's combined Community Wastewater Management Schemes (CWMS). This balance does not represent the under or over-recovery of costs for the combined schemes. This reserve is not cash backed.

Hardwicke Bay Effluent Augmentation

Contributions made under land management agreements quarantined for potential expansion/upgrade of CWMS infrastructure to specific properties in Hardwicke Bay. This reserve is not cash backed.

Hardwicke Bay Water Augmentation

Contribution from land division (as condition of approval) quarantined for potential expansion/upgrade of water supply infrastructure to specific properties in Hardwicke Bay. This reserve is not cash backed.

Point Souttar Effluent Augmentation

Contributions made under land management agreements quarantined for potential expansion/upgrade of CWMS infrastructure to specific properties in Point Souttar. This reserve is not cash backed.

Note 10. Assets Subject to Restrictions

\$ '000

Notes

2019

2018

The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

Cash & Financial Assets

Open Space Contributions

134

143

CWMS Subsidy Funding

53

-

Total Cash & Financial Assets

187

143

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

Note 11. Reconciliation to Statement of Cash Flows

| \$ '000 | Notes | 2019 | 2018 |
|--|-------|----------------|----------------|
| (a). Reconciliation of Cash | | | |
| Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows: | | | |
| Total Cash & Equivalent Assets | 5 | 7,771 | 6,155 |
| Balances per Statement of Cash Flows | | 7,771 | 6,155 |
| (b). Reconciliation of Change in Net Assets to Cash from Operating Activities | | | |
| Net Surplus/(Deficit) | | (2,093) | (1,319) |
| Non-Cash Items in Income Statements | | | |
| Depreciation, Amortisation & Impairment | | 10,591 | 9,186 |
| Non-Cash Asset Acquisitions | | (49) | - |
| Grants for Capital Acquisitions (Treated as Investing Activity Receipts) | | (36) | (22) |
| Net (Gain) Loss on Disposals | | 1,254 | 1,177 |
| | | 9,667 | 9,022 |
| Add (Less): Changes in Net Current Assets | | | |
| Net (Increase)/Decrease in Receivables | | (66) | (11) |
| Net (Increase)/Decrease in Inventories | | (4) | 386 |
| Net Increase/(Decrease) in Trade & Other Payables | | 276 | (557) |
| Net Increase/(Decrease) in Unpaid Employee Benefits | | (17) | (68) |
| Net Increase/(Decrease) in Other Provisions | | 221 | 79 |
| Net Cash provided by (or used in) operations | | 10,077 | 8,851 |
| (c). Non-Cash Financing and Investing Activities | | | |
| Acquisition of assets by means of: | | | |
| - Physical Resources Received Free of Charge | 2i | 49 | - |
| Total Non-Cash Financing & Investing Activities | | 49 | - |
| (d). Financing Arrangements | | | |
| Unrestricted access was available at balance date to the following lines of credit: | | | |
| Bank Overdrafts | | 100 | 100 |
| Corporate Credit Cards | | 41 | 31 |
| LGFA Cash Advance Debenture Facility | | 3,000 | 3,000 |

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

Yorke Peninsula Council

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

Note 12a. Functions

| Functions/Activities | Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b). | | | | | | | | | |
|-----------------------------------|---|----------------|----------------|----------------|--------------------------------|----------------|------------------------------|----------------|---|----------------|
| | INCOME | | EXPENSES | | OPERATING SURPLUS (DEFICIT) | | GRANTS INCLUDED IN INCOME | | TOTAL ASSETS HELD (CURRENT & NON-CURRENT) | |
| | Actual 2019 | Actual 2018 | Actual 2019 | Actual 2018 | Actual 2019 | Actual 2018 | Actual 2019 | Actual 2018 | Actual 2019 | Actual 2018 |
| \$ '000 | | | | | | | | | | |
| Business Undertakings | 3,139 | 3,088 | 2,582 | 2,896 | 557 | 192 | 77 | 76 | (68,802) | 22,516 |
| Community Services | 418 | 297 | 3,414 | 2,578 | (2,996) | (2,281) | 120 | 139 | 32,969 | 32,586 |
| Culture | 15 | 64 | 206 | 200 | (191) | (136) | 14 | 21 | 2,091 | 2,063 |
| Community Wastewater Management | 1,744 | 1,517 | 1,366 | 1,154 | 378 | 363 | 220 | 52 | 17,088 | 17,344 |
| Environment | 1,075 | 1,176 | 2,262 | 2,245 | (1,187) | (1,069) | 31 | 14 | 102,498 | 11,283 |
| Recreation | 240 | 252 | 2,377 | 2,314 | (2,137) | (2,062) | 17 | 64 | 55,471 | 52,431 |
| Regulatory Services | 396 | 389 | 1,671 | 1,672 | (1,275) | (1,283) | - | 11 | - | - |
| Tourism | 22 | 25 | 224 | 331 | (202) | (306) | - | - | 107 | 106 |
| Transport & Communication | 2,081 | 2,844 | 9,059 | 8,848 | (6,978) | (6,004) | - | 1,538 | 149,953 | 140,297 |
| Waste Management | 2,548 | 2,427 | 2,514 | 2,730 | 34 | (303) | 10 | - | 1,536 | 1,277 |
| Water Supply | 356 | 328 | 217 | 276 | 139 | 52 | - | - | 2,861 | 2,883 |
| Council Administration | 19,816 | 19,355 | 6,882 | 6,682 | 12,934 | 12,673 | 3,468 | 2,746 | 19,809 | 19,620 |
| Total Functions/Activities | 31,850 | 31,762 | 32,774 | 31,926 | (924) | (164) | 3,957 | 4,661 | 315,581 | 302,406 |

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

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

Note 12b. Components of Functions

\$ '000

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Caravan Parks, Electricity Supply, Gravel Pits / Quarries, Marinas / Boat Havens, Private Works, Property Portfolio, and Other.

COMMUNITY SERVICES

Public Order and Safety, Crime Prevention, Emergency Services, Other Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Nursing Homes, Preventive Health Services, Other Health Services, Community Support, Elderly Citizens Facilities, Home Assistance Scheme, Other Services for the Aged and Disabled, Child Care Centres, Children and Youth Services, Community Assistance, Family and Neighbourhood Support, Other Community Support, Community Amenities, Bus Shelters, Cemeteries / Crematoria, Public Conveniences, Car Parking – non-fee-paying, Telecommunications Networks, and Other Community Amenities.

CULTURE

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.

COMMUNITY WASTEWATER MANAGEMENT

Community Wastewater Management Schemes.

ENVIRONMENT

Agricultural Services, Agricultural Water, Animal/Plant Boards, Landcare, Other Agricultural Services, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

RECREATION

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

REGULATORY SERVICES

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

TRANSPORT

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

WASTE MANAGEMENT

Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility and Other Waste Management.

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

Note 12b. Components of Functions (continued)

\$ '000

WATER SUPPLY

Water Supply - domestic.

COUNCIL ADMINISTRATION

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

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 & Conditions:

Deposits are returning fixed interest rates between 1.25% and 2.15% (2018: 1.5% and 2.15%). Short term deposits have an average maturity of 60 days and an average interest rate of 2% (2018: 60 days and 1.71%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables

Rates & Associated Charges

(including legals & penalties for late payment)

Accounting Policy:

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

Terms & Conditions:

Secured over the subject land, arrears attract interest. 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).

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

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

Note 13. Financial Instruments (continued)

\$ '000

Recognised Financial Instruments

Receivables

Fees & Other Charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables

Other Levels of Government

Accounting Policy:

Carried at nominal value.

Terms & Conditions:

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

Carrying Amount:

Approximates fair value.

Liabilities

Creditors and Accruals

Accounting Policy:

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

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities

Interest Bearing Borrowings

Accounting Policy:

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

Terms & Conditions:

Secured over future revenues, borrowings are repayable on a six monthly basis; interest is charged at fixed rates between 3.49% and 7.95% (2018: 4.00% and 7.95%).

Carrying Amount:

Approximates fair value.

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

Note 13. Financial Instruments (continued)

| \$ '000 | Due < 1 year | Due > 1 year & ≤ 5 years | Due > 5 years | Total Contractual Cash Flows | Carrying Values |
|-------------------------------------|-----------------|-----------------------------|------------------|---------------------------------|--------------------|
| 2019 | | | | | |
| <u>Financial Assets</u> | | | | | |
| Cash & Equivalents | 7,771 | - | - | 7,771 | 7,771 |
| Receivables | 2,102 | - | - | 2,102 | 1,908 |
| Other Financial Assets | - | 485 | 246 | 731 | 635 |
| Total Financial Assets | 9,873 | 485 | 246 | 10,604 | 10,314 |
| <u>Financial Liabilities</u> | | | | | |
| Payables | 1,331 | - | - | 1,331 | 1,331 |
| Current Borrowings | 1,193 | - | - | 1,193 | 831 |
| Non-Current Borrowings | - | 4,418 | 4,626 | 9,044 | 7,472 |
| Total Financial Liabilities | 2,524 | 4,418 | 4,626 | 11,568 | 9,634 |
| 2018 | | | | | |
| <u>Financial Assets</u> | | | | | |
| Cash & Equivalents | 6,155 | - | - | 6,155 | 6,155 |
| Receivables | 2,026 | - | - | 2,026 | 1,735 |
| Other Financial Assets | - | 433 | 284 | 717 | 605 |
| Total Financial Assets | 8,181 | 433 | 284 | 8,898 | 8,495 |
| <u>Financial Liabilities</u> | | | | | |
| Payables | 1,017 | - | - | 1,017 | 1,016 |
| Current Borrowings | 1,041 | - | - | 1,041 | 688 |
| Non-Current Borrowings | - | 3,934 | 4,788 | 8,722 | 7,027 |
| Total Financial Liabilities | 2,058 | 3,934 | 4,788 | 10,780 | 8,731 |

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

| | 30 June 2019 | | 30 June 2018 | |
|----------------------|-------------------------------|-------------------|-------------------------------|-------------------|
| | Weighted Avg Interest Rate | Carrying Value | Weighted Avg Interest Rate | Carrying Value |
| Fixed Interest Rates | 4.48% | 8,303 | 4.58% | 7,715 |
| | | 8,303 | | 7,715 |

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 Council is the carrying amount, net of any allowance for doubtful debts. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

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

Note 13. Financial Instruments (continued)

\$ '000

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.

Note 14. Commitments for Expenditure

\$ '000

Notes

2019

2018

(a). Capital Commitments

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

| | | |
|--------------------------|------------|--------------|
| CWMS | 40 | - |
| Plant & Equipment | - | 301 |
| Transport Infrastructure | 421 | 1,200 |
| | 460 | 1,501 |

These expenditures are payable:

| | | |
|--|------------|--------------|
| Not later than one year | 460 | 1,501 |
| Later than one year and not later than 5 years | - | - |
| Later than 5 years | - | - |
| | 460 | 1,501 |

(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 | 67 | 87 |
| Employee Remuneration Contracts | 1,498 | 1,080 |
| Other Externally Contracted Services | 13,791 | 1,718 |
| | 15,356 | 2,885 |

These expenditures are payable:

| | | |
|--|---------------|--------------|
| Not later than one year | 3,151 | 2,112 |
| Later than one year and not later than 5 years | 9,427 | 773 |
| Later than 5 years | 2,778 | - |
| | 15,356 | 2,885 |

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

Note 15. Financial Indicators

| | Amounts | Indicator | Prior Periods | |
|---------|---------|-----------|---------------|------|
| \$ '000 | 2019 | 2019 | 2018 | 2017 |

These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

| | | | | |
|------------------------|--------|--------|--------|------|
| Operating Surplus | (924) | (2.9%) | (0.5%) | 0.3% |
| Total Operating Income | 31,850 | | | |

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

Adjustments to Ratios

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.

| | | | |
|---|--------|--------|--------|
| Adjusted Operating Surplus Ratio | (5.4%) | (0.7%) | (3.2%) |
|---|--------|--------|--------|

2. Net Financial Liabilities Ratio

| | | | | |
|---------------------------|--------|----|-----|-----|
| Net Financial Liabilities | 2,371 | 7% | 10% | 10% |
| Total Operating Income | 31,850 | | | |

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.

3. Asset Renewal Funding Ratio

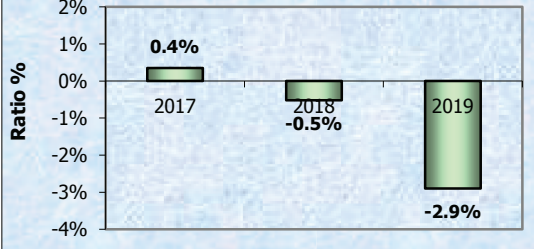
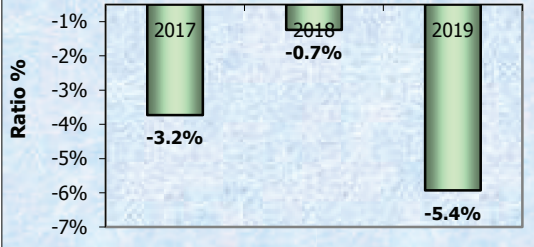
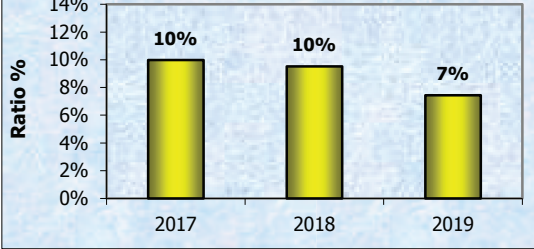
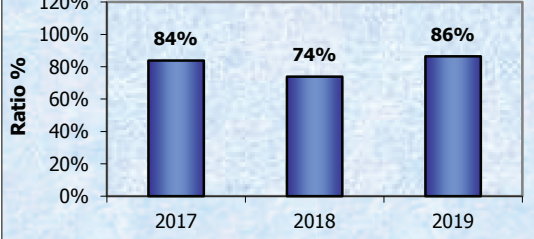
| | | | | |
|---|--------|-----|-----|-----|
| Net Asset Renewals | 9,152 | 86% | 74% | 84% |
| Infrastructure & Asset Management Plan required expenditure | 10,591 | * | * | * |

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.

** Amounts show above an asterisk (*) indicate that depreciation expense has been used as a proxy, pending finalisation of the Infrastructure and Asset Management Plans.*

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

Note 15. Financial Indicators - Graphs (continued)

| <p>1. Operating Surplus Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>0.4%</td> </tr> <tr> <td>2018</td> <td>-0.5%</td> </tr> <tr> <td>2019</td> <td>-2.9%</td> </tr> </tbody> </table> | Year | Ratio % | 2017 | 0.4% | 2018 | -0.5% | 2019 | -2.9% | <p>Purpose of Operating Surplus Ratio</p> <p>This indicator is to determine the percentage the operating revenue varies from operating expenditure</p> | <p>Commentary on 2018/19 Result</p> <p>2018/19 Ratio -2.9%</p> <p>Operating Surplus Ratio negatively impacted by increased depreciation of \$1.4M following revaluation of both Transport Infrastructure and Land, Buildings & Other Structures asset classes.</p> |
|---|---------|---------|------|-------|------|-------|------|-------|--|--|
| Year | Ratio % | | | | | | | | | |
| 2017 | 0.4% | | | | | | | | | |
| 2018 | -0.5% | | | | | | | | | |
| 2019 | -2.9% | | | | | | | | | |
| <p>Adjusted Operating Surplus Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>-3.2%</td> </tr> <tr> <td>2018</td> <td>-0.7%</td> </tr> <tr> <td>2019</td> <td>-5.4%</td> </tr> </tbody> </table> | Year | Ratio % | 2017 | -3.2% | 2018 | -0.7% | 2019 | -5.4% | <p>Purpose of Adjusted Operating Surplus Ratio</p> <p>This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure</p> | <p>Commentary on 2018/19 Result</p> <p>2018/19 Ratio -5.4%</p> <p>Adjusted Operating Surplus Ratio matches Financial Assistance Grant income to the relevant year resulting in an \$804k reduction to operating income.</p> |
| Year | Ratio % | | | | | | | | | |
| 2017 | -3.2% | | | | | | | | | |
| 2018 | -0.7% | | | | | | | | | |
| 2019 | -5.4% | | | | | | | | | |
| <p>2. Net Financial Liabilities Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>10%</td> </tr> <tr> <td>2018</td> <td>10%</td> </tr> <tr> <td>2019</td> <td>7%</td> </tr> </tbody> </table> | Year | Ratio % | 2017 | 10% | 2018 | 10% | 2019 | 7% | <p>Purpose of Net Financial Liabilities Ratio</p> <p>This indicator shows the significance of the net amount owed to others, compared to operating revenue</p> | <p>Commentary on 2018/19 Result</p> <p>2018/19 Ratio 7%</p> <p>Net Financial Liabilities Ratio positively impacted by \$804k advanced Financial Assistance Grant income.</p> |
| Year | Ratio % | | | | | | | | | |
| 2017 | 10% | | | | | | | | | |
| 2018 | 10% | | | | | | | | | |
| 2019 | 7% | | | | | | | | | |
| <p>3. Asset Renewal Funding Ratio</p>  <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>84%</td> </tr> <tr> <td>2018</td> <td>74%</td> </tr> <tr> <td>2019</td> <td>86%</td> </tr> </tbody> </table> | Year | Ratio % | 2017 | 84% | 2018 | 74% | 2019 | 86% | <p>Purpose of Asset Renewal Funding Ratio</p> <p>This indicator aims to determine if assets are being renewed and replaced in an optimal way</p> | <p>Commentary on 2018/19 Result</p> <p>2018/19 Ratio 86%</p> <p>Asset Sustainability Ratio positively impacted by \$2.4M increase to Net Asset Renewal which has been offset somewhat by a \$1.4M increase to Depreciation.</p> |
| Year | Ratio % | | | | | | | | | |
| 2017 | 84% | | | | | | | | | |
| 2018 | 74% | | | | | | | | | |
| 2019 | 86% | | | | | | | | | |

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

Note 16. Uniform Presentation of Finances

| \$ '000 | 2019 | 2018 |
|--|--------------|----------------|
| <p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p> | | |
| Income | 31,850 | 31,762 |
| less Expenses | (32,774) | (31,926) |
| Operating Surplus / (Deficit) | (924) | (164) |
| Net Outlays on Existing Assets | | |
| Capital Expenditure on Renewal and Replacement of Existing Assets | (9,500) | (7,193) |
| <i>add back</i> Depreciation, Amortisation and Impairment | 10,591 | 9,186 |
| <i>add back</i> Proceeds from Sale of Replaced Assets | 348 | 408 |
| Subtotal | 1,439 | 2,401 |
| Net Outlays on New and Upgraded Assets | | |
| Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments) | (713) | (2,499) |
| <i>add back</i> Amounts Received Specifically for New and Upgraded Assets | 36 | 22 |
| <i>add back</i> Proceeds from Sale of Surplus Assets (including Investment Property, Real Estate Developments and Non-Current Assets Held for Resale) | 818 | 26 |
| Subtotal | 141 | (2,451) |
| Net Lending / (Borrowing) for Financial Year | 656 | (214) |

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

Note 17. Operating Leases

| \$ '000 | 2019 | 2018 |
|---------|------|------|
|---------|------|------|

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 disclosed as rent and hire of non-investment property in Note 2.

Leases commitments under all non-cancellable lease agreements, including those relating to Investment Property, are as follows:

| | | |
|--|------------|------------|
| Not later than one year | 57 | 52 |
| Later than one year and not later than 5 years | 140 | 125 |
| Later than 5 years | 89 | 89 |
| | 285 | 267 |

(ii) Lease Payment Commitments of Council

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

No contingent rentals were paid during the current or previous reporting periods.

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

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

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

| | | |
|--|------------|------------|
| Not later than one year | 43 | 76 |
| Later than one year and not later than 5 years | 75 | 115 |
| Later than 5 years | - | - |
| | 118 | 191 |

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

Note 18. Superannuation

\$ '000

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2018/19; 9.50% in 2017/18). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2017/18) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willie Towers Watson as at 30 June 2017. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

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

Note 19. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled 3,890 km of road reserves with widths ranging 4-8 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. COMMUNITY SEAWALL LOANS FUNDED BY SEPARATE RATE REQUEST

During the 2016/17 financial year Council resolved to contribute towards the construction of seawalls for two separate groups of ratepayers. It was resolved that these contributions were to be funded by new loans to be taken out by Council with both principle and interest to be repaid to Council by the affected ratepayers via a separate rate levied against their properties over the next 10 years (being the term of the loan). Council is confident that all amounts owed under the agreement will be recovered.

The value of loans (inclusive of principle and interest) to be repaid via separate rate over 10 year period are listed below:

- Chinaman Wells Seawall \$206,664 (2018: \$232,497)
- Point Turton Seawall \$192,052 (2018: \$214,646)

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

Note 20. Related Party Transactions

| \$ '000 | 2019 | 2018 |
|---------|------|------|
|---------|------|------|

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the *Local Government Act 1999*. In all, 21 persons were paid the following total compensation:

The compensation paid to Key Management Personnel comprises:

| | | |
|------------------------------|--------------|--------------|
| Short-Term Employee Benefits | 898 | 895 |
| Post-Employment Benefits | 107 | 105 |
| Total | 1,005 | 1,000 |

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

Two close family members of key management personnel are employed by Council in accordance with the terms of the Award, and as recorded in the public Register of Salaries maintained in accordance with section 105 of the *Local Government Act 1999*.

Key management personnel or close family members (including related parties) lodged a total of four planning and building application during the year. These persons took no part in the assessment or approval process for these applications.

Two planning and building approvals, with and without conditions, were granted during the year. Total fees for these applications (all of which were payable subsequent to lodgement) amounted to \$2,753.58.

A past elected member owns a business from which various supplies and services were purchased as required on account in accordance with Council's Purchasing and Procurement Policy. Total purchases amounted to \$7,739 (GST Inclusive) for the period prior to 16th November 2018 when the elected member was not returned to office following Council elections. No amounts remained unpaid at the end of year.

A relative of an elected member owns a business from which various supplies and services were purchased as required on account in accordance with Council's Purchasing and Procurement Policy. Total purchases amounted to \$8,000 (GST Inclusive) for the financial year, with a further \$3,600 (GST inclusive) committed for next financial year. An amount of \$8,000 remained unpaid at the end of year.

No key management personnel or parties related to them had any transactions during the year on terms more favourable than those available to the general public.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of the Yorke Peninsula Council

Opinion

We have audited the accompanying financial report of the Yorke Peninsula Council (the Council), which comprises the, the Statement of Financial Position as at 30 June 2019, Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the *Australian Accounting Standards*.

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 Council in accordance with the auditor independence requirements of 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.

Council's Responsibility for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. This responsibility includes determining that the basis of preparation described in Note 1 is appropriate to meet the need of the members. The Council's responsibility also includes designing, implementing and maintaining internal controls relevant to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the Council'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 Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Council.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

**DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS**



**SAMANTHA CRETEN
PARTNER**

Signed on the 4th day of November 2019,
at 214 Melbourne Street, North Adelaide

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE YORKE PENINSULA COUNCIL**Opinion**

In our opinion, the Council has complied, in all material respects, with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls established by the Council relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2018 to 30 June 2019.

Basis for opinion

We have audited the Internal Controls of the Yorke Peninsula Council (Council) under the requirements of *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2018 to 30 June 2019 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

The Council's 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* to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Our Independence and Quality Control

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

Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance with *Section 129(1)(b) 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 have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and performed our procedure to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period.

An assurance engagement to report on the designed and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the 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 operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

**DEAN NEWBERY & PARTNERS
CHARTERED ACCOUNTANTS**



**SAMANTHA CRETEN
PARTNER**

Signed on the 4th day of November 2019
at 214 Melbourne Street, North Adelaide, South Australia, 5006

Yorke Peninsula Council

General Purpose Financial Statements for the year ended 30 June 2019

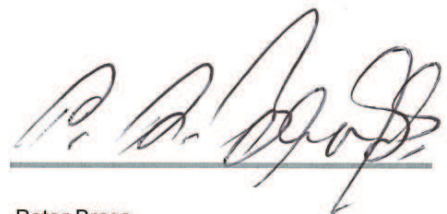
Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Yorke Peninsula Council for the year ended 30 June 2019, the Council's Auditor, Dean Newbery & 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 Cameron
CHIEF EXECUTIVE OFFICER



Peter Brass
PRESIDING MEMBER, AUDIT COMMITTEE

Date: 1st November 2019

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Yorke Peninsula Council for the year ended 30 June 2019, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



SAMANTHA CRETEN

Partner

DEAN NEWBERY & PARTNERS

CHARTERED ACCOUNTANTS

Dated this 4th day of November 2019

Appendix 2: Support Documentation

Confidential Items

During 2018/19, Council undertook 18 in camera closed sessions to discuss Confidential Items in accordance with Sections 90 (2) and (3) (a) (d) (g) (k) of the *Local Government Act 1999*, as listed below:

| | |
|---|---|
| 11/07/2018 | Construction of the Point Turton Natural Playspace and Bike Trail – Lead Contractor Tender 183/2018 |
| 11/07/2018 | Bitumen Emulsion Supply 2018-21 Tender 185/2018 |
| 08/08/2018 | Collection and Processing of Wastes, Recyclables and Organics Tender 184/2018 |
| 12/09/2018 | Port Rickaby Caravan Park Lease Dispute |
| 12/09/2018 | Material Supply 2018/19 Tender 188/2018 |
| 12/09/2018 | Purchase of One (1) Prime Mover with One (1) Side Tipper Tender 189/2018 |
| 12/09/2018 | Roadside Spraying Tender 190/2018 |
| 16/01/2019 | Cleaning and Minor Maintenance of Council Premises Tender 191/2018 |
| 16/01/2019 | Purchase of One (1) Patrol Grader Tender 192/2018 |
| 16/01/2019 | Drilling and Blasting Services Tender 193/2018 |
| 13/02/2019 | Purchase of One (1) Backhoe Loader Tender 194/2018 |
| 13/02/2019 | Bitumen Seal Program 2018/19 Tender 195/2018 |
| 10/04/2019 | Sealed Road Shoulder Rework Tender 196/2018 |
| 10/04/2019 | Stormwater Infrastructure Mitigation – 1 Oyster Point Drive, Stansbury |
| 08/05/2019 | Electrical Equipment Testing and Tagging Tender 187/2018 |
| 08/05/2019 | Jetty Pile Replacement Tender 197/2018 |
| 12/06/2019 | Stormwater Infrastructure Mitigation – 1 Oyster Point Drive, Stansbury |
| 12/06/2019 | Lease Purchase Offer – Port Rickaby Caravan Park |
| The following confidential items were released for public record during 2018/19: | |
| 10/05/2017 | Purchase of one (1) Minimum 90KW Tractor Tender 165/2017 |
| 14/06/2017 | Code of Conduct for Elected Members Complaint |
| 28/06/2017 | Code of Conduct for Elected Members Complaint |
| 05/07/2017 | Code of Conduct for Elected Members Complaint |
| 09/08/2017 | Construction of Cabins at Point Turton Tender 169/2017 |
| 09/08/2017 | Balgowan Northern Beach Access Upgrade Tender 166/2017 |
| 09/08/2017 | Jetty Pile Replacement Tender 167/2017 |
| 09/08/2017 | Minlaton Stage 2 Powerline Undergrounding Project Tender 168/2017 |
| 09/08/2017 | Section 100 Hundred of Ramsay - Land Tenure |
| 13/09/2017 | Yorke town Aerodrome Airstrip Re-alignment Tender 170/2017 |
| 13/09/2017 | Material Supply Tender 172/2017 |
| 13/09/2017 | Point Turton Caravan Park CWMS Connection Tender 171/2017 |
| 11/10/2017 | Purchase of Two (2) Prime Movers with Side Tippers Tender 174/2017 |
| 08/11/2017 | Provision of External Audit Services Tender 173/2017 |
| 14/11/2017 | Provision of Legal Advice - Norman Waterhouse Lawyers |
| 17/01/2018 | Purchase of One (1) Truck Mounted Street Sweeper Tender 177/2017 |
| 17/01/2018 | Bitumen Seal Program 2017/18 Tender 178/2017 |
| 14/02/2018 | Server Infrastructure Refresh Tender 182/2018 |
| 14/02/2018 | Stormwater Infrastructure Installation - Ardrossan Stormwater Reuse Scheme - Stage Four Tender 179/2017 |
| 14/02/2018 | Roadside Spraying Tender 180/2017 |
| 14/02/2018 | Code of Conduct for Council Members Complaint |
| 14/02/2018 | Chief Executive Officer Performance Appraisal |
| 14/02/2018 | Chief Executive Officer - Contract Negotiation |

Council Registers, Codes and Policies

Council maintains a series of registers, codes and policies in accordance with the *Local Government Act 1999* and the *Local Government (Elections) Act 1999*

| Registers |
|---|
| Register of Members Interests (Ordinary Return) |
| Register of Members Interests (Primary Return) |
| Register of Elected Members Allowances and Benefits |
| Register of Employee Remuneration, Salaries and Benefits |
| Register of Employee Interests (Ordinary Return) |
| Register of Employee Interests (Primary Return) |
| Register of Delegations |
| Register of Fees and Charges |
| Community Land Management Plans |
| Register of Community Land |
| Register of Public Roads |
| Register of By-Laws |
| Register of Elected Members Gifts and Benefits |
| Register of Employee Gifts and Benefits |
| Codes |
| Section 63 Code of Conduct for Elected Members |
| Section 92 Code of Practice for Access to Council Meetings, Committee Meetings and Documents (Policy reference: PO015) |
| Section 110 Code of Conduct for Employees |
| Statutory Policies |
| Section 49 Purchasing and Procurement Policy |
| Section 50 Community Engagement Policy |
| Section 77 (1)(b) Section 78 Elected Members Entitlements, Facilities, Services and Expenses Policy (including Elected Member travel) |
| Section 80A Elected Member Training and Development Policy |
| Section 125 Internal Financial Control Policy |
| Section 219 Street, Road and Public Place Naming Policy |
| Section 259 Order Making Policy |
| Section 270 Internal Review of Council Decisions Policy |

2018/19 Community Grants

The Community Grants Scheme provides financial grants to community groups and not-for-profit organisations to contribute to the community by funding projects, programs and activities which achieve recreation, culture, environmental, community, social development or welfare outcomes.

In 2018/19, 33 Community Grants totalling **\$100,507.67** were awarded to the following community groups and organisations:

| | Organisation | Funding |
|--------------|---|---------------------|
| 1 | Ardrossan Bowling Club | \$4,900.00 |
| 2 | Ardrossan Community and Men's Shed | \$1,152.00 |
| 3 | Ardrossan Hockey Club | \$5,000.00 |
| 4 | Ardrossan National Trust Heritage Museum | \$1,136.00 |
| 5 | Ardrossan Tidy Towns Group | \$4,000.00 |
| 6 | Arthurlton Basketball Club Inc. | \$5,000.00 |
| 7 | Arthurlton Tennis Club Inc. | \$5,000.00 |
| 8 | Australian Volunteer Coast Guard Flotilla 10 | \$980.00 |
| 9 | Corny Point Progress Association Inc. | \$5,000.00 |
| 10 | Curramulka Bowling Club Inc. | \$5,000.00 |
| 11 | Curramulka Community Club Inc. | \$5,000.00 |
| 12 | Edithburgh Museum Inc. | \$910.00 |
| 13 | Friends of Port Moorowie Inc. | \$3,171.00 |
| 14 | Hardwicke Bay and District Progress Association | \$4,000.00 |
| 15 | Maitland and District Progress Association Inc. | \$4,928.00 |
| 16 | Marion Bay Progress Association Inc. | \$5,000.00 |
| 17 | Minlaton Bowling Club Inc. | \$3,100.00 |
| 18 | Minlaton Cricket Club | \$1,000.00 |
| 19 | Minlaton Playgroup | \$999.03 |
| 20 | Maitland Music & Arts Youth Theatre | \$5,000.00 |
| 21 | Pine Point Progress Association Inc. | \$2,654.00 |
| 22 | Port Clinton Progress Association Inc. | \$1,466.00 |
| 23 | Port Julia Progress Association | \$5,000.00 |
| 24 | Port Vincent Senior Citizens Club Inc. | \$1,250.00 |
| 25 | Rotary Club of Maitland Inc. | \$1,000.00 |
| 26 | Royal Volunteer Coastal Patrol | \$1,301.64 |
| 27 | Southern Yorke Peninsula Gun Club Inc. | \$1,010.00 |
| 28 | Southern Yorke Peninsula Landcare Group Inc. | \$1,000.00 |
| 29 | Stansbury Bowling Club | \$3,400.00 |
| 30 | Stansbury Golf Club Inc. | \$4,295.00 |
| 31 | Stansbury Sports and Community Club Inc. | \$3,465.00 |
| 32 | Warooka Golf Club Inc. | \$1,390.00 |
| 33 | Wool Bay Golf Club Inc. | \$3,000.00 |
| TOTAL | | \$100,507.67 |



Ardrossan Bowling Club



Edithburgh Museum Inc.



Southern Yorke Peninsula Gun Club Inc.

External Grant Funding Obtained

In 2018/19 the Yorke Peninsula Council obtained a total of \$3.9 million grant funding for operating and capital projects as listed below:

| Received From | Description | Amount |
|---|---|-----------------------|
| Arts SA - Public Libraries Grant | Maitland Community Library Funding | \$952.00 |
| Arts SA - Public Libraries Grant | Maitland Library - Material Funds | \$3,427.20 |
| Arts SA - Public Libraries Grant | Minlaton Library Funding | \$973.00 |
| Arts SA - Public Libraries Grant | Yorke town Library Funding | \$1,451.00 |
| Arts SA - Public Libraries Grant | Yorke town Library - Material Funds | \$3,000.00 |
| Arts SA - Public Libraries Grant | Ardrossan Library Funding | \$952.00 |
| Arts SA - Public Libraries Grant | Ardrossan Library - Material Funds | \$2,000.00 |
| Australian Government Department of Industry, Innovation and Science | Remote Airstrip Upgrade Program Round 6 – Yorke town Airstrip Upgrade | \$60,790.01 |
| Commonwealth Health Department | Home Support - HACC Federal | \$17,740.91 |
| Department for Communities and Social Inclusion | HACC SA - Base | \$93,096.00 |
| Department for Communities and Social Inclusion | HACC SA – Index | \$1,862.00 |
| Department of Social Services | Biosecurity Management of Pests and Weeds | \$31,350.00 |
| Disability SA | Disability Brokerage - Living Skills Program Funding - Quarter 1 & 2, 2018/19 | \$7,602.44 |
| Good Things Foundation Ltd | Be Connected - Minlaton Library Grant | \$500.00 |
| Green Industries SA | Regional transport relief fund | \$10,421.76 |
| Local Government Association | Port Vincent CWMS Expansion Grant Funding | \$48,000.00 |
| Local Government Association | Stansbury CWMS Expansion Grant Funding | \$162,000.00 |
| Local Government Grants Commission | Supplementary Local Road Funding 2019/20 and 2020/21 | \$811,020.00 |
| Local Government Grants Commission | General Purpose and Local Road 2019/20 | \$1,201,897.00 |
| Local Government Grants Commission | Financial Assistance Grant - General Purpose and Local Road 2018/19 | \$347,973.00 |
| Local Government Grants Commission | Financial Assistance Grant - General Purpose and Local Road 2018/19 | \$673,744.00 |
| Local Government Grants Commission | Supplementary Local Road Funding 2018/19 | \$405,510.00 |
| Office for Local Government - Department of Planning Transport & Infrastructure | Point Pearce MUNS - 2018/19 | \$77,436.68 |
| Total 2018/2019 | | \$3,963,699.00 |

Note: Amounts listed above may differ from those presented in Council's General Purpose Financial Statements due to required accounting treatment.

Yorke Peninsula Leisure Options

Council's Yorke Peninsula Leisure Options (YPLO) program provides diverse recreational and social opportunities for seniors and people with disabilities.

The icon logos represent each group, removing any literacy barriers for our members to identify information regarding groups on our calendars and within our newsletters.



Wood Shed Group

The Wood Shed group has been offering a smaller NDIS group, that have been working on group projects with 1 to 2 support volunteers/workers per person to gain skills and confidence in a group with fewer distractions. The projects have included Barn Owl Nesting Boxes, refurbishing cricket bats and making Adirondack Chairs made from recycled pallets for the Wood Shed Minlaton Show stall.

The group refurbished over 100 cricket bats as part of a partnership with Willo Industries. These cricket bats have been sent all over Australia and 1 was also sent to Massachusetts, USA to be carved into a whale.

The Warooka Bats for Will Art Exhibition was held with over 100 people attending the launch, with a live auction selling the refurbished bats which had been painted by local artists.

The auction raised over \$4,000 with YPLO receiving 50% of the proceeds raised from this exhibition. Channel 7 visited the Wood Shed and took footage for the Summer Series along with filming with some of the people who were part of the Warooka Bats for Will Art Exhibition.

This was filmed at Ballara Lifestyle & Art Retreat and featured interviews with Mayor Darren Braund and Tanya Walsh, Coordinator YPLO.



Tree Propagation Group

The Tree Propagation group recently had a new volunteer begin working with members who has a background as a school educator assisting students living with a disability. As a group the staff and volunteers are creating more opportunities for members to learn skills in line with mainstream courses in horticulture.

The group expanded the nursery to include an extra three, 12 metre benches. A thermal printer for members to create plant labels using the botanical name and common name was also purchased. The group are currently working with council to collect seed for propagating as part of the Gum Flat revegetation project.

In 2018, YPLO entered the Yorketown Progress Christmas Tree Festival Competition with works from The Woodshed, Mags Group and Tree Propagation. So many positive comments were received about the display proudly achieved third place.



Living Skills Group

Our Living Skills group focusses on the goals set by our members. Members expressed a strong interest in learning how to make a meal in an air fryer. This came about after one of our members received an air fryer as a gift but found it difficult to make meals. When this goal was offered, all members and quite a few volunteers were keen to learn.

YPLO purchased an XL Air Fryer and created a support plan to assist members with this exercise. Members also expressed a keen interest in learning about using iPads for more than games. New iPads were purchased for members to use along with an Apple TV device for screen sharing onto the smart TV.



Annual Members Trip

The annual trip was held in October 2018 which provided an opportunity for members to travel and visit the wonderful Flinders Ranges.

Members, volunteers and staff stayed at Pichi Richi Park for two nights and experience a trip on the Pichi Richi Railway, motoring through the Flinders Ranges and then were provided with a scenic tour of the Arid Lands Botanic Gardens.





Transport, Staffing and Volunteers

To support members to attend our service we provide transport where necessary and also provide support for members to attend the Minlaton Show held each October and a Christmas Shopping trip to Kadina to enable members to purchase gifts for friends and family.

A Christmas Party is held at the end of the year for all members, staff and volunteers.

Members are supported to participate in a range of party games. A support worker has been employed through MADEC to assist with the Wood Shed groups. This person has been working within the Disability Sector for a number of years and was a familiar face to many of our members.



Fundraising and Donations

Mother's Day Stall

In May 2019, YPLO held a Mother's Day Stall in Minlaton. Raffle prizes were gathered through donations with a total of eight being available.

Members and volunteers helped sell raffle tickets in Yorketown and Minlaton while also helping to set up and run the stall.

All total of \$1,509.25 was raised from this event. The fundraising was distributed between the Woodshed, Tree Propagation and Living Skills groups to buy new items and supplies that the group leaders had requested.

Annual Tree Sale – June 2018 and May 2019

Council advertised the Tree Sale on its Facebook page which culminated in the best turn out the sale has had, but was then exceeded on the annual sales conducted in May 2019.

People gathered at the group's site at Weaners Flat from 9:00am, an hour before the sale began. Cash sales were taken on the day and orders continued to come after the events.

The group also had an on-site planting excursion during the year.

Woodshed/MAGS combined Barn Owl Breeding Box Project

Yorke Peninsula Council approached YPLO with plans for breeding boxes to see if there was a possibility of providing a quote to produce them with materials that had been supplied. The group has made ten boxes at a cost of \$20 each as no material were required to be purchased.

The NRM group at Minlaton used one of the boxes as a display at their 'Rewilding' talks which resulted in an additional order for seven breeding boxes. NRM also placed a box on display at the Curramulka Primary School which sparked a lot of interest from the students. The Primary School approached YPLO so students could visit the Woodshed as an excursion to see the construction of the breeding boxes in different stages and meet the members working on the project. Twelve students visited as a result.

The group now sell the breeding boxes for \$80 each and the Peesey Pantry in Yorketown has one on display which resulted in a further order for three breeding boxes.



Arts and Craft Group

The Arts and Craft Group consulted with the Minlaton Show Committee to have the very first section for people living with a disability entered into the exhibitions.

The group creates various types of art with a variety of materials including recycled materials and items from the Wood Shed. The group plans to hold an art exhibition later in the year to showcase their creations to friends and family. Through the partnership with Ballara Art and Lifestyle Retreat the group will be mentored by local artists to be a part of the Yorke Peninsula Art Exhibition early next year.

YPLO continues its longstanding relationship with the Prince Alfred College (PAC) and each term hosts a group of Year 9 students so they can participate in activities while working alongside our members. During the last PACs visit, members created amazing/ colourful artwork. Our Arts and Crafts area looks very colourful with members working on their blending skills (pastel drawing sunsets, rainbows and space). Members also made parachute men as a fun activity and were able to have races against the students.



Cooking Group

Cooking Group assists members to make a wide variety of cooked lunches and desserts. They are supported to develop and maintain a wide range of skills and make amazingly delicious meals. Members all discuss and put forward what they want to improve on with their individual support plans and as a group, work on improving cooking skills.

The Cooking Group has also introduced a Skills Register where members are split into smaller groups and are provided opportunities to show their understanding of various techniques used in the kitchen. This allows each member to participate in preparing meals and enables opportunities to build on their skills and support their ability to work independently.



Legislative Requirements

The following table demonstrates Yorke Peninsula Council's compliance with the *Local Government Act 1999* (SA) and the Local Government Regulations.

| Local Government Act | | | |
|----------------------|---|------|-----|
| Requirement | Title | Page | Met |
| S128 (9) (a & b) | <p>(a) Information on the remuneration payable to its auditor for work performed during the relevant financial year, distinguishing between-</p> <p>(i) Remunerations payable for the annual audit of the council's financial statements; and</p> <p>(ii) Other remuneration;</p> <p>(b) If a person ceased to be the auditor of the council during the relevant financial year, other than by virtue of the expiration of his or her term of appointment and not being reappointed to the office – the reason or reasons why the appointment of the council's auditor came to an end.</p> | 64 | ✓ |
| S131 | <p>Annual Report to be prepared and adopted by 30 November in each year relating to the operations of the council for the financial year ending in the preceding 30 June.</p> <p>The Council must provide a copy of its Annual Report to:</p> <ul style="list-style-type: none"> ▪ Each member of Council; ▪ Presiding Member of both Houses of Parliament. <p>Council must make copies available for inspection on Council's website and principal office.</p> <p>Members of the public may purchase a hard copy from the Council's principal office (Maitland).</p> | N/A | ✓ |
| Schedule 2 | | | |
| S12 | Subsidiaries: A report including audited financial statements must be incorporated into the Yorke Peninsula Council's Annual Report. | N/A | N/A |
| S28 | Regional Subsidiaries: A report including audited financial statements must be incorporated into the Yorke Peninsula Council's Annual Report. | 102 | ✓ |
| Schedule 4 | | | |
| 1(a) | Audited financial statements of the Council for the relevant year. | 46 | ✓ |
| 1(b) | A list of registers that are required to be kept under the <i>Local Government Act 1999</i> and the Local Government (Elections) Act 1999. | 95 | ✓ |
| 1(c) | A list of codes of conduct or practice required under the <i>Local Government Act 1999</i> and the Local Government (Elections) Act 1999. | 95 | ✓ |
| 1(f) | Information on the allowances paid to members of the council or council committees. | 12 | ✓ |
| 1(g) | Information on the number of senior executive officers and information on the kinds of allowances, bonuses and benefits that are made available to those officers as part of a salary package. | 14 | ✓ |
| 1(ga) | A report on the use of sections 90(2) and 91(7) by the council and its council committees containing the information required by the regulations. | 11 | ✓ |
| 1(gb) | A report on the applications made to the council under the Freedom of Information Act 1991 during the relevant financial year containing the information required by the regulations. | 14 | ✓ |
| 1(h) | <p>A statement of-</p> <p>(i) The council's representation quota; and</p> <p>(ii) The average representation quota for council of a similar size and type; and</p> <p>(iii) When the council next intends to conduct a review under Chapter 3 Part 1 Division 2; and</p> <p>(iv) The procedures that are available under Chapter 3 for electors to make submissions on representation under this Act.</p> | 33 | ✓ |
| 2(a) | The council's performance in implementing its strategic management plans during the relevant financial year, and the council's projections and targets under its plan for the next financial year. | 44 | ✓ |
| 2(ab) | The council's performance against its annual business plan for the relevant financial year. | 39 | ✓ |
| 2(b) | The extent to which activities for the council have been subjected to competitive tender or other measures to ensure services are delivered cost-effectively, and the extent (if any) to which the council has pursued policies for purchasing local goods and services. | 14 | ✓ |

Local Government Act - cont.

| Requirement | Title | Page | Met |
|-------------------|--|------|-----|
| Schedule 4 | | | |
| 2(c) | The decision-making structure of the council. | 10 | ✓ |
| 2(ca) | The training and development activities for members of the council during the relevant financial year. | 12 | ✓ |
| 2(d) | The implementation of equal opportunity programs, and other human resource management or development programs, during the relevant financial year. | 15 | ✓ |
| 2(e) | The progress of the council in preparing or finalising any management plans for community land required under the Chapter 11. | 14 | ✓ |
| 2(f) | Other matters prescribed by the regulations. | N/A | ✓ |

Local Government (General) Regulations

| | | | |
|--------|---|-----|---|
| S10 | (1) Pursuant to section 131(5)(b) of the Act, the South Australian Local Government Grants Commission is a prescribed body. (2) For the purposes of section 131(5) of the Act, the relevant day by which an annual report must be submitted is 31 December in the financial year immediately following the end of the financial year to which the annual report relates. | N/A | ✓ |
| S35(1) | For the purpose of clause 1(ga) of Schedule 4 of the Act- (a) In the case of a report on the use of section 90(2) of the Act, the following information is required: <ul style="list-style-type: none"> (i) The total number of orders made under that subsection in the financial year; (ii) The date and subject of each order within the ambit of subparagraph (i); (iii) In relation to each paragraph ((a) to (n)) of section 90(3) of the Act- the number of times in the financial year that an order made under section 90(2) was made on the basis that the information or matter fell within the ambit of the paragraph; and (b) In the case of a report on the use of section 91(7) of the Act, the following information is required: <ul style="list-style-type: none"> (i) The total number of orders made under that subsection in the financial year; (ii) The number of orders made under that subsection that expired, ceased to apply or were revoked during the year; (iii) The number of orders made under that subsection that remained operative at the end of the financial year (but not including orders made before 15 November 2010); (iv) The date and subject of each order within the ambit of subparagraph (i) or (iii). | 94 | ✓ |
| S35(2) | Pursuant to clause 1(i) of Schedule 4 of the Act, the report required under section 270(8) is prescribed, being:- S270 "Procedures for review of decisions and requests for services": (8) A council must, on an annual basis, initiate and consider a report that relates to- <ul style="list-style-type: none"> (a) the number of applications for review made under this section; and (b) the kinds of matters to which the applications related; and (c) the outcomes of the applications under this sections; and (d) such other matters as may be prescribed by the regulations. | 32 | ✓ |

Local Nuisance and Litter Control Act 2016

| | | | |
|----|---|----|---|
| S8 | A council must, in its annual report prepared pursuant to section 131 of the <i>Local Government Act 1999</i> in relation to a particular financial year, include details of the performance by the council during that year of functions conferred on it under this Act. | 24 | ✓ |
|----|---|----|---|

Appendix 3: Legatus Group Annual Report



2018/2019 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.

The Legatus Group AGM was held on Friday 30 August 2019 and adopted the report.

2018/2019 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: 08 88421385 Email: ceo@legatus.sa.gov.au Website: www.legatus.sa.gov.au

Legatus Group Board of Management: The Board consists of all principal members (Mayor / Chairman) of the Constituent Councils which for 2018/2019 were:

| Council | Delegate |
|---------------------------------------|--|
| Adelaide Plains Council | Mayor Tony Flaherty until 9 November 2018 Mayor Mark Wasley from 9 November 2018 |
| Barunga West Council | Mayor Cynthia Axford until 9 November 2018 Mayor Leonie Kerley from 9 November 2018 |
| Clare & Gilbert Valleys Council | Mayor Allan Aughey OAM until 9 November 2018 Mayor Wayne Thomas from November 2018 |
| Copper Coast Council | Mayor Paul Thomas AM until 9 November 2018 Mayor Roslyn Talbot from 9 November 2018 |
| District Council of Mount Remarkable | Mayor Colin Nottle until 9 November 2018 Mayor Phillip Heaslip from 9 November 2018 |
| District Council of Orroroo Carrieton | Chairman 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 John Rohde until 9 November 2018 Mayor Leon Stephens from 9 November 2018 |
| Regional Council of Goyder | Mayor Peter Matthey OAM |
| The Barossa Council | Mayor Bob Sloane until 9 November 2018 Mayor Bim Lange from 9 November 2018 |
| The Flinders Ranges Council | Mayor Peter Slattery |

| | |
|-----------------------------------|---|
| Wakefield Regional Council | Mayor Rodney Reid |
| Yorke Peninsula Council | Mayor Ray Agnew OAM until 9 November 2018 Mayor Darren Braund from 9 November 2018 |

Office Bearers for 2017/18

| | |
|---|--|
| Chairman: | Mayor Peter Matthey OAM |
| Deputy Chairs: | Chairman Kathie Bowman Mayor Bob Sloane until 9 November 2018 Mayor Bill O'Brien from 9 November 2018 |
| South Australian Regional Organisation of Councils | Mayor Peter Matthey Mayor Bill O'Brien |
| Chief Executive Officer: | Mr Simon Millcock |
| Auditor: | Dean Newberry and Associates |

Meetings of the Legatus Group

The following meetings of the Board of Management were held during the 2018/19 year:

- Annual General Meeting 17 August 2018
- Ordinary Meeting 17 August 2018
- Ordinary Meeting 12 December 2018
- Ordinary Meeting 15 February 2019
- Ordinary Meeting 31 May 201

There were four committees in 2018/2019 and all agendas and minutes are published on the Legatus Group Website and minutes were provided to the Legatus Group meetings.

| Committee | Members | Meeting Dates |
|---|---|---|
| Audit Committee | <ul style="list-style-type: none"> • Mayor Ray Agnew (Chair) until 9/11/18 • Chair Kathie Bowman • Mayor Colin Nottle until 9/11/18 • Mr Colin Davies until 1/12/18 • Mr Peter Ackland • Mayor Denis Clark from 30/1/19 • Mr Ian McDonald from 30/4/19 | 3 August 2018 30 November 2018 30 January 2019 30 April 2019 |
| Management Group (Council CEOs) | <ul style="list-style-type: none"> • Mr Colin Byles (Northern Areas) (Chair) • Mr James Miller (Adelaide Plains) • Mr Martin McCarthy (Barossa) • Mr Andrew Cole (Barunga West) • Dr Helen Macdonald (Clare & Gilbert Valleys) • Mr Peter Harder (Copper Coast) replaced by Mr Russell Peate • Mr Colin Davies (Flinders Ranges) • Mr David Stevenson (Goyder) • Mr Brian Carr (Light) • Mr Wayne Hart (Mt Remarkable) • Mr Kristen Clark (Orroroo/Carrieton) replaced by Mr Dylan Strong • Mr Peter McGuinness (Peterborough) • Mr Peter Ackland (Pirie Regional) • Mr Jason Kuchel (Wakefield) replaced by Mark McShane and Andrew MacDonald • Mr Andrew Cameron (Yorke Peninsula) | 3 August 2018 30 November 2018 1 February 2019 10 May 2019 |
| Road & Transport Infrastructure Advisory Committee: | <ul style="list-style-type: none"> • Lee Wallis (Goyder) • Peter Porch (Northern Areas) • Colin Davies (CEO Flinders Ranges) until 30/11/18 • Jo-Anne Buchanan (RDA Yorke Mid North) • Steve Kaesler (Barossa) • Trevor Graham (Yorke Peninsula) • Martin Waddington replaced by Tom Jones (Adelaide Plains) • Steve Watson (Clare & Gilbert Valleys) • Mike Wilde (Department of Planning, Transport and Infrastructure) • Dr Helen Macdonald (CEO Clare & Gilbert Valleys Council) from 10/4/19 • Wayne Hart (CEO Mt Remarkable) from 10/4/19 | 2 August 2018 30 November 2018 5 February 2019 10 April 2019 |
| Community Wastewater Management Advisory Committee | <ul style="list-style-type: none"> • Wayne Hart (CEO Mt Remarkable) • Andrew Cole (CEO Barunga West) • Lee Wallis (Goyder) • Gary Easthope (Clare and Gilbert Valleys) • Chris Parish (Wakefield) • Adam Broadbent (Light) | 17 October 2018 15 March 2019 23 May 2019 |

Chairman's Report

I would like to firstly acknowledge both the outgoing and incoming Mayors following the November 2018 Local Government elections and this has seen eight new Mayors join the Legatus Group Board. In particular I take the opportunity to thank those long serving Mayors who provided a valuable service to their communities and the region.

It has been my pleasure to serve as Chairman in 2018/19 and I would like to take this opportunity to report on some of the highlights of the year.

Following on from the key regional state-wide issues that the Legatus Group undertook reports for in the previous year we were extremely pleased to see that the State Government removed the impost to councils for rubble royalties. The formation of the SA Coastal Council Alliance was an outcome of the previous year's work.

The Legatus Group continues to play the lead role on issues around rating equity and impacts of the NDIS on local government. Whilst this year we have also taken a lead role in state-wide approaches to Community Wastewater Management and the Drought. These have all been progressed to the South Australian Regional Organisation of Councils (SAROC) and we continue to provide a strong partnership approach with our other regional local government associations.

We delivered a significant report on the Digital Maturity of Local Government and whilst the report sought to have a whole of SA approach the Legatus Group constituent councils took a lead and I will be interested to see how these findings progress.

This year has seen us actively involved in the issues around the new LGA constitutional changes and the formation of the new look LGA Board along with the new SAROC business plan and budget. It should be noted that Legatus has been active in representing members; as we raised our concerns to both SAROC and to the LGA Board. Given the amount of time and expense for regional councils to attend meetings in Adelaide; I was satisfied with the outcome in relation to the constitutional changes and gratified to see increased levels of consultation afforded to the regions.

The drought has seen a significant impact to regional SA and whilst it was pleasing to see support from the Australian Government through the Drought Communities Program there were levels of inconsistencies which the Legatus Group raised with the Prime Minister. I note our region gained extra support with a further 6 of our councils being added onto the program following the initial 7. This program is providing up to \$13 million to our region for local infrastructure and other projects for communities and businesses who have been impacted by drought. Whilst we need to show that local government is able to deliver stimulus packages such as these in a timely manner and I note the role of the Legatus Group CEO who is currently working on a report for the Legatus Group and SAROC which will include issues of equity and clarity on the decision-making process.

The Legatus Group was active in its lobbying for road funding for a number of our major highways and I wrote to the State Minister on these matters. I was pleased to see the announcements by the Australian and South Australian Governments of funding for both the Horrocks and Barrier Highways. The Road and Transport Infrastructure Advisory Committee have been active this year in overseeing the delivery of stage 2 of the Legatus Group Regional Transport Plan which resulted in the Deficiency Action Plan and a robust assessment of this year's Special Local Roads Program funding applications. The Legatus Group 2019 Road and Transport Forum held on 12 July 2019 was a further successful outcome by the committee.

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 and the subsequent release of the report on a Regional Sustainability Hub. This resulted in the Legatus Group being successful in their bid to project manage the Yorke Mid North Coastal Management Action Plan which is due for release later in 2019.

Our effort to encourage and foster closer working relationships with the three Regional Development Australia (RDA) organisations and Natural Resource Management Boards in our region; resulted in the successful Yorke Regional Planning Forum, workshops on the Creative Industries and the role of local

government in supporting businesses and the South Australian Regional Development Conference. The Legatus Group Visitor Information Services report was undertaken and will soon be presented to the board for consideration.

The Audit and Risk Management Group Committee have ensured that the work plan has assisted us in improving our governance. There has been valuable feedback gained from the Legatus Group Management Group meetings that have included a series of workshops and information sharing opportunities by and for the CEOs and I note with interest their discussions on Local Government Risk.

This year saw the formation of the Legatus Group Community Wastewater Management Advisory Committee who have been overseeing the 2-year Joint CWMS program, staging of a successful SA conference and overseeing the development of a regional sludge viability report which will soon be presented to the board for consideration.

It has been pleasing to see the continued dialogue with the six State Government Members of Parliament, and many of them making time to attend our board meetings. During the year the Legatus Group commenced greater interaction with Universities on research projects and this opportunity provided tangible project work for Interns whilst delivering cost effective research for the region.

In closing I would like to thank everyone who has taken a proactive role in progressing the region and thank both Mayor Bill O'Brien and Chairman Kathie Bowman for your roles as Deputy Chairs.

Mayor Peter Matthey

Chairman Legatus Group

CEO Report

In 2018-2019 the Legatus Group consolidated the sub-regional approach to operations and support across the constituent councils whilst strengthening the partnerships with other regional bodies by expanding this to include research projects with Universities.

Following the November 2018 Local Government elections, a series of meetings were arranged with each constituent council and these took the form of either presentations at council meetings or workshops with councils.

Along with over 30 Legatus Group Board and committee, Yorke Mid North Alliance and SAROC meetings the Legatus Group CEO was actively involved in partnering with fellow regional local government association executive officers. This has seen the Legatus Group CEO take a leadership role and manage several state-wide and regional topics which include:

- I. Regional LGAs:
 - a. SA Coastal Council Alliance – committee member
 - b. Rating Equity for Commercial and/or Industrial Land Uses Outside Towns in South Australia – LGA R&D grant
<https://legatus.sa.gov.au/wp-content/uploads/2018/11/Final-Report-Rating-Equity-for-Commercial-Industrial-Land-Uses-Outside-Towns-in-SA-1.pdf>
 - c. Socio-Economic impacts from the NDIS on regional local governments – LGA R&D grant
<https://legatus.sa.gov.au/wp-content/uploads/2018/11/KPPM-Legatus-NDIS-Report-FINAL-20-5-18-002.pdf>
 - d. Community Wastewater Management – State Conference and the regional Sludge Viability report (to be released following August 2018 Legatus Group meeting) – APRIIntern grant
 - e. Digital Maturity – funding LGA R&D grant
<https://legatus.sa.gov.au/wp-content/uploads/2019/05/Legatus-Digital-Maturity-Index-Final-Report.pdf>
 - f. Regional representative on the working party for the LGA's Council Ready program

2. Regional Development South Australia
 - a. RDSA Conference – Taillem Bend
3. Yorke Mid North Alliance:
 - a. Yorke Mid North Regional Forum – Kadina
 - b. Climate Change – Sector Agreement and Sustainability Hub report – APRIntern grant
<https://legatus.sa.gov.au/wp-content/uploads/2019/07/Final-report-May-2019.pdf>

Other regional projects that the Legatus Group CEO has been managing / supporting are:

- 2030 Legatus Group Regional Transport Plan Deficiency Action Plan I completed
<https://legatus.sa.gov.au/wp-content/uploads/2019/07/Regional-Transport-Plan-Road-Deficiency-Action-Plans-Feb-19.pdf>
- Visitor Information Services review, which was completed, and this will be presented to the Legatus Group meeting on 30 August 2019 and published following their approval.
- Hummocks/Barunga Ranges Brighter Futures project commenced – funding from SA Government
- Yorke Mid North Coastal Management Action Plan commenced – funding NY NRM and APRIntern grants
- Youth into Volunteering – Building Better Futures grant
- Regional and sub/regional forums on the Music and Creative Industries
- Workshop on the role of local government in supporting local businesses

Support has been provided to constituent councils for the delivery of a regional / sub-regional approach for the Councils Disability Access Inclusion Action Plans which are due in 2020. There was an expression of interest submitted to the LGA for funding a regional wellbeing officer for the Legatus Group constituent councils which was not successful.

There continues to be work regarding the drought which includes collating the responses from all regional councils for a report to be developed for SAROC.

Support has been provided to the Legatus Management Group in their efforts to progress issues raised around Local Government Risk Management.

Through coordination by the Legatus Group, training was delivered by TafeSA for Certificate III in Water Industry Treatment (Wastewater) through the Small Regional Community funding with significant training costs being reduced and uptake by a total of 19 participants registering.

The Legatus Group continues to be in a healthy financial position with the balance from the year being \$166,358 and with an accumulated surplus and reserves at 30 June 2019 of \$1,000,821. There will be an assessment of the long-term financial coverage of the Legatus Group undertaken in the coming year and noting that the Rubble Royalties Funding ceases from 30 June 2020.

All grants were acquitted and reporting requirements for ongoing grants.

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:

Due to the November 2018 Local Government elections there was a slight slowdown in progressing regional projects and awareness of the Legatus Group given that there were 8 new board members. Since the election there has been stronger interest by constituent councils to bring issues forward and the formation of the committees has resulted in a more active interaction to address issues.

A focus has been on securing data to assist in decision making and to assist with raising policy issues through the board and SAROC. This year has seen the constructive dialogue with Constituent Councils, Members of Parliament, Ministers, the Local Government Association SA, public servants and other regional stakeholders. This is a result of the Legatus Group CEO position having been settled and by gaining greater clarity on the actions and projects.

Simon Millcock
CEO Legatus Group

The Legatus Group Audit and Risk Committee summary of activities undertaken, and recommendations made during 2018-2019. The committee met on 4 occasions during 2018-2019 with the following attendance:

| Date | No of Members Attending |
|-------------|-------------------------|
| 3Aug 2018 | 4 |
| 30 Nov 2018 | 3 |
| 30 Jan 2019 | 3 |
| 30 Apr 2019 | 4 |

| Committee Member | No of Meetings Attended |
|------------------------|-------------------------|
| Mayor Ray Agnew | 1 |
| Chairman Kathie Bowman | 4 |
| Mayor Colin Nottle | 1 |
| Mayor Denis Clark | 2 |
| Colin Davies | 2 |
| Ian McDonald | 1 |

The following table sets out the principal issues addressed by the Committee for 2018-19 year:

| Principal Issues Examined | Recommendations to Board |
|--|--|
| Financial Report 2018-2019 | No issues, unqualified audit, adopt |
| Review of budget against actuals | Noted the need for Legatus Group to endorse 2017-2018 adopted budget against actuals for annual financial report |
| Review of work plan, internal controls | Work planned developed |
| Charter | Variations to charter noted and recommended and adopted including the need for new auditor and Dean Newberry appointed |
| Business, Budget and Strategic Plan | Noted the development of the 2018-2019 business plan and budget |
| Membership | Recommendations to Board re membership |
| Equity / reserves | Recommendations to Board on levels to be held |
| Exemption for having committee | Supported the approach for exemption of committee |

Chairman Kathy Bowman
Chairman Legatus Group Audit and Risk Management Committee

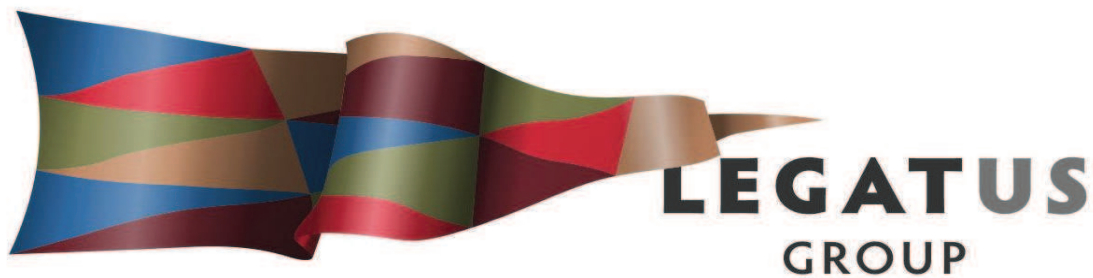
Financial Statement year ending 30 June 2019 which was adopted at the 30 August 2019 legatus Group AGM. The Legatus Group Charter requires that the AGM receive the audited financial statement for the preceding financial year.

The 2018/2019 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 22 August 2019. This meeting endorsed the Legatus Group annual financial statement for the year ending 30 June 2018 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 2020.

The reports and statements form part of the Legatus Group Annual Report which 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 2018 – 30 June 2019

LEGATUS GROUP

General Purpose Financial Reports for the year ended 30 June 2019

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| Group Certificate | 3 |
| Principal Financial Statements | |
| Statement of Comprehensive Income | 4 |
| Statement of Financial Position | 5 |
| Statement of Changes in Equity | 6 |
| Statement of Cash Flows | 7 |
| Notes to, and forming part of, the Principal Financial Statements | |
| Note 1 - Significant Accounting Policies | 8 |
| Note 2 - Income | 11 |
| Note 3 - Expenses | 12 |
| Note 4 - Asset Disposal & Fair Value Adjustments | 13 |
| Note 5 - Current Assets | 13 |
| Note 6 - Non-Current Assets | 13 |
| Note 7 - Plant & Equipment | 14 |
| Note 8 - Liabilities | 15 |
| Note 9 - Reserves | 15 |
| Note 10 - Reconciliation of Cash Flow Statement | 16 |
| Note 11 - Functions | 16 |
| Note 12 - Financial Instruments | 17 |
| Note 13 - Financial Indicators | 18 |
| Note 14 - Uniform Presentation of Finances | 19 |
| Note 15 - Related Party Disclosures | 20 |
| Note 16 - Contingencies & Assets & Liabilities Not Recognised | 21 |
| Note 17 - Events Occurring After Reporting Date | 21 |
| Audit Report - Financial Statements | |
| Audit Report - Internal Controls | |
| Group Certificate of Audit Independence | |
| Audit Certificate of Audit Independence | |

LEGATUS GROUP


ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

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 2019 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:

30/8/2019.

LEGATUS GROUP

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|----------------|----------------|
| INCOME | | | |
| Grants, subsidies and contributions | 2 | 509,232 | 345,527 |
| Investment income | 2 | 16,573 | 13,817 |
| Reimbursements | 2 | 37,664 | 4,545 |
| Other income | 2 | 169,431 | 196,398 |
| Total Income | | <u>732,899</u> | <u>560,287</u> |
| EXPENSES | | | |
| Employee costs | 3 | 191,317 | 218,452 |
| Materials, contracts & other expenses | 3 | 355,899 | 230,102 |
| Depreciation, amortisation & impairment | 3 | 6,311 | 6,311 |
| Total Expenses | | <u>553,527</u> | <u>454,865</u> |
| OPERATING SURPLUS / (DEFICIT) | | <u>179,372</u> | <u>105,422</u> |
| NET SURPLUS / (DEFICIT) | | <u>179,372</u> | <u>105,422</u> |
| transferred to Equity Statement | | | |
| Total Other Comprehensive Income | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME | | <u>179,372</u> | <u>105,422</u> |

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

LEGATUS GROUP

STATEMENT OF FINANCIAL POSITION as at 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|------------------|----------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 5 | 972,087 | 808,876 |
| Trade & other receivables | 5 | 69,801 | 8,759 |
| Total Current Assets | | 1,041,888 | 817,635 |
| Non-current Assets | | | |
| Infrastructure, property, plant & equipment | 7 | 11,177 | 17,488 |
| Total Non-current Assets | | 11,177 | 17,488 |
| Total Assets | | 1,053,065 | 835,123 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade & other payables | 8 | 46,729 | 6,277 |
| Provisions | 8 | 2,568 | 7,037 |
| Total Current Liabilities | | 49,297 | 13,314 |
| Non-current Liabilities | | | |
| Provisions | 8 | 2,947 | 360 |
| Total Non-current Liabilities | | 2,947 | 360 |
| Total Liabilities | | 52,244 | 13,674 |
| NET ASSETS | | 1,000,821 | 821,449 |
| EQUITY | | | |
| Accumulated Surplus | | 166,358 | 55,336 |
| Other Reserves | 9 | 834,463 | 766,113 |
| TOTAL EQUITY | | 1,000,821 | 821,449 |

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 2019

| | | Accumulated Surplus | Other Reserves | TOTAL EQUITY |
|---|-------|------------------------|-------------------|------------------|
| 2019 | Notes | \$ | \$ | \$ |
| 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 | 9 | (68,350) | 68,350 | - |
| Balance at end of period | | 166,358 | 834,463 | 1,000,821 |
| 2018 | | | | |
| Balance at end of previous reporting period | | 121,695 | 594,332 | 716,027 |
| Net Surplus / (Deficit) for Year | | 105,422 | - | 105,422 |
| Other Comprehensive Income | | | | |
| Transfers between reserves | 9 | (171,781) | 171,781 | - |
| Balance at end of period | | 55,336 | 766,113 | 821,449 |

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

LEGATUS GROUP

STATEMENT OF CASH FLOWS for the year ended 30 June 2019

| | Notes | 2019 \$ | 2018 \$ |
|---|-------|----------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| <u>Receipts</u> | | | |
| Investment receipts | | 18,714 | 13,419 |
| Grants utilised for operating purposes | | 454,232 | 371,442 |
| Reimbursements | | 37,664 | 5,000 |
| Other revenues | | 161,248 | 194,450 |
| <u>Payments</u> | | | |
| Employee costs | | (186,562) | (217,537) |
| Materials, contracts & other expenses | | (322,084) | (277,757) |
| Net Cash provided by (or used in) Operating Activities | | 163,211 | 89,017 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| <u>Receipts</u> | | - | - |
| <u>Payments</u> | | - | - |
| Net Cash provided by (or used in) Investing Activities | | - | - |
| 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 | | 163,211 | 89,017 |
| Cash & cash equivalents at beginning of period | 11 | 808,876 | 719,859 |
| Cash & cash equivalents at end of period | 11 | 972,087 | 808,876 |

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 2019

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1. Basis of Preparation

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. District Council of Barunga West | 4. Northern Areas Council |
| 5. Clare and Gilbert Valleys Council | 6. District Council of Orroroo/Carrieton |
| 7. District Council of the Copper Coast | 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 2019

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 12.

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 2019, 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 2019

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 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2019 reporting period and have not been used in preparing these reports.

| | |
|----------|---------------------------------------|
| AASB15 | Revenue from Contracts with Customers |
| AASB16 | Leases |
| AASB1058 | Income of Not-for-Profit Entities |

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.

LEGATUS GROUP

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

Note 2 - INCOME

| | 2019 \$ | 2018 \$ |
|--|-----------------------|-----------------|
| INVESTMENT INCOME | | |
| Interest on investments | | |
| Local Government Finance Authority | 16,507 | 13,741 |
| Banks | 65 | 76 |
| | <u>16,573</u> | <u>13,817</u> |
| REIMBURSEMENTS | | |
| - for Legal, Climate Change, USGRPG | 37,664 | 4,545 |
| | <u>37,664</u> | <u>4,545</u> |
| OTHER INCOME | | |
| Council Contributions | 165,225 | 162,750 |
| Sundry | 4,206 | 33,648 |
| | <u>169,431</u> | <u>196,398</u> |
| GRANTS, SUBSIDIES, CONTRIBUTIONS | | |
| Sundry | 509,232 | 345,527 |
| | <u>509,232</u> | <u>345,527</u> |
| <i>The functions to which these grants relate are shown in Note 12.</i> | | |
| Sources of grants | | |
| State government | 115,000 | 345,527 |
| LGA | 394,232 | - |
| | <u>509,232</u> | <u>345,527</u> |
| Conditions over grants & contributions | | |
| <i>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:</i> | | |
| <i>Unexpended at the close of the previous reporting period</i> | 537,786 | 366,006 |
| <i>Less: expended during the current period from revenues recognised in previous reporting periods</i> | | |
| A009 - Special Projects | (6,650) | - |
| P022 - Roads & Transport | - | (1,805) |
| P024 - Climate Change Co-ordinator 2015-17 | - | (51,779) |
| Subtotal | <u>(6,650)</u> | <u>(53,584)</u> |
| <i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i> | | |
| P022 - Roads & Transport | 10,000 | - |
| P025 - Outreach Stage 2 | | 49,687 |
| P028 - Regional Capacity Building | 30,000 | 174,543 |
| A009 - Special Projects | | 1,134 |
| Subtotal | <u>40,000</u> | <u>225,364</u> |
| <i>Unexpended at the close of this reporting period</i> | <u>571,136</u> | <u>537,786</u> |
| <i>Net increase (decrease) in assets subject to conditions in the current reporting period</i> | <u>33,350</u> | <u>171,780</u> |

LEGATUS GROUP

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

Note 3 - EXPENSES

| | 2019 \$ | 2018 \$ |
|--|----------------|----------------|
| EMPLOYEE COSTS | | |
| Salaries and Wages | 141,645 | 162,958 |
| Employee leave expense | 23,815 | 16,780 |
| Redundancy | - | 5,385 |
| Pay in Lieu of Notice | - | 5,385 |
| Superannuation | 15,217 | 16,330 |
| Workers' Compensation Insurance | 1,333 | 2,262 |
| CEO Relocation | - | 1,239 |
| Professional Development | 664 | 649 |
| FBT | 8,644 | 7,464 |
| Total Operating Employee Costs | 191,317 | 218,452 |
| Total Number of Employees | 1.3 | 1.0 |
| <i>(Full time equivalent at end of reporting period)</i> | | |
| MATERIALS, CONTRACTS & OTHER EXPENSES | | |
| <u>Prescribed Expenses</u> | | |
| Auditor's Remuneration | 2,000 | 2,000 |
| Subtotal - Prescribed Expenses | 2,000 | 2,000 |
| <u>Other Materials, Contracts & Expenses</u> | | |
| Contractors & Consultants | 303,167 | 162,372 |
| Unleaded Fuel | 4,734 | 5,576 |
| Other Motor Vehicle Costs | 3,540 | - |
| Members Allowances & Support | 4,600 | 4,270 |
| Meetings & Conferences | 6,937 | 5,318 |
| Insurance | 7,735 | 7,750 |
| Rental - Premises | 9,009 | 16,477 |
| Advertising | 1,650 | 316 |
| Accommodation | 768 | 3,994 |
| Airfares | - | 499 |
| Travel - Reimbursement | 425 | 2,445 |
| Catering & Meals | 1,040 | 6,340 |
| Telephone & Internet | 4,894 | 6,870 |
| Postage/Stationery/IT | 3,575 | 3,875 |
| Sundry | 1,826 | 2,000 |
| Subtotal - Other Materials, Contracts & Expenses | 353,899 | 228,102 |
| | 355,899 | 230,102 |
| DEPRECIATION, AMORTISATION & IMPAIRMENT | | |
| Depreciation | | |
| Motor Vehicle | 6,311 | 6,311 |
| | 6,311 | 6,311 |

LEGATUS GROUP

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

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

| 2019 | 2018 |
|------|------|
| Nil | Nil |

Note 5 - CURRENT ASSETS

| | 2019 \$ | 2018 \$ |
|--------------------------------------|----------------|----------------|
| CASH & EQUIVALENT ASSETS | | |
| Cash at Bank | 78,151 | 3,590 |
| Deposits at Call | <u>893,936</u> | <u>805,286</u> |
| | <u>972,087</u> | <u>808,876</u> |
| TRADE & OTHER RECEIVABLES | | |
| Accrued Revenues | 944 | 3,085 |
| Debtors - General | 55,000 | 237 |
| GST Recoupment | <u>13,857</u> | <u>5,437</u> |
| | <u>69,801</u> | <u>8,759</u> |

Note 6 - NON-CURRENT ASSETS

| | | |
|-------------------------|-----|-----|
| FINANCIAL ASSETS | Nil | Nil |
|-------------------------|-----|-----|

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

| | CARRYING AMOUNT MOVEMENTS DURING YEAR | | | | | | | 2019 |
|---------------------------------------|---------------------------------------|-------------|----------|-----------|----------------|------------|-----------|-----------------|
| | \$ | | | | | | | \$ |
| | CARRYING AMOUNT | Additions | | Disposals | Depreciation | Impairment | Transfers | Net Revaluation |
| | | New/Upgrade | Renewals | | | | In | Out |
| Note 7 - PLANT & EQUIPMENT | | | | | | | | |
| Motor Vehicle | 17,488 | - | - | - | (6,311) | - | - | 11,177 |
| Computers & Software | - | - | - | - | - | - | - | - |
| TOTAL PLANT & EQUIPMENT | 17,488 | - | - | - | (6,311) | - | - | 11,177 |
| Comparatives | 23,799 | - | - | - | (6,311) | - | - | 17,488 |

LEGATUS GROUP

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

Note 8 - LIABILITIES

| | 2019 | | 2018 | |
|---|---------------|--------------|--------------|-------------|
| | \$ | | \$ | |
| TRADE & OTHER PAYABLES | Current | Non-current | Current | Non-current |
| Goods & Services | 24,196 | - | - | - |
| Accrued expenses - employee entitlements | 6,637 | - | - | - |
| GST & PAYG | 15,896 | - | 6,277 | - |
| | <u>46,729</u> | <u>-</u> | <u>6,277</u> | <u>-</u> |
| PROVISIONS | | | | |
| Employee entitlements (including oncosts) | 2,568 | 2,947 | 7,037 | 360 |
| | <u>2,568</u> | <u>2,947</u> | <u>7,037</u> | <u>360</u> |

Note 9 - RESERVES

| OTHER RESERVES | 1/7/2018 | Transfers to Reserve | Transfers from Reserve | 30/6/2019 |
|--|----------------|----------------------|------------------------|----------------|
| General Reserve | 31,093 | 35,000 | - | 66,093 |
| 1 A009-Special Projects | 16,475 | - | (6,650) | 9,825 |
| 2 P003-Waste Management | 16,273 | - | - | 16,273 |
| 3 P022-Roads & Transport | 36,087 | 10,000 | - | 46,087 |
| 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 | 377,569 | 30,000 | - | 407,569 |
| TOTAL OTHER RESERVES | <u>766,113</u> | <u>75,000</u> | <u>(6,650)</u> | <u>834,463</u> |
| Comparatives | <u>594,332</u> | <u>225,364</u> | <u>(53,583)</u> | <u>766,113</u> |

PURPOSES OF RESERVES

(Other Reserves)

- 1 **A007-Special Projects**
LGA funded support programme
- 2 **P003-Waste Management**
State Government funded technical support programme
- 3 **P022-Roads & Transport**
Legatus funded programme - Regional Development Australia Freight Strategy
- 4 **P024-Climate Change Co-ordinator 2015-17**
Regional Partners and State Government funded programme
- 5 **P025-LG Outreach Phase 2**
LGA funded programme
- 6 **P027-LG Reform - Incentive Risk**
CEO Performance fund
- 7 **P028-Regional Capacity Building**
Region rubble royalty % returned for project allocation 2017/18 on

LEGATUS GROUP

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

Note 10 - 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 | 2019 \$ | 2018 \$ |
|----------------------------------|-------|----------------|------------|
| Total cash & equivalent assets | 5 | 972,087 | 808,876 |
| Balances per Cash Flow Statement | | 972,087 | 808,876 |

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

| | | |
|---|-----------------|----------|
| Net Surplus (Deficit) | 179,372 | 105,422 |
| Non-cash items in Income Statement | | |
| Depreciation, amortisation & impairment | 6,311 | 6,311 |
| Net increase (decrease) in unpaid employee benefits | 4,755 | 915 |
| | 190,438 | 112,648 |
| Add (Less): Changes in Net Current Assets | | |
| Net (increase) decrease in receivables | 33,815 | 16,645 |
| Net increase (decrease) in trade & other payables | (61,042) | (40,276) |
| Net Cash provided by (or used in) operations | 163,211 | 89,017 |

(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 -

Note 11 - FUNCTIONS

The activities of the Region are categorised into the following programmes

- 1 A009-Special Projects
- 2 P015-Local Government Reform
- 3 P022-Roads & Transport
- 4 P024-Climate Change Co-Ordinator 2015-17
- 5 P025-LG Outreach Phase 2
- 6 P027-LG Reform - Incentive Risk
- 7 P028-Regional Capacity Building

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 2019

Note 12 - 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 1.25% as at 30 June 2019 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

| 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 |

| 2018 | Due < 1 year | Due > 1 year; ≤ 5 years | Due > 5 years | Total Contractual Cash Flows | Carrying Values |
|------------------------------|----------------|-------------------------|---------------|------------------------------|-----------------|
| Financial Assets | \$ | \$ | \$ | \$ | \$ |
| Cash & Equivalents | 808,876 | - | - | 808,876 | 808,876 |
| Receivables | 8,759 | - | - | 8,759 | 8,759 |
| Total | 817,635 | - | - | 817,635 | 817,635 |
| Financial Liabilities | | | | | |
| Payables | - | - | - | - | - |
| Total | - | - | - | - | - |

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 2019

Note 13 - FINANCIAL INDICATORS

| | 2019 | 2018 | 2017 |
|--|------|------|------|
|--|------|------|------|

These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. 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> | 24.5% | 18.8% | 5.2% |
| 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> | (135%) | (143%) | (119%) |
| 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> | 0% | 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 2019

Note 14 - 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

| | 2019 \$ | 2018 \$ |
|---|-----------------------|-----------------------|
| Income | 732,899 | 560,287 |
| Expenses | <u>(553,527)</u> | <u>(454,865)</u> |
| Operating Surplus / (Deficit) | 179,372 | 105,422 |
| Net Outlays on Existing Assets | | |
| Capital Expenditure on renewal and replacement of Existing Assets | - | - |
| Add back Depreciation, Amortisation and Impairment | <u>6,311</u> | <u>6,311</u> |
| | 185,683 | 111,733 |
| Net Outlays on New and Upgraded Assets | | |
| Amounts received specifically for New and Upgraded Assets | <u>-</u> | <u>-</u> |
| Net Lending / (Borrowing) for Financial Year | <u>185,683</u> | <u>111,733</u> |

LEGATUS GROUP

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

Note 15 - 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:

| | 2019 | 2018 |
|--|----------------|----------------|
| | \$ | \$ |
| Salaries, allowances & other short term benefits | 165,460 | 149,999 |
| Member Allowance | 4,600 | 4,270 |
| Post-employment benefits | 15,217 | 14,250 |
| FBT | 8,644 | 15,235 |
| TOTAL | 193,921 | 183,754 |

The Group received the following amounts in total:

| | 2019 | 2018 |
|--|----------|----------|
| | \$ | \$ |
| 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.

LEGATUS GROUP

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

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

There are no contingencies, assets or liabilities not recognised in the financial statements for the year ended 30 June 2019.

Note 17 - EVENTS OCURRING AFTER REPORTING DATE

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

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 2019, 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 2019, 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 2019, 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 27th day of September 2019,
at 214 Melbourne Street, North Adelaide

LEGATUS GROUP

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2019

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Legatus Group for the year ended 30 June 2019, the Council's Auditor, Dean Newbery & 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 Barossa Council


CHIEF EXECUTIVE OFFICER
Clare & Gilbert Valleys Council


CHIEF EXECUTIVE OFFICER
The Flinders Ranges Council


CHIEF EXECUTIVE OFFICER
Light Regional Council


CHIEF EXECUTIVE OFFICER
District Council of Mount Remarkable


CHIEF EXECUTIVE OFFICER
Port Pirie Regional Council


CHIEF EXECUTIVE OFFICER
York Peninsula Council


CHIEF EXECUTIVE OFFICER
Wakefield Regional Council


CHIEF EXECUTIVE OFFICER
District Council of Barunga West


CHIEF EXECUTIVE OFFICER
District Council of the Copper Coast



CHIEF EXECUTIVE OFFICER
Regional Council of Goyder


CHIEF EXECUTIVE OFFICER
Adelaide Plains Council


CHIEF EXECUTIVE OFFICER
Northern Areas Council


CHIEF EXECUTIVE OFFICER
District Council of Orroroo Carrieton


CHIEF EXECUTIVE OFFICER
District Council of Peterborough


CHAIRMAN
Legatus Group
Board of Management

Date:

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 2019, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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

**Jim Keogh****Partner****DEAN NEWBERY & PARTNERS**
CHARTERED ACCOUNTANTS**Dated the 21st day of August 2019**