

Annual Report 2020/21



Tarlee BMX Dirt Park



CLARE & GILBERT
VALLEYS COUNCIL

Clare & Gilbert Valleys Council
4 Gleeson Street
CLARE 5453
South Australia

Telephone
08 8842 6400

Email
admin@cgvc.sa.gov.au

Website
www.claregilbertvalleys.sa.gov.au



CLARE & GILBERT
VALLEYS COUNCIL

Contents

Overview	4
Council Snapshot	4
Message from Mayor and Chief Executive Officer	5
Elected Members	7
Clare & Gilbert Valleys Council at a Glance	8
The Year in Review	22
Strategic Plan 2019-2029	30
Clare & Gilbert Valleys Council – Vision	30
Finance	44
Attachments	47
Attachment 1- General Purpose Financial Statements	47
Attachment 2 - Legatus Group Annual Report & Financial Statements	92

Overview

Council Snapshot

Council is committed to transparent reporting and accountability to the community. This Annual Report provides the community with information about Council's operations and performance during the financial year and meets all obligations under Section 131 of the Local Government Act 1999.



COUNCIL AREA
189,251 hectares

ELECTORS
6,799

POPULATION
9,429

ROADS
1,833km

Message from Mayor and Chief Executive Officer

Despite the ongoing COVID-19 pandemic, which we are learning is more likely to become an endemic state, the district has continued to flourish and Council has continued to deliver its commitments in line with its Strategic Plan 2019-2029 and Annual Business Plan 2020-2021.

The Clare Valley has remained a popular destination for South Australians and interstate visitors, when the borders are open. Upgrades to and beautification of the Clare Main Street has helped to improve the look and feel of the district. Several sculptures and murals were installed, a section of footpath was upgraded and new landscaping put in.

Riverton was the first to benefit from this main street focus and there are plans to continue so that the main streets of all our towns and villages be refreshed and look well cared for.

Council had received a second round of funding under the Drought Communities Program from the Commonwealth in early 2020 which was required to be delivered by December 2020. This put additional pressure on staff to deliver additional work over and above what was in the Annual Business Plan. This was done without any significant glitches. The Drought Communities funding supported:

- Assistance to the new Vale Community Centre, Watervale
- Construction of an Adventure Playground at Riverton
- A new Greenkeepers Shed at the Clare Golf Club; Lights at the Mintaro Bowling Club; and an Outdoor Kitchen at the Clare Showgrounds
- Development of the Clare Valley Short Walks including new trail infrastructure
- Improvements to the Tarlee Information Bay and Public Toilets
- Development of several Communities Emergency Risk Assessment and Recovery Plans in partnership with the Red Cross
- Support to Operation Flinders for secondary school students
- Clearing of a number of Stormwater Drains, Rivers and Creeks for flood mitigation

In addition, Council was required by the Commonwealth to develop an Adverse Events Plan for Drought to improve readiness to future droughts.

For most of the year, staff and Councillors had to cope with the changing COVID restrictions. Council meetings and workshops were mostly held via video conference. These meetings still enabled the attendance of the public and guest speakers/presenters.

Despite the lockdowns, administration continued to work from home and the outdoor work crew were stood down for a three day period, otherwise the productivity of Council did not suffer to any great extent. In fact, they were presented with increased workloads because of the number of stimulus packages provided by the Commonwealth and State Governments. Projects had to be identified that could fit the funding requirements. As a

consequence, Council is delivering a number of initiatives identified in its Open Space and Recreation Strategy and its Asset Management Plan earlier than planned. Examples include new or extended playgrounds at Mintaro and Rhynie and the development of a new BMX Park at Tarlee.

Acknowledging the difficulties that COVID created for holding Australia Day celebrations, the Australia Day Council made funding available. Council received sufficient funding to enable it to hold its regular suite of celebrations across the district.

Events during 2020 were few and far between and the date that Council had planned to hold its first Community NAIDOC event had to be postponed because the State went into lockdown. NAIDOC 2020, take two, was held on Saturday 30 January 2021. Council held the event in collaboration with the Northern & Yorke and Murraylands & Riverland Landscape Boards. A large contingent of Ngadjuri came to Clare to participate in and contribute to the event. For many, the event was deeply emotional and all were grateful that Council had taken the step to formally welcome Ngadjuri back to their country.

To address the growing number of built assets Council has on its books, it took a decision in November 2020 to start consulting with each community about particular buildings to understand what is essential and what is surplus and, furthermore what to do about surplus or underutilised built assets. To allow for appropriate and respectful consultation, Council has allowed at least two years for these consultations to take place. Mid to late 2023 should see this process being completed and Council will hope to have less items on its build asset register, reducing its depreciation requirements.

Council ended the year in a good position having delivered ninety three percent (93%) of the Capital Projects scheduled for construction. The projects that were not able to be delivered or completion was delayed were due to a number of reasons. Either the tender process could not attract any submissions or there were delays because of weather or supplies not being available.

Financially, Council ended in a better position than expected. It has an operating surplus of \$425,000, rather the original budget predicted operating deficit of \$1,183,000. The reason for this difference was that the upgrade of the Clare Oval and Clubrooms did not proceed and Council received more in grant funding than expected. However, this funding will hit Council's budget in future years.

We would like to thank the Councillors, staff and the community members, including the many volunteers, for their efforts and contributions to the success of Council's activities and initiatives throughout the past year.

Wayne Thomas
Mayor

Dr Helen Macdonald
Chief Executive Officer

Council Members

Mayor Wayne Thomas, Councillor Ann Alder, Deputy Mayor Malcolm Bartholomaeus, Councillor Leon Bruhn, Councillor Ian Burfitt, Councillor Elizabeth Calvert, Councillor Lucy Drummond, Councillor Cate Hunter, Councillor Brian Koch, Councillor David Willson. Councillor Nedd Golding resigned from Council in October 2020.

Representation Structure & Quota

The Council is the decision-making body on all matters of policy and strategic direction. It is comprised of the Mayor and nine Councillors who are elected by the whole community. A Deputy Mayor is appointed every two years.

Clare & Gilbert Valleys' total number of electors is 6,685. The quota for Clare & Gilbert Valleys is one (1) elected member to 669 electors.



Clare & Gilbert Valleys Council at a Glance

With vineyard covered landscapes, set in rolling golden hills of fertile agricultural lands, the Clare & Gilbert Valleys district is made up of historic towns with thriving communities.

Forming part of the traditional lands of the Ngadjuri peoples we recognise their rich connection and association with this place.

The district comprises some of the most productive lands and scenic landscapes in Australia and delivers premium products and visitor experiences.

Well known for its boutique cellar doors and premium vineyards, the Clare Valley wine region produces some of the world's best wines, is known as the heart of Australian Riesling, and is proud to be part of one of the 9 internationally renowned Great Wine Capitals of the World. Combined with Shiraz and Cabernet Sauvignon as another staple, together with emerging wine varieties, the Clare Valley continues to build on its future in the viticulture and winemaking industries.

The fertile agricultural lands within the district are the cornerstones of the region's economy. Together with favourable climate conditions we have excellent broad acre cropping opportunities as well as strong livestock production, providing a solid foundation for enviable food experiences and an increasing trend towards value-adding beyond the farm gate.

A tapestry of towns, villages and rural landscapes, the Clare & Gilbert Valleys is home to a population of 9470.

As well as a holiday destination, the region is one where people live and thrive.

Located adjacent to the outer metropolitan area of South Australia's capital, Adelaide, the Clare and Gilbert Valleys enjoy the advantages of proximity and accessibility with an enviable rural lifestyle.

With plenty of options, from land to established homes, the Clare & Gilbert Valleys are a great choice for those wanting to make the move to a fulfilling regional 'tree change'.

Ranging from the service towns of Clare, Riverton, Saddleworth and Auburn through to the villages of Stockport, Tarlee, Rhynie, Manoora, Mintaro, Watervale, Sevenhill, Armagh, Waterloo, Hilltown, Leasingham, Penwortham, Stanley Flat and Marrabel, each has a proud history, great stories and a positive future.

Although wine and agriculture is a feature of our landscape, so are the many wonderful walking and cycling trails which are here to explore.

The Clare and Gilbert Valleys is home to the renowned Riesling Trail, which hosts cycling and walking from Barinia in the north to Auburn in the south, it covers more than 35kms along an old railway corridor. A southern extension through the Rattler Trail, from Auburn to Riverton, makes a total distance of 60kms.

The Heysen, Mawson, Kidman, Lavender Trails and the new Wine Wilderness Trail also traverse the Council's landscape, offering a diversity of active experiences, and a series of short walks bisect many of these trails to provide an experience for all levels of fitness.

There is an abundance of great food from small intimate cafes to world-class restaurants and friendly country pubs which tie into the region's place along the "Epicurean Way", a mecca of food and wine experiences which connect to some of the State's iconic wine regions.

The district also has many allied and preventative health services available which contribute to healthy outcomes for our community.

Clare is the home of the Clare Valley Aerodrome which has a recently sealed runway and provides aviation services for the region. These facilities can be utilized by locals, regional aviation enthusiasts, corporate visitors, and our growing number of tourists.

Plenty of activities are available for residents and visitors including the highly regarded and volunteer run Lakeside Railway in Clare which offers model train rides. There are an abundance of art galleries, as well as historic walks and museums, such as Scholz Park Museum in Riverton and the National Trust Museums in Clare and Auburn.

The Clare & Gilbert Valleys offer residents and visitors all the amenities you would expect to have in any city – libraries, sporting ovals, a lifestyle centre, swimming pools and more, as well as the chance to get involved in local activities.

A rural lifestyle with many services – there are hospitals, medical practices, dental surgeries and pharmacies; plenty of excellent schooling options from childcare to private and public kindergartens to primary and high schools and myriad activities to keep children healthy and active.

A quality library service is provided through full time libraries at Clare, Saddleworth, and Riverton. The strong presence of the University of the Third Age enables a wide variety and range of interests to be explored by older residents. Clare and Gilbert Valleys is also represented by several service clubs including Lions, Rotary and Apex.

A high level of health and associated allied services available locally, including two hospitals, four medical and two dental practices, and an excellent ambulance service, along with the presence of the Mid North Community Passenger Network Scheme which provides transport for those who need assistance.

The Clare & Gilbert Valleys region is an accessible destination for corporate and tourist visitors to utilise our many excellent accommodation venues, function centres and tourist facilities, inclusive of a wide variety of historic sites and events which occur in the area.

The region comprises safe communities with a low crime rate and a strong police presence.

An active and efficient emergency service is present throughout the region provided by dedicated and well-trained volunteers of the Country Fire Service, State Emergency Services and SA Ambulance.

The region is a great base for businesses and staff, with good connectivity through the National Broadband Network. Its excellent digital and road networks provide the perfect place for those who want to work remotely with easy access to Adelaide and the airport, and great data speeds.

We have an enviable lifestyle, which has unlimited opportunities for new business investment.

The Clare & Gilbert Valleys is a welcoming region with plenty of opportunity for growth and is highlighted by its engaged communities and wide range of services and amenities.

Councils of similar size and type

Council	Electors	Elected Members (inc. Mayor)	Representation Quota
Clare & Gilbert Valleys	6,685	10	669
Renmark Paringa	6,585	9	732
Mid Murray	6,507	10	651
Walkerville	5,781	9	642
Adelaide Plains	6,292	10	629
Naracoorte Lucindale	5,931	11	539
Wakefield Regional	4,828	10	483
Northern Areas	3,392	9	377

Representation Review

Every eight years, in accordance with Section 12 of the Local Government Act 1999, the Clare & Gilbert Valleys Council is required to review the composition of the Council. Clare & Gilbert Valleys Council completed a review of its composition and elector representation arrangements in 2017, which was approved by the Electoral Commissioner.

The result of the review confirmed the:

- principal member of Council be the Mayor, elected by the community;
- Council area not be divided into wards; and
- Elected body of Council to comprise the Mayor and nine area Councillors.

The Local Government election in November 2018 proceeded on this basis, with the election of a Mayor and nine Councillors.

Council Members Allowances

The Local Government Act 1999 and the Local Government (Members Allowances and Benefits) Regulation 2010, provides for the payment of Council Member allowances. The annual allowance for a Council Member was determined by the Remuneration Tribunal of South Australia in November 2018. Those allowances have since been subject to an adjustment by CPI on the first, second, third and fourth anniversary of the periodic elections.

Allowances effective for November 2020 are:

Mayor	\$58,272
Deputy Mayor	\$18,210
Councillor	\$14,568

Travel time allowance for members on non-Metropolitan Councils has also been determined where the Member's residence is located:

> 30kms to < 50km from Council's principal office	\$430 per annum
> 50kms to < 75kms from Council's principal office	\$734 per annum
> 75kms to < 100kms from Council's principal office	\$1,101 per annum
> 100kms from Council's principal office	\$1,562 per annum

In addition, Council Members are provided with an iPad to receive information from Council, including a communication allowance of \$600 per annum. A travel allowance for "eligible journeys" as defined in Regulation 3 of the Local Government (Members Allowance and Benefits) Regulations 1999 at the rate per kilometre prescribed in the Income Tax Assessment Act 1936 is available.

Council Members' Training

The Local Government Act 1999 states that Council must ensure that its Council Members undertake regular training in accordance with the Council Members Training and Development Policy, and that training complies with the Local Government Association training standards.

Training and development opportunities focus on assisting Council Members in the performance and discharge of their functions and duties and contribute to achieving the strategic and good governance objectives of Council. Council maintains a register of training and development activities attended by Council Members.

Over the last 12 months, activities have included:

- Mandatory Council Member Training for new Council Member
- Main Street Conference
- Local Government Association AGM
- Respectful Behaviour in the Workplace

Decision Making Structure of the Council

Decisions of Council are made through Council meetings, Committee meetings or by employees through delegated authority. Informed decision making is critical to ensuring that decisions are made in the best interests of the wider community. During 2020/21 Council's formal decision-making structure comprised Council, Audit Committee, Council Assessment Panel and Section 41 Committees.

All Council and Committee meetings are open to the public. Documentation for each meeting (notice of meeting, agendas with reports, attachments and minutes) are available from Council offices and on Council's website.

Council Meetings

As at 30 June 2021, Council held a total of 12 ordinary Council meetings and 10 Special Council meetings. Council Members attended the following meetings from 1 July 2020 to 30 June 2021:

Council Member	Ordinary Meetings	Special Meetings
Mayor Wayne Thomas	12/12	10/10
Cr Ann Alder	12/12	10/10
Cr Malcolm Bartholomaeus	12/12	9/10
Cr Leon Bruhn	9/12	9/10
Cr Ian Burfitt	12/12	9/10
Cr Elizabeth Calvert	10/12	9/10
Cr Lucy Drummond*	6/9	6/8
Cr Nedd Golding**	3/4	5/6
Cr Cate Hunter	10/12	8/10
Cr Brian Koch	12/12	10/10
Cr David Willson**	4/4	2/4

*Cr Drummond had leave of absence from Council and Committee meetings for the period 18 August 2020 to 1 November 2020 inclusive.

**Cr Golding resigned in October 2020 with Cr Willson being appointed in March 2021.

Audit Committee

The Audit Committee is established in accordance with the Local Government Act 1999 to operate as an independent and objective advisory committee to Council. It assists Council to evaluate and improve the effectiveness of financial reporting, internal controls, and risk management systems. Clare & Gilbert Valleys Council has three independent members on Council's Audit Committee, one being the Presiding Member.

Allowances for Council's Audit Committee are:

Presiding Member	\$1,200 per meeting
Independent Members	\$ 300 per meeting

In addition, independent members are paid for travel where applicable.

The Audit Committee met on five occasions during the 2020/21 financial year with the following attendance:

Committee Members	No of Meetings Attended
Mr Mark Jeffreson	5/5
Mr Alan Rushbrook resigned Oct 2020	1/1
Mr Ian Swan	4/5
Ms Christine Hahn started Oct 2020	4/4
Mayor Wayne Thomas	5/5
Cr Ian Burfitt resigned Nov 2020	0/1
Cr Cate Hunter started Nov 2020	2/3

Mid North Regional Assessment Panel

The Mid North Regional Assessment Panel (the Panel) **has been** established in accordance with the Planning, Development & Infrastructure Act (PDI Act) 2016. The Panel's function is to assess notifiable, performance assessed development applications, with some limitations. The Panel assesses development applications from the Councils of Clare & Gilbert Valleys, Northern Areas, Goyder and Wakefield.

The Mid North Regional Assessment Panel consists of **four** Independent Members and one Presiding Member.

Allowances for **the** Regional Assessment Panel:

Presiding Member	\$600 per meeting
Independent Members	\$500 per meeting

Members	No of Meetings Attended
Mr Stephen Smith (Presiding)	5/5
Mr John Brak	5/5
Mr Arron Broom	5/5
Ms Julie Lewis	5/5
Mr Robert Veitch	4/5

Section 41 Committees

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

- Auburn Recreation Park Management Committee
- Clare Town Hall Committee
- Riverton Recreation Ground Committee
- Fire Prevention Committee
- Mid North Community Passenger Network Committee
- Dry Zone Committee
- CEO Performance Management Panel

Delegations to the Chief Executive Officer

The Council has provided the Chief Executive Officer with the delegated authority to make decisions on a number of specified administrative and policy matters. A copy of the Delegations is available on the website: www.claregilbertvalleys.sa.gov.au

Council reviews these delegations as regularly as required by legislation. In keeping with legislative requirements Council:

- Determines the policies to be applied by the Council in exercising its discretionary powers.
- Determines the type, range, and scope of projects to be undertaken by the Council.

Confidentiality

Under Section 90 (2) & 91 (7) of the Local Government Act, the following information is provided with regard to the Confidential Items raised at Council Meetings from 1 July 2020 to 30 June 2021.

- The number of orders that expired or ceased to apply during the 2020/21 year: 13
- The number of orders that were revoked during the 2020/21 year: 0
- The number of orders that remained operative during the 2020/21 year: 9

Council undertakes a review of any orders made under Section 91 (7). A confidential Items Register is kept on any orders made under Section 91(7) which contains the date of the original meeting, subject, section, and date of release.

Date	Subject	Section	Released
20/7/20	CEO Performance Management Panel Minutes	(a)	20/7/20
17/8/20	Clare Caravan Park	(b)	
17/8/20	CEO Performance Management Panel Minutes	(a)	17/8/20
17/8/20	Cr Burfitt – Response to the Ombudsman Letter	(g)	
24/8/20	CEO Performance Review KPI's 2020- 2021	(a)	24/8/20
12/10/20	CEO Performance Review KPI's	(a)	21/10/20
19/10/20	Gleeson Street Stormwater Tender	(b)	6/11/20
19/10/20	Clare Footpath Tender	(b)	16/2/21
21/10/20	CEO Performance Review 2019-2020 & Confirmation of Confidential Minutes 12 October 2020	(a)	21/10/20
7/12/20	Australia Day Awards	(a)	11/12/20
7/12/20	CEO Performance Management Panel Minutes	(a)	7/12/20
18/1/21	Progress Report Clare Caravan Park – Discovery Parks Proposed Lease	(b)	
18/1/21	Confidential Minutes Review - This includes 3 February 20 – Legal Matter, 12 March 20 – Legal Matter, 15 June 20 – Independent Commissioner Against Corruption	(a)	
15/2/21	Clare Footpath Tender	(b)	16/2/21
15/2/21	Supply of Tipper Truck Tender	(b)	18/2/21
15/2/21	Proposed Lease of Clare Caravan Park	(b)	
15/2/21	CEO Performance Review Committee – Confidential Minutes & CEO Performance Review Consultancy Services	(a)	15/2/21
6/4/21	Consideration of Confidential Minutes from 1 April 2021 Special Audit Committee Meeting and the Proposed Lease of Clare Caravan Park	(b)	

8/4/21	CEO Performance Review Committee – CEO Performance Review	(a)	19/4/21
19/4/21	Auburn Recreation Ground Wastewater System Upgrade	(b)	
24/5/21	Proposed Lease of Clare Caravan Park	(b)	
28/6/21	Proposed Lease of Clare Caravan Park	(b)	

Management Team

The Management Team is led by Chief Executive Officer, Dr Helen Macdonald.

Director Corporate Services

Mrs Leanne Kunoth

Director Development & Community

Mr Andrew Christiansen

Director Works & Infrastructure

Mr Ken Dolan

Salary packages for these officers include over Award salary in a band from \$151,770 to \$227,495 and may also include private use of a motor vehicle, superannuation, and mobile phone.

Total Employees: 62 employees, with a full time equivalent of 54.24

Equal Employment Opportunity

Clare & Gilbert Valleys Council maintains its commitment to equal employment opportunities. Council has staff who span a wide range of age groups and Council maintains a balanced gender representation. The Chief Executive Officer is appointed as the Equal Opportunity Officer.

The Chief Executive Officer is responsible for:

- Developing and implementing an equal employment opportunity program relating to employment with the Council.
- Developing and implementing other initiatives to ensure that employees have equal employment opportunities in relation to that employment.

Human resource and personnel practices, policies and procedures are reviewed annually.

Work Health and Safety

Clare & Gilbert Valleys Council continues its endeavours to maintain a high standard of Work Health and Safety. Pursuant to the WorkCover Exempt Employer Standards, Council is required, as an exempt employer, to set its own Work Health & Safety objectives based on the organisation's own gap analysis and to integrate Work Health and Safety into Council's Strategic Plan.

Risk Management

Clare & Gilbert Valleys Council is committed to a high standard of governance and accountability. Council manages its strategic, operational and financial risks in accordance with the Australian Standard. This framework ensures that risks and internal controls are identified, assessed, managed, and reported, whilst ensuring that effective policies, operating guidelines, and actions are in place.

In 2016, an Organisational Risk Register was developed profiling Council's corporate and operational risk. This register has annually been reviewed and further refined since that date. With the most recent review having taken place in 2020. Risks identified through this process are managed and mitigated through inclusion in annual work area plans and other programs.

External Auditor and Remuneration

Bentleys SA/NT were appointed by Council as the External Auditors for a five-year contract expiring at the completion of the 2024/25 financial audit. This appointment is in accordance with the Local Government Act 1999.

The remuneration paid to Bentleys SA/NT for the audit in 2020/21 was \$ 21,098 (GST inclusive).

The external Auditors' findings are reported to the Audit Committee and Council at the completion of the Audit each year. The Audit Committee meets with Council's Auditors on an annual basis to discuss internal controls, risk management and to seek clarification on financial matters.

Registers

The following is a list of registers that are held at Council's Clare office:

Members Register of Interests	Officers Register of Salaries
Members Register of Allowances & Benefits	Officers Register of Interests
Fees and Charges	Register of Confidential Items
Community Land	Public Roads
Gifts and Benefits Register	
Contracts, Agreements, Leases, Licences, Registers	
Register of Interests (CAP Members)	

Codes

The following is a list of Codes required under the Local Government Act 1999:

- Code of Practice Access to Council and Committee Meetings
- Code of Conduct – Council Members
- Code of Conduct – Council Employees

Policies

Council has adopted the following Policies:

Additional Connection to CWMS Policy
Art Collection Policy
Asset Management & Accounting Policy
Australia Day Awards Policy
Budget Policy
Caretaker Policy
Car Parking Contribution Policy
Cemetery Management Policy
Code of Conduct for Council Employees
Code of Conduct for Council Members
Code of Practice for Access to Council Meetings and Documents Policy - Electronic
Community Financial Assistance Policy
Complaint Handling Policy
Corporate Card Policy
Council Emergency Management Policy
Council Meeting Procedures
Council Member Appointment to External Board
Council Member Complaint Handling Code of Conduct
Council Members Induction and Training Policy
Council Members Allowances and Benefits Policy
Council Member Casual Vacancy Policy
CWMS Customer Service Charter Policy
Debt Collection Policy
Development Plan Consent Delegations Policy
Disposal of Land & Assets Policy 2019
Dog Management After Hours Policy 2019
Enforcement & Order Making Policy 2019
Equity Reserve Policy
European Wasp Policy
Event Management Policy
Events - Financial Support Policy
Financial Hardship CWMS Policy
Flag Flying Policy 2019
Footpath Verge Policy
Fraud, Corruption, Misconduct & Maladministration Policy
Gifts & Benefits Register Council Members
Heritage Restoration Fund Policy
Informal Gatherings Policy

Inspection of Building Work Policy, Swimming Pool Amendment Policy
Interaction of the Development Act, the State Records Act, the Freedom of
Information Act with the Copyright Act 1968 Policy
Internal Financial Control Policy
Internal Review of Council Decisions Policy 2019
Media Policy
Outdoor Dining Policy 2019
Outdoor Dining Policy Procedure
Procurement Policy 2019
Prudential Management Policy
Public Consultation Policy 2020
Public Interest Disclosure Policy 2019
Rate Rebate Policy and Application Form 2020
Rates Deferment Due to Hardship Policy 2019
Records Management Policy
Recycled Water Policy
Request for Service Policy 2019
Risk Management Framework
Risk Management Policy
Road Naming Policy 2019
Safe Environment Policy
Scholz Park – August Scholz Travelling Trunk Policy
Second Hand Transportable Dwellings Policy
Shipping and or Sea Container Policy
Treasury Management Policy
Tree Management Policy
Unreasonable Complaint Policy
Volunteer Policy
Waiving of Development Fees for Not for Profit Organisations Policy
Welcome to Country – Acknowledgement of Country
Work Health and Safety Return To Work Policy

Review of Decisions

As required by the Local Government Act 1999, Council has an Internal Review of Council Decisions Policy, outlining how decisions of Council or decisions of people acting on behalf of Council are reviewed, no applications for review of a decision were received during 2020/21.

Community Land Management Plans

All local government land became classified as Community Land when the Local Government Act 1999 came into effect from 2000. The Clare & Gilbert Valleys Council progressively determined which lands should be excluded pursuant to Section 193 of the Local Government Act 1999, with community consultation occurring throughout that process. Following consideration of submissions, Council made its decision on the land to be excluded. A Community Land Register is maintained by Council. Community Land Management Plans have been prepared for all remaining Community Land.

Freedom of Information - Information Statement Public Access to Official Documents and Records

The Freedom of Information Act 1991 (the FOI Act) gives the right to request access to documents held by Councils and plays a vital role in the overall transparency of government. To meet the requirements of Section 9(1a) of the FOI Act, Councils are required to publish an Information Statement. The purpose of this is to provide the public with an overview of information held by Council and details how to access the information. The information Statement is updated annually and published on Council's website.

Information Requests

During the 2020/21 financial year, the Clare & Gilbert Valleys Council received 4 requests for information under the provisions of the Freedom of Information Act (compared to 4 in the previous year). Freedom of Information application forms, as well as details of applicable processing fees and conditions can be obtained from Council's website www.cgvc.sa.gov.au

All applications should be submitted in writing and forwarded to: The FOI Officer, Clare & Gilbert Valleys Council, 4 Gleeson Street, CLARE, SA 5453.

Competitive Tendering & Cost-Effective Services

Clare & Gilbert Valleys Council continues to strive to provide value for money in service delivery to the ratepayers of the Clare & Gilbert Valleys Council through the adoption and utilisation of purchasing and procurement Policies.

Clare & Gilbert Valleys Council aims to ensure that its methods of service provision, including the carrying out of works and purchasing goods are transparent, cost effective and represent best value for money while meeting the needs of Council and the community. At the same time, Council is committed to pursuing a convention of purchasing locally wherever possible and practical. More detailed information is available in the Procurement Policy.

National Competition Policy – Clause 7 Statement Reporting

Local Government is required to comply with the Competition Policy Reform (South Australia) Act 1996 to ensure the application of competitive neutrality principles and practices when significant “business activities” are being carried out by Councils. Whether an activity is a significant business activity to which competitive neutrality principles should be applied is a matter for Council to determine.

This determination should be made taking into account:

- The intent of the National Competition Policy.
- Whether the business activity possesses sufficient market power to create a competitive impact in the market that is more than nominal or trivial.
- Whether the size of the business activity relative to the size of the market as a whole is more than nominal or trivial.

The National Competition Policy categorises significant business activities as:

- Category 1 – business activities with an annual revenue in excess of \$2 million or employing assets in excess of \$20 million.
- Category 2 – all other significant activities.

Competitive Neutrality Principles under National Competition Policy require that Councils must report annually on:

- The determination of significant business activities undertaken by Council, and the creation or cessation of significant business activities.
- The application, or change in application, of competitive neutrality.
- Complaints about the application of competitive neutrality and the structure reform of public monopolies.

Significant Business Activities

Category 1

- Council has determined that it has no significant business activities to declare under Category 1.

Category 2

- Council has determined that it has no significant business activities to declare under Category 2.

Commencement or Cessation of Significant Business Activities

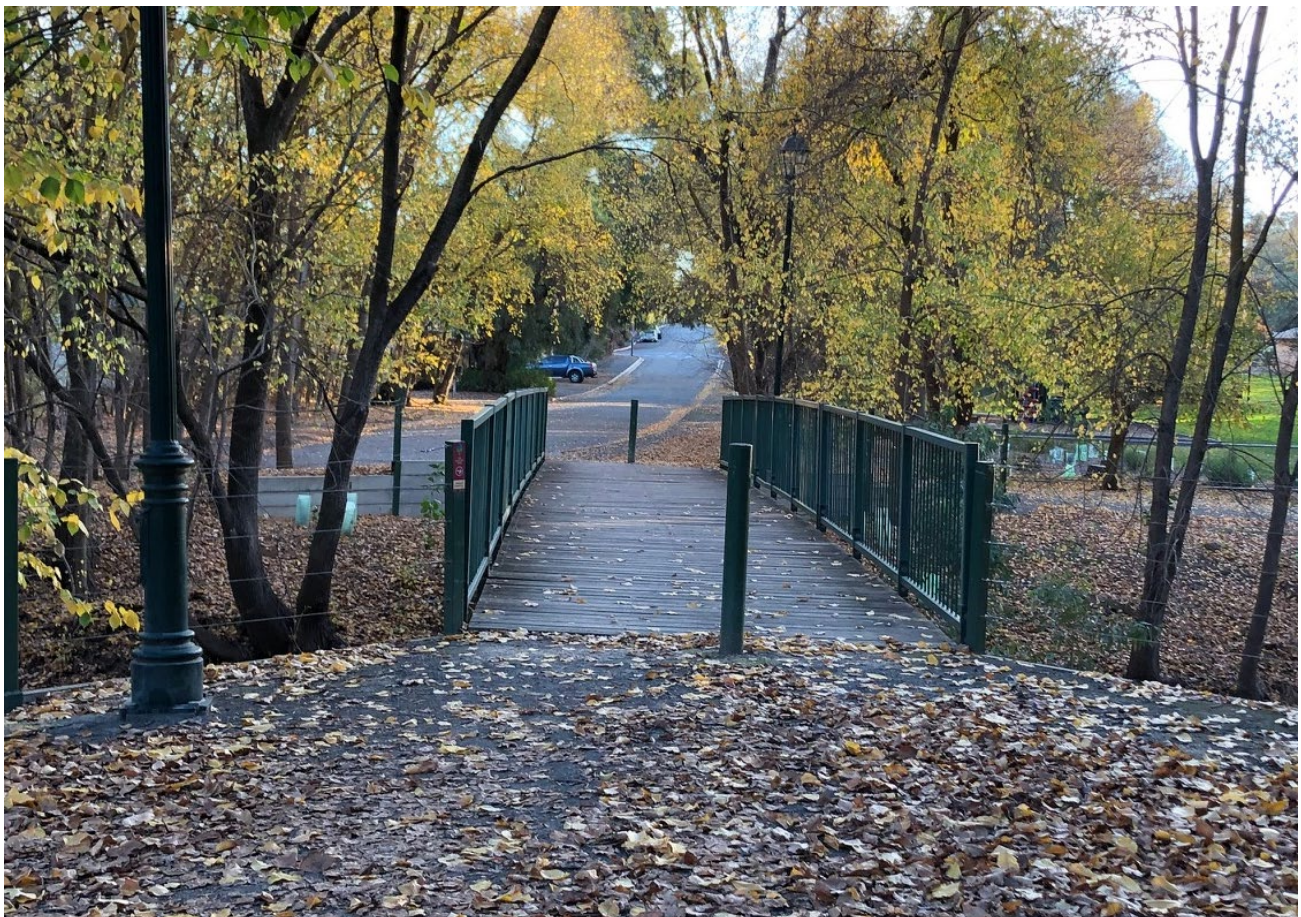
Council has neither commenced nor ceased a significant business activity during the course of the reporting period.

Complaints Concerning the Application of Competitive Neutrality

Council has not received any complaints concerning the application of competitive neutrality principles during the 2020/21 financial year.

Structural Reform of Public Monopolies

These provisions do not apply to any Council activity.



Autumn in Auburn

The Year in Review

COVID-19

Council's business and meeting practices have continued to make periodic changes throughout the year to meet South Australia's Emergency Declarations.

Council, through the Local Government Association, continues to work with SA Health and other State Government agencies to disseminate health information and encourage COVID safe practices amongst our communities whilst continuing to deliver Council services.

Council encouraged employees and the community to take advantage of the available vaccination program.

Work

The works department had a busy year with capital and programmed maintenance works. A total of 68km of the rural road network was re-sheeted and approximately 15km of rural and township sealed roads had pavement failures repaired, widening works done, and failing sections reconstructed.

Main Road 45, between Kunden Road and Waterloo Road, received a capital upgrade that resulted in the sealing of approximately 1.84km of the unsealed road.

The intersections of James and Harriet Streets, Rhynie, also received a capital upgrade, with the apron areas being sealed.

Footpath and kerbing upgrades were completed on various roads in Riverton, Clare, and Saddleworth.

Safety barriers were installed on the intersection of Burton and Burra Streets, Mintaro, Mintaro Bridge and capital repairs were undertaken on floodways in Clare and Giles Corner.

The upgrade works on the Clare Main Street continued, façade repairs and painting at the Clare Library and replacement of the upper windows of the Clare Town Hall were completed. A new Niche Wall at Riverton Cemetery has been constructed

Stormwater and drainage works continued in Clare, with all planned works completed. Progress was made with the investigation and design works for the Clare Stormwater Implementation Plan.

Channel remediation works continued in the Hutt River and the Gilbert River, to assist with flow management.

Emergency storage was completed on the Community Waste Water Management Scheme system in Riverton.

Drought Communities Program

Council, in conjunction with various community groups, helped deliver \$1 million worth of projects from the Federal Government's Drought Communities Programme Extension. These included:

The Vale Community Centre, Watervale	Adventure Playground Equipment, Riverton Recreation Ground	New Greenkeepers Shed, Clare Golf Club
New Lights, Mintaro Bowling Club	Clare Showgrounds Outdoor Kitchen	Clare Valley Short Walks Project
Tarlee Information Bay and Public Toilets improvements	Communities Emergency Risk Assessment and Recovery Plans	Operation Flinders, Clare and Riverton High Schools
District stormwater drainage clearing	District river and creek clearing	

A project officer was engaged to assist with the delivery of these projects.

Council has been provided funding from two phases of the Federal Government's Local Roads and Community Infrastructure Program. Phase 1 will provide \$477,275 and Phase 2 will provide \$565,910. Outlined below are the projects funded by these two phases of the Program. Council has also been informed that it will receive an additional \$945,550 for Phase 3 of the Program, which will contribute to the improvement of a number of local roads.

Phase 1

- New Adult exercise equipment, basketball hoop and landscaping improvements of parking bay area at Rhynie - completed
- New toilets at Melrose Park, Clare - underway
- New Bike and BMX Park, Tarlee - completed
- Replacement of playground equipment, Mintaro - completed
- New road aprons, Rhynie - completed
- Drainage improvements, Riverton – completed
- Footpath improvements, Riverton - completed
- Boardwalk refurbishment, Clare - completed

Phase 2

- District wide footpath renewal and upgrade focusing on Auburn, Riverton and Clare - underway
- Improved BMX track, playground expansion, petanque pitch, new irrigation at Melrose Park, Clare - underway
- New playground equipment, Richardson Park, Sevenhill - underway
- New Playground equipment, Centennial Park, Auburn - underway
- New shade structure over Saddleworth Recreation Ground playground – completed
- New bollards in front of the Emporium Bakehouse, Riverton - completed

YMCA – Valleys Lifestyle Centre – Clare

The first year of a new 3-year contract, 2020-21 was once again affected by the global COVID-19 pandemic. From June-September we saw many challenges that included a 4-day lockdown and multiple service restrictions. Whilst the COVID-19 threat has not passed the end of year has seen greater stability and a return to 100% capacity.

A key focus for the year was on ensuring the sustainability and growth for our two key impact areas, gym memberships and swimming lesson enrolments. Both of these services performed extremely well. In particular, we saw an all-time record number of gym members at the facility. The impact of this cannot be undervalued given the stresses and anxiety regarding the ongoing pandemic. The Health & Fitness centre has played a major role in sustaining and improving the mental health of our community.

What also cannot be underestimated is the achievement to finish the financial year favourable to budget. Alongside the pandemic itself, we have seen significant financial impact to many businesses and organisations. Successfully managing the centre financials through the crisis has given the facility secure sustainability into the future, enabling The Valleys Lifestyle Centre to have a positive impact in the region for years to come.

It is also with great pride that The Valleys Lifestyle Centre was the recipients of two awards at the 2020 Staff Awards Ceremony. The Valleys Lifestyle Centre won the Jack Massey Team of the Year Award and the Program of the Year Award for the Holistic Wellness Program. This was a great achievement for the staff and the second time in four years that the centre has won team of the year.

The centre also held the Parks, Leisure Australia State Conference. The event was a great opportunity to showcase the facility during the conference, which attracted people from all over the state to our region. The flow on effects to both the tourism and hospitality industries was significant.

It is with great excitement we look forward to the challenges ahead, which include being an integral part in the communities rebuild as we continue to get through to the other side of the current COVID-19 crisis.

Key Achievements

- The Valleys Lifestyle Centre announced as a finalist in the 2020 Fitness Australia Quality Accredited Business of the Year.
- The Valleys Lifestyle Centre awarded the winner of the 2020 Jack Massey Award for YMCA South Australia Team of the Year.
- The Holistic Wellness Program awarded the winner of the 2020 YMCA South Australia Program of the Year Award.
- Financially met budget despite the challenges COVID-19 presented.
- Memberships hit a record number of 490 in January 2021. This included growth of 6% across the FY21.
- 11% growth in the Swimming Lesson program.
- Turned over all weights equipment with brand new, state of the art, pieces.

- Purchase and implementation of a state of the art Body Scanner, helping members achieve results faster.
- Held the 2021 Parks & Leisure Australia State Conference.

YMCA – The Riverton Swimming Pool

The 2020-21 financial year was one of the most challenging in the YMCA's history at the pool. A combination of the continuing COVID-19 crisis and operational issues at the pool saw interruptions throughout the season.

- Closure of the toddler pool due to loose tiles.
- Replaced diving board that was at the end of its life.
- Major maintenance required for chlorine bunding.

The year saw many events hosted at the facility, both beneficial to the local community and the wider region, these included:

- Annual Riverton High School Swim Carnival
- School Holiday Vacswim Program
- SAPSASA Swim Carnival
- Local primary school swim carnivals
- 3 x swim carnivals from schools in the Wakefield Council
- 3 schools utilised the Riverton Pool for the annual DECD Swimming Lesson program.

Management will endeavour to continue to build on these successes to grow community attendance and ensure the viability and sustainability of the Riverton Outdoor Pool.

Key Achievements

- Successfully guided the centre through COVID-19 pool closures.
- Significant maintenance to the pool facility, providing a safer environment for all staff.
- Continued growth of Vacswim program.

Libraries

In a year shaped by the COVID-19 pandemic, the library service focused on what was possible: delivering services to provide educational, informational and recreational resources to the community. Providing evidence-based information is an important function of public libraries. Recreational reading was never more important to community wellbeing than in 2020-21. Staff created opportunities to deliver services and keep people safe. Many existing services pivoted and were offered differently. A range of services, resources and programs were available online throughout the year. The Auburn Library remained closed due to COVID-19 restrictions and for the health and safety of volunteers.

The Clare & Gilbert Valleys Council Libraries service the needs of a broad range of people of all ages. As part of the Libraries SA (Public Libraries Board) One Card system, libraries

welcome registered users from all SA public libraries to access their collections and services. 50,209 people visited the Clare and Gilbert Valleys Libraries during 2020-21. They borrowed 79,166 physical items. In addition, 3,631 ebooks, eAudiobooks and eMagazines were also borrowed. There were 29,636 downloads by Clare and Gilbert Valleys borrowers from the Libraries SA e-Learning platforms, Ancestry, LinkedIn Learning, Overdrive, Pressreader, Borrow Box, and Lynda Library. e-Collections, including books, magazines and online research services such as the genealogical database, Ancestry, are provided by the State Library of SA. Many of these services' use restrictions were removed, allowing more people to access them from home with their library cards.

The library service provides a sanctuary and refuge for all, but particularly for lonely and vulnerable community members. Staff offer a welcome place where no question is a silly question. In 2020-21 many families were separated due to COVID restrictions and border closures, and others were separated from their support people and systems. Building social capital and community wellbeing is a vital role of the modern public Library and no more so than during a pandemic.

Assistance with technology enables community members to stay connected with family and friends. 324 people were assisted during the year with digital learning through individual tuition or programs like Tech Savvy Seniors or Get Connected. Libraries are also hubs for free internet and Wi-Fi provided by the Libraries Board of SA. Free Wi-Fi is available 24/7. The Home Library Service connected less mobile community members to the library.

A mixture of in-house and take-home children's programs and activities were offered throughout the year. Preschool story time (Toddler Tales), Baby Bounce and Rhyme Time and School holiday programs help build essential literacy skills and establish life-long library users.

The library also hosted community displays and celebrated community and author events, including Victoria Purman, Meredith Appleyard and 155 people at Monica McInerney's book launch in October 2020. All events were shared via live-streaming with the Roxby Downs Library.

The heritage-listed façade of the Clare Library building was repaired and renovated in November 2020, with the assistance of a State Heritage Grant. The library remained open to the public (except for lockdown) via the rear emergency exit and a popup circulation desk in the lounge area.

Citizenship Ceremonies

Australian citizenship is an important bond for all Australians and lies at the heart of a unified, cohesive, and inclusive Australia. Citizenship celebrates Australian values including democracy and equality under the law and respect for each other's beliefs. It is a unique symbol of formal identification with Australia, acknowledging responsibilities and conferring substantive privileges which allow people to participate fully in the community.

During 2020/21, 20 Citizenship ceremonies were performed by Mayor Wayne Thomas.

Australia Day

Council hosted Australia Day breakfasts in Clare, Riverton, Saddleworth and Auburn. These functions are open to all residents of the Council area and visitors, with attendances for the 2020 breakfasts being approximately 600 people. Council presents awards to acknowledge outstanding efforts by local people and groups who contribute to community development.

Australia Day Awards 2021

Northern Area:

John Mitchell

No Award

Clare Valley Dance, The Dazzling
World of Disney

Australia Day Citizen of the Year

Australia Day Young Citizen of the Year

Community Event of the Year

Central Area:

Andrew Allchurch

No Award

No Award

Australia Day Citizen of the Year

Australia Day Young Citizen of the Year

Community Event of the Year

Southern Area:

Carolyn Evans

No Award

No Award

Australia Day Citizen of the Year

Australia Day Young Citizen of the Year

Community Event of the Year

Mid North Community Passenger Network

The Mid North Community Passenger Network (MNCNP) provided transport services to support the needs of the transport disadvantaged in our region. These services are provided with the assistance of a group of highly dedicated and fully accredited volunteer drivers. Clare & Gilbert Valleys Council hosts the services, which cover Adelaide Plains Council, Wakefield Regional Council, and the Regional Council of Goyder.

- MNCNP has 7 SUVs and one wheelchair access vehicle, all fitted with portable defibrillators
- MNCNP has 55 volunteers
- MNCNP has a 10-seater wheelchair accessible bus contracted to the Network.

Fire Prevention

Prior to the commencement of the Fire Danger Season, Council's Fire Prevention Officers carry out inspections in line with the requirements of the Flinders, Mid North, & Yorke Bushfire Management Area Plan. These inspections are conducted in locations of elevated risk, with the intent of modifying fuel loads in areas susceptible to bushfire. In the 2020/21 Fire Danger Season:

- Council issued 263 Section 105F notices requiring private landowners take action on their properties.
- Council inspected Government Properties 69 times to ensure fuel loads were adequately managed.
- Council enforced non-compliance against 14 landowners who failed to take action on their properties.

In addition to the modification of fuel loads, Council continued to work with the South Australian Country Fire Service in educating the community on the importance of bushfire prevention and preparedness.

Development Applications

South Australia has undergone the biggest modernisation of its planning system in 20 years with the implementation of the *Planning, Development and Infrastructure Act 2016* (the Act) which introduced a raft of new tools, including a 24/7 digital ePlanning system. The Planning and Design Code (Code) is the cornerstone of the new system and has replaced all council Development Plans to become the single source of planning policy for assessing development applications. The *Development Act 1993* has been replaced by the new Act and is no longer operational.

These planning reforms were implemented on 31 July 2020 which required all new development applications to be lodged online and assessed against the State-wide Code, with all Council Development Plans being fully revoked. As part of these reforms, Council has formed the Mid North Regional Assessment Panel (RAP) in conjunction with the Regional Council of Goyder, Wakefield Regional Council and Northern Areas Council. The new RAP has taken over the former responsibilities of the previous Council Assessment Panel and assesses notifiable development applications under the Code.

Council staff assess development applications to ensure their consistency with the Code. Development applications may be required to undergo public notification requiring Council to notify adjoining landowners, in addition to the application documents being available for viewing online. These applications can be assessed by the RAP which meet on an as required basis.

2020/21 Development Applications

Developments are diverse within the Council area, with a high percentage being:

- Sheds – both agricultural and domestic.
- Fences, masts and swimming pools.
- Office, shops and factories.
- Dwellings.

Despite the global pandemic, development applications have been very strong and considerably higher than last year's figures. Interest in building or moving to the Council area continues to remain high both as a lifestyle change option but also with locals choosing to stay within the region and not moving to other areas, particularly cities. Development applications for new dwellings (houses) have been much higher than previous years. Interest in tourism developments continues to expand, with the region experiencing an intrastate tourism boom over the past year. Some other major developments include cellar doors, tourism accommodation, agricultural buildings, and school expansions.

Development Applications	280
Category 2 applications (Dev Act 1993)	0
Category 3 applications (Dev Act 1993)	3
Public Notification (PDI Act 2016)	21
Land Division applications	18
New allotments created	7
Boundary realignment applications	10

Animal Management

Council has continued to maintain the accuracy of the information stored in Dogs and Cats Online. Council has continued to hold Chipblitz \$10 microchipping days to help facilitate the mandatory requirement to microchip all dogs and cats.

Registrations	2,243
Stray Dogs	92
Impounded Dogs	27
Harassment Incidents	49
Attack Incidents	33

Local Nuisance and Litter Control Act 2016

The Local Nuisance and Litter Control Act 2016 is legislation Council uses to regulate litter control, illegal dumping, unsightly properties, animal nuisance, and other local nuisances within the community.

Noise Nuisance	45
Dust Nuisance	3
Smoke Nuisance	13
Fumes Nuisance	2
Odour Nuisance	7
Animal Nuisance	71
Unsightly Nuisance	75
Illegal Dumping	61

Strategic Plan 2020

Clare & Gilbert Valleys Council – Vision Statement

Grow our population while maintaining an engaged, vibrant and attractive community with a shared respect for our natural and built environment and a productive economy that fosters innovation and excellence.

The Strategic Plan is an important document guiding the direction of Council. It is structured so that Council's decision making can be informed by the strategies set out in the Strategic Plan 2019-2029.

The following table includes the project priorities for the 2020-2021 financial year with regard to the strategies identified in the Strategic Plan.

Performance against the Strategic Plan and the 2020/21 Annual Business Plan and Budget objectives

Theme 1. Connected and Empowered Community

Strategies	Annual Business Plan objectives	Achievements
1.1 Strengthen opportunities for the community to participate in learning	<ul style="list-style-type: none"> Ensure the Library service is a modern learning hub for current and future needs 	The Clare & Gilbert Valleys Library Service has provided resources and opportunities for community members to learn.
	<ul style="list-style-type: none"> Continue to offer events for young people such as book and science weeks and NAIDOC 	Delivery of a successful NAIDOC week celebration
1.3 Create an environment that supports and encourages a healthy and resilient community	<ul style="list-style-type: none"> Continue to share grant opportunities with groups and clubs, write letters of support and assist with grant applications 	Through Council's Community Engagement Officer, Youth Officer and Sport and Recreation Officer, Council has been working closely with community groups to identify funding opportunities.
	<ul style="list-style-type: none"> Identify other opportunities for more youth artwork to be established throughout the region 	Financial support provided to youth development role by Council supporting key activities.
	<ul style="list-style-type: none"> Ongoing funding for Peak Bodies 	Council has 13 peak body organisations across the Council who were provided financial support for community projects. There are

		300 plus volunteers directly involved in the organisations.
1.4 Advocate for enhanced medical and health service offerings to meet the needs of the community, in particular our ageing population	<ul style="list-style-type: none"> Continue to support the Council representative on the Local Hospital Advisory Committees 	Current Council representation maintained on Local Hospital Advisory Committees.
	<ul style="list-style-type: none"> Prepare a Regional Public Health Plan and Disability Access and Inclusion Plan 	Regional Public Health Plan has been delivered and has been endorsed by the Minister. Disability Access and Inclusion Plan delivered and adopted by Council.
1.5 Support the development of quality facilities for retirement and aged living	<ul style="list-style-type: none"> Advocate for continued financial support for the Regional Passenger Network Service 	Ongoing financial support for Mid North Community Passenger Network.
1.6 Enhance the residential streets of the towns and villages	<ul style="list-style-type: none"> Develop a footpath Policy for all townships Footpath project from 2019/20 budget that has not been completed Clare Main Street Footpath Detail design for the upgrade of the Clare Main Street footpath from Gleeson Street to Burton Street presented challenges when trying to meet Australian Standards. The area around the Edwards Plaza however could not be completed without changes to the Plaza area. A successful redesign process will allow multiple options to be considered and construction to commence in spring 2020. Main Street Project from 2019/2020 Budget that has not been completed Clare Main Street Streetscape works 	<p>Footpath & Verge Policy adopted by Council.</p> <p>The upgrade of the Clare Main Street footpath from Gleeson Street to Burton Street has been partially completed.</p> <p>The Clare Main Street Streetscape Plan works have been completed with all art works installed.</p>

	<ul style="list-style-type: none"> A number of art works and sculptures that could not be commenced because of COVID-19 pandemic will be delivered by the end of 2020 in accordance with the State Governments Places for People Grant received in June 2019. 	
<p>1.7 Design and deliver well-planned townships with adequate capacity for housing, infrastructure, employment, business activity and recreational areas</p>	<ul style="list-style-type: none"> Implement the Open Space and Recreation Strategy 	<p>Council has delivered the following items from the Strategy:</p> <p>New Adult exercise equipment, basketball hoop and landscaping improvements of parking bay area at Rhynie.</p> <p>New Bike and BMX Park, Tarlee.</p> <p>Replacement of playground equipment, Mintaro.</p> <p>Delivery of Clare Valley Short Walks including trail extension at Neagles Rock.</p> <p>Master Plan for the Clare Showgrounds delivered.</p> <p>Outdoor catering kitchen complete at Manoora Centenary Park.</p> <p>Funding and loans provided towards the development of The Vale Community Centre, Watervale.</p>
	<ul style="list-style-type: none"> Operate and maintain the Valleys Lifestyle Centre 	<p>Completed another successful year of YMCA's contract for Valleys Lifestyle Centre.</p>
	<ul style="list-style-type: none"> Operate and maintain Riverton Pool 	<p>Completed another successful year of YMCA's contract for Riverton Pool.</p>
	<ul style="list-style-type: none"> Support the Clare Oval Redevelopment Committee to upgrade the Clare Oval Precinct – total commitment \$1,385,000 with \$1,002,000 in 2020/21 year and \$383,000 in 2021/22 year 	<p>Provide financial assistance to the Clare Oval Redevelopment project to enable them to be grant ready.</p>
	<ul style="list-style-type: none"> Continue to support the Sport and Recreation Officer under the Star Club program in conjunction with the Regional Council of Goyder and Wakefield Regional Council 	<p>Star Club Officer working with sporting organisations within CGVC also assisting communities to achieve their goals, be sustainable, be welcoming and well run.</p>

<p>1.8 Enhance the uniqueness of each of our townships through the development of public spaces that reflect their unique character and local heritage and history</p>	<ul style="list-style-type: none"> • Work with National Trust on opportunities to support conservation and heritage assets 	<p>Continue to work with Local National Trust Organisations to support local conservation and heritage assets.</p>
	<ul style="list-style-type: none"> • Ongoing financial support for History Groups 	<p>Financial support provided to History Groups.</p>
	<ul style="list-style-type: none"> • Enhance our heritage trails – Federal Government providing \$66,000 for enhanced regional trails 	<p>Delivery of Clare Valley Short Walks including trail extension at Neagles Rock. Funding provided to Watervale Community Association for their heritage trail signage.</p>
<p>1.9 Advocate for affordable housing options</p>	<ul style="list-style-type: none"> • Work with the Department of Planning, Transport and Infrastructure (DPTI) on implementation of the Planning and Design Code and the future development of residential land. 	<p>Planning and Design Code became live on 30 July 2020 and all assessments are being undertaken through the Plan SA online portal.</p>
<p>1.10 Support a growing diversity of community events that cater for all age groups</p>	<ul style="list-style-type: none"> • Partner with the Landscape Board in the celebration of NAIDOC week 	<p>Delivery of successful NAIDOC week celebrations.</p>
	<ul style="list-style-type: none"> • Meet with Ngadjuri Elders and corporation to identify opportunities to acknowledge Ngadjuri connections to Country 	<p>Commenced work with Ngadjuri Elders Corporation to start the Reconciliation Reference Group.</p>
<p>1.11 Advocate for improved telecommunications connectivity</p>	<ul style="list-style-type: none"> • Work with RDAYMN to have any shortcoming in data delivery and telecommunication blackspots addressed 	<p>RDAYMN facilitated discussions with Telstra and NBN to identify opportunities to improve data connectivity to parts of the district.</p>



Neagles Rock walking trail



Wine & Wilderness Trail

Theme 2. Vibrant Local Economy

Strategies	Annual Business Plan objectives	Achievements
<p>2.1 Engage with a broad range of stakeholders including State and Federal Government, RDA (Regional Development Australia), industry associations, local industry and business and community groups to foster economic growth and development</p>	<ul style="list-style-type: none"> Assist RDAYMN and developers to understand the new Planning and Design Code and where potential development could be located. 	<p>Continued to work with developers and the wider community on understanding the Planning and Design Code.</p>
	<ul style="list-style-type: none"> Implement the actions of the Economic Development Strategy in partnership with RDAYMN. 	<p>Clare Valley website upgraded to enable stronger targeting of key markets. Funded 3 events through the Events Support Program. Adoption of the Cultural Tourism Strategy. Clare Valley Water feasibility study undertaken. Clare Valley Luxury Accommodation - identified a site, completed design and concept. Assisted the development of Stage 1 of the "Wine and Wilderness Trail". Clare & Gilbert Valleys Instagram page has been created to visually promote the region. Council's Community Asset grants reviewed and changes made.</p>
<p>2.2 Support the development of value-add industries to our established agriculture, wine and tourism industries.</p>	<ul style="list-style-type: none"> Implement the actions from the New Tourism Experiences Roadmap and the New Trail Experiences Project – Federal Government providing \$66,000 for enhanced regional trails 	<p>Delivery of Clare Valley Short Walks including trail extension at Neagles Rock.</p>
<p>2.3 Promote Clare as a regional Government and industry service centre of the mid north region.</p>	<ul style="list-style-type: none"> Implement the actions from the New Tourism Experiences Roadmap – Federal Government providing \$66,000 for enhanced regional trails 	<p>Delivery of Clare Valley Short Walks including trail extension at Neagles Rock.</p>
	<ul style="list-style-type: none"> Work with RDAYMN, CVWGA and SATC to attract a high-end accommodation provider to the Clare Valley 	<p>Clare Valley Luxury Accommodation - identified a site, completed design and concept.</p>

2.4 Support the development and enhancement of a vibrant retail sector recognising the value of retail precincts to residents and visitors alike.	<ul style="list-style-type: none"> Support the improvement of in-region visitor servicing and wayfinding. 	Clare Valley website upgraded to enable stronger targeting of key markets.
2.5 Foster opportunities for collaboration and co-working to promote Clare as a connected hub for doing business within and beyond the district.	<ul style="list-style-type: none"> Tailor the “move to CGVC page” to market creative and sector skilled people 	Make the Move website information improved. New videos promoting the region as a place to move to underway.
2.6 Promote the live-ability of the district as an attractive location for resettlement.	<ul style="list-style-type: none"> Provide promotional information on our website about the region as a good place to live 	Make the Move website information improved.
2.7 Encourage tourism offerings to cater to a range of interests and varied economic options.	<ul style="list-style-type: none"> Continue to support and provide funding for Clare Valley Wine Food and Tourism Centre 	Ongoing financial support provided to the Clare Valley Wine Food & Tourism Centre in accordance with current funding agreement.
	<ul style="list-style-type: none"> Implement the actions from the New Tourism Experiences Roadmap and the New Trail Experiences Project - Federal Government providing \$66,000 for enhanced regional trails 	Delivery of Clare Valley Short Walks including trail extension at Neagles Rock.
	<ul style="list-style-type: none"> Continue to support and encourage the Council Caravan Parks 	Support provided to Riverton and Auburn Caravan Parks.
	<ul style="list-style-type: none"> Continue negotiations with Discovery Parks for a new improved leasing of the Clare Caravan Park 	Negotiations continuing.
2.8 Encourage the development of a diverse range of tourism products that make use of the natural characteristics of the area.	<ul style="list-style-type: none"> Implement the actions from the New Tourism Experiences Roadmap – Federal Government providing \$66,000 for enhanced regional trails 	Delivery of Clare Valley Short Walks including trail extension at Neagles Rock.
2.9 Support national and international recognition of local industries and achievements.	<ul style="list-style-type: none"> Provide financial support for the Clare Classic 	Clare Classic not held due to COVID-19, funding allocated to Events Support Program.
	<ul style="list-style-type: none"> Continue to promote the Clare Valley brand 	Continue to implement the Clare Valley brand into communications.
2.10 Support the development of a strong and reputable creative industries sector.	<ul style="list-style-type: none"> Ongoing support of the “Clare Art House” 	Support provided for Clare Art House through the Arts Collective Clare Valley.
2.11 Advocate for the development of tertiary and vocational education opportunities that are accessible locally.	<ul style="list-style-type: none"> Work with RDAYMN to find ways to address skills shortages in the tourism sector 	Retail and Hospitality training provided through the Regional Employment Trials.

Theme 3. Protected and Enhanced Natural and Built Environment

Strategies	Annual Business Plan objectives	Achievements
3.1 Implement community safety measures ranging from preventative and contingency planning through to community education to help manage and mitigate against extreme weather events and natural disasters	<ul style="list-style-type: none"> Commence communication campaign around natural hazards. 	Property preparedness information provided through Council's website, Facebook and rates notices to improve people's readiness for bushfire season. Site specific advice provided to larger rural properties.
	<ul style="list-style-type: none"> Develop Community Emergency Risk Assessment and Recovery Plans in partnership with Red Cross for our various communities 	Workshops delivered with relevant communities coming up with a variety of activities to improve community resilience.
3.2 Lead the community on initiatives to develop resilience to climate change.	<ul style="list-style-type: none"> Provide advice on building design through the Development and Community department. 	Provide quick responses to enquiries about building design.
3.3 Encourage improved water conservation through community education initiatives.	<ul style="list-style-type: none"> Lead water conservation practices in Parks Gardens and Recreation facilities. 	Continuing to optimise Parks and Gardens irrigation.
	<ul style="list-style-type: none"> Provide advice on building design through the Development and Community department 	Provide quick responses to enquiries about building design.
3.4 Address measures to ensure the effective management of high-risk stormwater issues across the district.	<ul style="list-style-type: none"> As part of the implementation of the various Storm Water Management Plans, the following storm water upgrades have been listed for 2020/2021 <p>Storm water Giles Corner Rd – Giles Corner Hartley Rd - Clare Edward St - Clare (design) Clare Storm Water Plan – Stage 1 Implementation Plan</p> <p>Storm Water Project from 2019/20 budget that has not been completed: Gleeson St Drainage</p> The original concepts for this project had not identified any requirement for easements for the installation of the proposed pipework. 	Stormwater upgrades for the following locations: Giles Corner Road Giles Corner and Hartley Road Clare, are completed. <p>Edward Street Clare Design work completed. Clare Storm Water Stage 1 Implementation works partially completed.</p> <p>Gleeson Street, Clare – Storm water Drainage works completed.</p>

	<p>During the detail design process it became clear that easements would be required and in an effort to minimize the creation of easements numerous design options were explored, further delaying the project. The new design now requires only one easement, which is currently being negotiated with affected landowners. When agreement is reached the project can commence with completion expected prior to end of 2020.</p>	
3.5 Demonstrate community leadership on efficient energy usage	<ul style="list-style-type: none"> • Implement Energy Audit / Savings outcome 	Works Completed
3.7 Identify improved management practices leading to reduced environment impact	<ul style="list-style-type: none"> • Continue to support the 5 Bush For Life sites within the Council area 	Funding provided for 5 Bush ForLife sites within Council.
3.8 Support ecological and biodiversity protection of the natural environment including waterways	<ul style="list-style-type: none"> • CWMS • Evaluate and design only of Bulk Chlorine Storage at Riverton, Saddleworth & Clare 	Works Completed
	<ul style="list-style-type: none"> • Implement expanded waterway clearing program 	Works Implemented
3.9 Provide for comprehensive management of native vegetation on roads and Council reserves that enhance the district's visual amenity	<ul style="list-style-type: none"> • Develop a Roadside Vegetation Management Plan 	Review of existing plan completed and update planned for 21/22 FY



Gleeson Street stormwater project

Theme 4. Quality Services, Assets and Infrastructure

Strategies	Annual Business Plan objectives	Achievements
4.3 Provide new and upgraded road infrastructure across the district (includes renewal works)	Design Main North Road – Clare second Pedestrian Crossing	Design Completed
	<p>Township Sealed Roads</p> <p>Clare Bright Street - Bright Street - Harriet St to West Tce. Gleeson St from King St to Burton St.. Strickland St from Burton St to Victoria Rd Warendra Rd from Stanley St to 120m S Stanley St. Temple Rd from East End to Strickland St. Wright St from New Rd to End Temple Rd from East End (Bennett Auto Repairs) to Strickland St.</p>	All township sealed roads listed, completed
	<p>Saddleworth Patrick St from Burra Rd to Thomas St</p>	Works Completed
	<p>Rural Sealed Surfaces</p> <p>Manoora Brothers Hill Rd from Barrier Highway to Pine Creek Rd</p>	Works Completed
	<p>Auburn Brothers Hill Rd from Byrne Rd to Rices Creek Rd</p>	Works Completed
	<p>Steelton Main Road 45 Special Local Roads Program Grant Funding</p>	Works Completed
	<p>Springfarm Springfarm Rd from Farrell Flat Rd to Quarry Rd</p>	Works Completed
	<p>Leasingham Wakefield Rd from Horrocks Highway to 110m West of West Tce</p>	Works Completed

	Clare White Hut Rd from Melrose Ave to Waller Drive	Works Completed
	Giles Corner Giles Corner Rd	Works Completed
	Stockport Stockport Rd shoulders evaluate and design only	Works Completed
	Saddleworth Saddle Rd – Junctions	Works Completed
	Mintaro Copper Ore Rd - Stabilise and reseal from Burton St to Merilden Rd Burra St Guard Rail - Evaluate and design only	Not completed, works deferred to 2021/2022 year Works Completed
	Rural Sheeted Road Surfaces Black Springs Black Springs Rd from Barton Hill Rd to Tamarisk Tree Rd. Farleys Rd from Barrier Highway to Cemetery Rd. Heinrichs Rd from Old Burra Rd to end of sheeting at RRD4040. Old Burra Rd from Rd Reserve at RRD 580 to Heinrichs Rd. Old Burra Rd from Heinrichs Rd to Barton Hill Rd.	All the rural sheeted roads in Black Springs have been completed
	Manoora Bruhns Rd from Waterloo Rd to end at farm driveway	Works Completed
	Barinia Cornwell Rd from RM Williams Way to Calcannia Rd	Works Completed
	Salter Springs Days Hill Rd from Farm Driveway at RRD 5100 to RRD 6440. Salter Springs Rd from Road Reserve at RRD 5110 to Farm Driveway at RRD 7220.	Works Completed Works Completed
	Giles Corner Giles Corner Rd from O'Sullivan's Rd to Start of Seal	Works Completed

	<p>Alma Giles Corner Rd from Vandeleur Rd to O'Sullivan's Rd. Station Rd (South) from Hazelton Rd to Farm Driveway at RRD 3160.</p>	<p>Works Completed</p> <p>Works Completed</p>
	<p>Armagh Hicks Rd from Bend at RRD 1765 to End at RRD 2330. McRae Wood Rd from Farm Driveway at RRD 700 to Benbournie Rd.</p>	<p>Works Completed</p> <p>Works Completed</p>
	<p>Hilltown Harvey Hwy from Lehman Creek Rd to Hilltown Rd. Hilltown Rd from End of Seal to Sommerville Rd. Hilltown Rd from Camels Hump Rd to Council Boundary (North). Hilltown Rd from Sommerville Rd to Camels Hump Rd. The Camels Hump Rd from Michael Rd to Council Boundary (East).</p>	<p>All the rural sheeted roads in Hilltown have been completed</p>
	<p>Mintaro Kadlunga Rd from Mintaro Rd to Tickle Rd</p>	<p>Works Completed</p>
	<p>Benbournie Lookout Rd (Nth of Clare) from Rossmore Rd to Council Boundary (West)</p>	<p>Works Completed</p>
	<p>Waterloo Main Road 45 from End of Seal to Schwartz Rd. Main Road 45 from Schwartz Rd to Eckermann Rd. Main Road 45 from Eckermann Rd to Mollers Gap Rd.</p>	<p>Works Completed</p> <p>Works Completed</p> <p>Works Completed</p>
	<p>Stanley Flat McRae Wood Rd from Horrocks Hwy to Farm Driveway. Slaughterhouse Rd from Spring Farm Rd to Moccundunda North Rd. Stanley Stud Rd from Horrocks Hwy to Noble Rd.</p>	<p>Works Completed</p> <p>Works Completed</p> <p>Works Completed</p>
	<p>Spring Farm Moccundunda Rd from Slaughterhouse Rd to Blockers Rd</p>	<p>Works Completed</p>
	<p>Tothill Belt Tothill Belt Rd from Braewood Rd</p>	<p>Works Completed</p>

	to Busch Rd. Tothill Belt Rd from Braebrook to Braewood Rd. Mollers Gap Rd from Road Reserve at RRD 4680 to Tothill Belt Rd.	Works Completed Works Completed
	Saddleworth Talbots Rd from Farm Driveway at RRD 1255 to Golf Course Rd. Steelton Rd from Farm Driveway at RRD to I'anson Rd. Steelton Rd from Old Manoora Rd to Farm Driveway at RRD.	Works Completed Works Completed Works Completed
	Tarlee Vandeleur Rd from Horrocks Highway to Salt Creek Rd. Vandeleur Rd from Salt Creek Rd to Giles Cnr Rd. Ryelands Rd from Tarlee Rd to Clarkes Rd. Salt Creek Rd Sth from Hill Rd to farm driveway at RRD 2600. Salt Creek Rd Sth from Vandeleur Rd to Hill Rd.	All the rural sheeted roads in Tarlee have been completed
	Watervale Upper Skilly Rd from Wakefield Rd to Start of Seal (Popes Hill Rd). Upper Skilly Rd from End of Seal (Popes Hill Rd) to Hughes Park Rd. Watervale Rd from Springvale Rd to Mintaro Rd. Sollys Hill Rd from Mt Horrocks Rd to End.	All the rural sheeted roads in Watervale have been completed
4.5 Provide well-maintained community facilities that meet the needs of community.	<ul style="list-style-type: none"> Fund playground equipment replacement from Open Space & Recreation Strategy and the Safety Audit 	<p>New Adult exercise equipment, basketball hoop and landscaping improvements of parking bay area at Rhynie.</p> <p>Replacement of playground equipment, Mintaro.</p> <p>Continued replacement of equipment that presents a safety concern.</p>
	<ul style="list-style-type: none"> Mintaro Institute – Replacement of Septic Tank 	Works Completed
	<ul style="list-style-type: none"> Auburn Recreation Ground – Replacement of Septic Tank 	Works Completed

	<ul style="list-style-type: none"> Niche Wall Riverton – Establishment of an additional wall 	Works Completed
	<ul style="list-style-type: none"> Provide co-funding towards the development of the Clare Oval Redevelopment 	Provide financial assistance to the Clare Oval Redevelopment project to enable them to be grant ready.
4.6 Provide a range of built infrastructure that supports and enhances community and businesses.	<ul style="list-style-type: none"> Clare Library – Heritage repairs to the facade 	Works Completed
	<ul style="list-style-type: none"> Disability Discrimination Act and Fire Investigation on two Town Halls 	Works Completed
	<ul style="list-style-type: none"> Clare Town Hall replacement windows 	Works Completed
	<ul style="list-style-type: none"> Assess and evaluate Council building roofs for safe access 	Works Completed
	<ul style="list-style-type: none"> Provide funding via the Drought Communities Program for community assets including enhanced walking trails, adventure playground at Riverton, enhanced information bay at Tarlee and new Greenkeepers Shed at Clare Golf Club 	All Drought Communities Program stage 1 and 2 projects completed
4.7 Deliver high standards of customer service and customer experience.	<ul style="list-style-type: none"> Develop improved NHVR permit assessment processes 	Works Completed
	<ul style="list-style-type: none"> Engage dial before you dig for Council infrastructure 	Works Completed
4.8 Have an open space strategy that identifies and enhances existing walking and cycling paths across the district.	<ul style="list-style-type: none"> Commence implementation of the Open Space and Recreation Strategy 	<p>Council has delivered the following items from the Strategy:</p> <p>New Adult exercise equipment, basketball hoop and landscaping improvements of parking bay area at Rhynie.</p> <p>New Bike and BMX Park, Tarlee.</p> <p>Replacement of playground equipment, Mintaro.</p>

		<p>Delivery of Clare Valley Short Walks including trail extension at Neagles Rock.</p> <p>Master Plan for the Clare Showgrounds delivered.</p> <p>Outdoor catering kitchen complete at Manoora Centenary Park.</p> <p>Funding and loans provided towards the development of The Vale Community Centre, Watervale.</p>
	<ul style="list-style-type: none"> Ongoing financial support for Riesling Trail and Rattler Trail 	Provide \$2,000 per annum to each organisation.
	<ul style="list-style-type: none"> In partnership with neighbouring Councils, create the Adelaide Wine Capital Cycle Trail 	Continue to work on this project with the development of a business case completed.
	<ul style="list-style-type: none"> Implement the infrastructure upgrades recommended within the Clare Valley Region New Trails Experiences Project – Federal Government providing funding \$66,000 for enhanced regional trails. 	Delivered the Clare Valley Short Walks.



Sealing of Main Road 45



Patching on Brothers Hill Rd

Finance

Financial Statements

The 2020/21 financial year conclude with Council recording an operating surplus of \$424,630. The original budget had foreseen a deficit position of \$1,183,000, various factors as outlined below help explain the large disparity.

Council had provided in the original budget, just over \$1 million in financial support to the Clare Oval Redevelopment Committee, this was later reduced to \$112,000 as progress in gaining grant funding from the State Government was delayed.

Grant funding increased to \$2.97 million from the original budget of \$2.28 million as both the State and Federal Government increased support to reduce the impact of the pandemic.

It is estimated that the COVID-19 pandemic has impacted the financial performance of Council by approximately \$90,000 through increased costs and lower income during the year.

The key performance metrics for the year adjusted for prepayment of the financial assistance grants are:

Operating Surplus Ratio 2.2%

Adjusted operating surplus divided by total operating revenue expressed as a percentage. Local Government suggested target is to achieve breakeven (0%) to 10% over a 5 year rolling period. Prior ratios were 2019/20 – (6.2%), 2018/19 - 4.5% and 2017/18 - 2.6%

Net Financial Liabilities Ratio (12.7%)

Total liabilities less financial assets divided by total operating revenue expressed as a percentage. There is no official target for this ratio as it depends on the requirement of individual Councils, in a developing Council there will be a higher requirement to use debt to provide necessary infrastructure to support growth. Prior ratios were 2019/20 – (3.6%), 2018/19 – (1.0%) and 2017/18 – (10.0%)

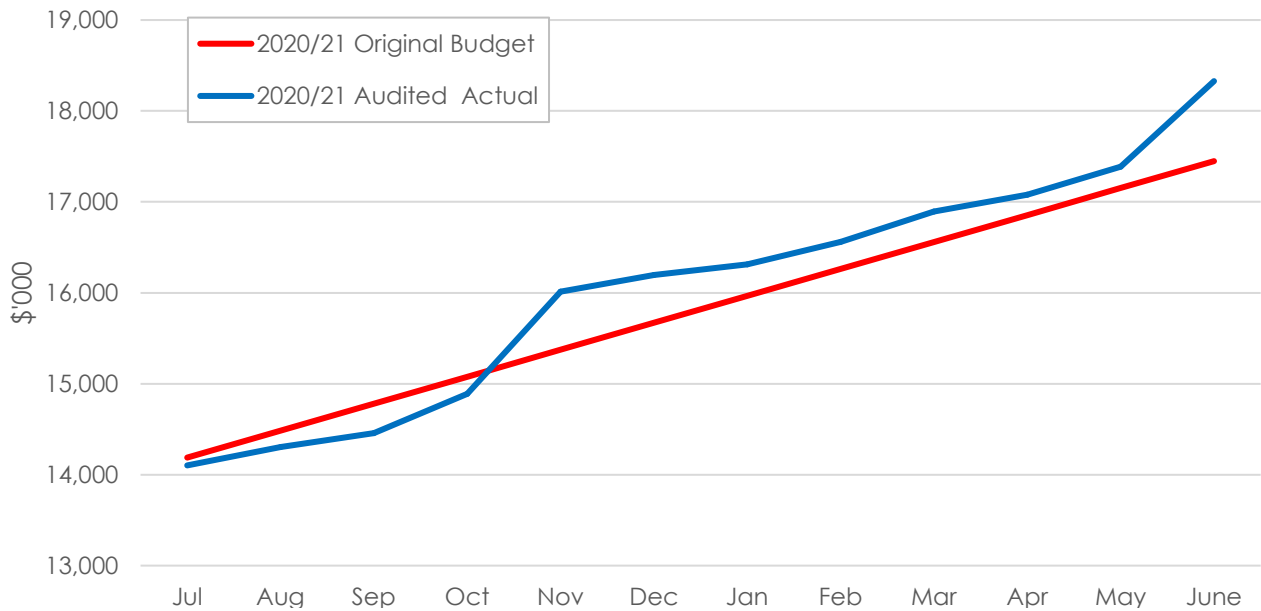
Asset Renewal Funding Ratio 87.6%

Net expenditure on the renewal of assets divided by the expenditure expected within the Infrastructure Asset Management Plan for the period. The theoretical target is 100% but this varies yearly based on the actual condition of the individual assets, the suggested ratio is between 90% and 110%. Prior ratios were 2019/20 – 92.6%, 2018/19 – 148.7% and 2017/18 – 122.0%. Rolling 4 year average 112.7%

Council's operating performance throughout the year against the original budget is illustrated below.

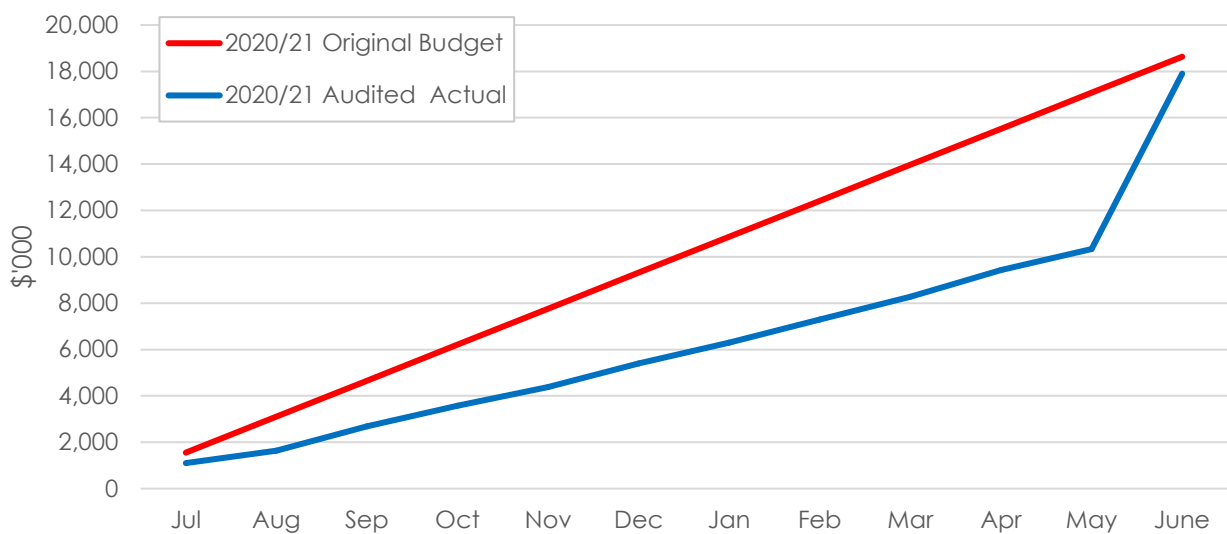
There was an increase in development activity in the area around mid-year with both planning and development fees increasing plus the receipt of Drought Communities funding in November produced the uptick seen below. In April Council received an allocation of the Local Roads and Community Infrastructure funding and in June the prepayment of the first half of the 2021-22 Financial Assistance Grants.

Operating Income



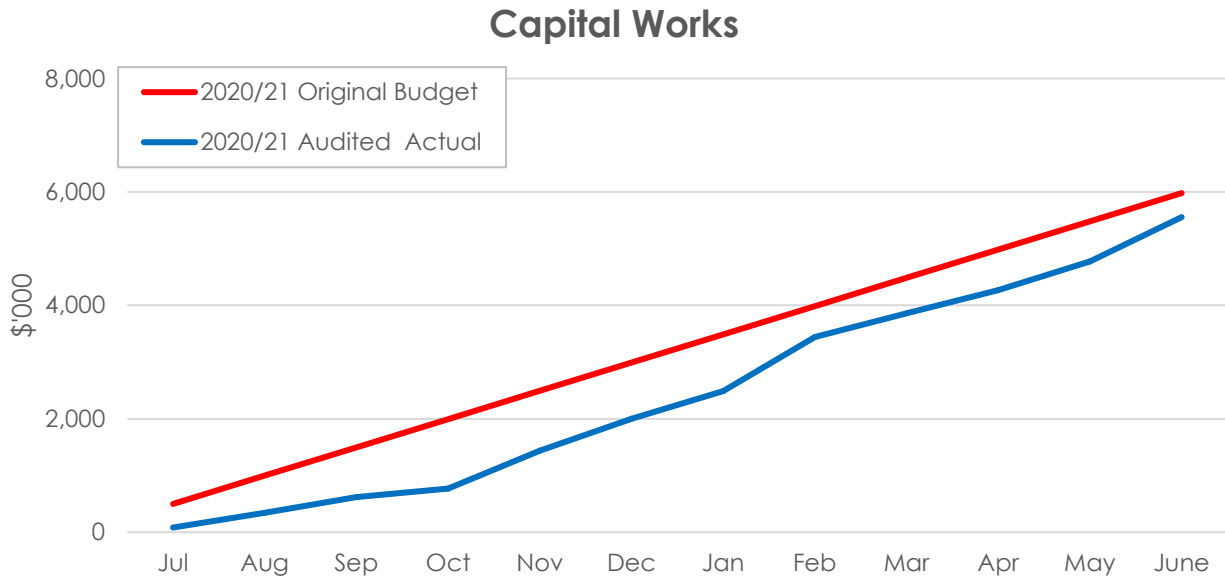
Planned expenditure was curtailed by supply constraints and labour access due to the pandemic, an increase in business confidence near year end loosened these impediments and accelerated the completion of Council's planned operational program.

Operating Expenses



Actual Capital Works completed for the year was just over \$5.1 million, the main focus was on the renewal of existing assets. During the year the effect of the pandemic placed a number of restrictions on the ability to complete the full capital works program.

Council spent \$3.7 million on renewals and replacement of its physical assets with the majority applied to Council's transport network at \$2.7 million.



Stanley Stud and Lookout Rd Re-sheeting

Attachments

Attachment 1- General Purpose Financial Statements



CLARE & GILBERT
VALLEYS COUNCIL

Clare & Gilbert Valleys Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021



General Purpose Financial Statements

for the year ended 30 June 2021

Contents	Page
Council Certificate	2
Principal Financial Statements	
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to and forming part of the Principal Financial Statements	7

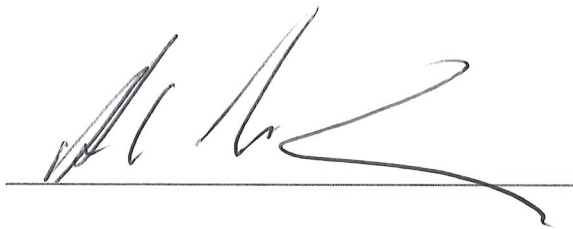
General Purpose Financial Statements
for the year ended 30 June 2021

Certification of Financial Statements

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

In our opinion:

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



Dr Helen Macdonald
Chief Executive Officer

22 Nov 2021



Wayne Thomas
Mayor

22 Nov 2021

Statement of Comprehensive Income

for the year ended 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
Income			
Rates	2a	13,902	13,384
Statutory Charges	2b	325	226
User Charges	2c	813	771
Grants, Subsidies and Contributions	2g	2,967	3,147
Investment Income	2d	75	115
Reimbursements	2e	229	370
Other income	2f	17	29
Total Income		18,328	18,043
Expenses			
Employee costs	3a	4,612	4,349
Materials, Contracts and Other Expenses	3b	7,303	8,766
Depreciation, Amortisation and Impairment	3c	5,740	5,729
Finance Costs	3d	247	320
Total Expenses		17,903	19,164
Operating Surplus / (Deficit)		425	(1,120)
Asset Disposal & Fair Value Adjustments	4	53	(1,082)
Amounts Received Specifically for New or Upgraded Assets	2g	851	702
Net Surplus / (Deficit)		1,329	(1,500)
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	–	8,254
Impairment (Expense) / Recoupments Offset to Asset Revaluation Reserve	9a	(1,200)	–
Total Amounts which will not be reclassified subsequently to operating result		(1,200)	8,254
Total Other Comprehensive Income		(1,200)	8,254
Total Comprehensive Income		128	6,754

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

Statement of Financial Position

as at 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	5,981	5,730
Trade & Other Receivables	5b	697	829
Other Financial Assets (Investments)	5c	1,783	271
Inventories	5d	185	156
Total current assets		8,646	6,986
Non-current assets			
Financial Assets	6a	104	175
Other Non-Current Assets	6b	600	169
Infrastructure, Property, Plant & Equipment	7a(i)	153,431	155,456
Total non-current assets		154,134	155,799
TOTAL ASSETS		162,780	162,785
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	1,467	691
Borrowings	8b	376	983
Provisions	8c	1,245	1,198
Total Current Liabilities		3,088	2,872
Non-Current Liabilities			
Borrowings	8b	2,370	2,746
Provisions	8c	66	38
Liability - Member Councils - Mid North Community Passenger Network	8d	308	309
Total Non-Current Liabilities		2,744	3,093
TOTAL LIABILITIES		5,831	5,965
Net Assets		156,949	156,820
EQUITY			
Accumulated surplus		12,279	11,205
Asset revaluation reserves	9a	138,170	139,369
Other reserves	9b	6,500	6,246
Total Council Equity		156,949	156,820
Total Equity		156,949	156,820

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

Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2021					
Balance at the end of previous reporting period		11,205	139,369	6,246	156,820
Net Surplus / (Deficit) for Year		1,329	–	–	1,329
Other Comprehensive Income					
- Share of OCI - Equity Accounted Council Businesses		–	–	–	–
- Other Movements (enter details here)		–	–	–	–
- Gain (Loss) on Revaluation of I,PP&E	7a	–	–	–	–
- IPP&E Impairment (Expense) / Recoupments Offset to ARR	7a	–	(1,200)	–	(1,200)
Other comprehensive income		–	(1,200)	–	(1,200)
Total comprehensive income		1,329	(1,200)	–	128
Transfers between Reserves		(254)	–	254	–
Balance at the end of period		12,279	138,169	6,500	156,949
2020					
Balance at the end of previous reporting period		9,808	131,115	9,143	150,066
Net Surplus / (Deficit) for Year		(1,500)	–	–	(1,500)
Other Comprehensive Income					
- Share of OCI - Equity Accounted Council Businesses		–	–	–	–
- Other Movements (enter details here)		–	–	–	–
- Gain (Loss) on Revaluation of I,PP&E	7a	–	8,254	–	8,254
- IPP&E Impairment (Expense) / Recoupments Offset to ARR	7a	–	–	–	–
Other comprehensive income		–	8,254	–	8,254
Total comprehensive income		(1,500)	8,254	–	6,754
Transfers between Reserves		2,897	–	(2,897)	–
Balance at the end of period		11,205	139,369	6,246	156,820

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

Statement of Cash Flows

for the year ended 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
Cash flows from operating activities			
<u>Receipts</u>			
Rates		13,907	13,490
Statutory Charges		325	226
User Charges		813	1,126
Grants, Subsidies and Contributions (operating purpose)		2,967	3,147
Investment Receipts		76	126
Reimbursements		229	289
Other Receipts		17	79
<u>Payments</u>			
Payments to Employees		(4,509)	(4,162)
Payments for Materials, Contracts & Other Expenses		(6,653)	(9,023)
Finance Payments		(269)	(325)
Net cash provided by (or used in) Operating Activities	10b	<u>6,903</u>	<u>4,973</u>
Cash flows from investing activities			
Amounts Received Specifically for New/Upgraded Assets		851	702
Sale of Replaced Assets		164	182
Sale of Non Current Assets "held for sale"		–	171
Repayments of Loans by Community Groups		271	227
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(3,830)	(4,470)
Expenditure on New/Upgraded Assets		(1,613)	(2,018)
Net Purchase of Investment Securities		(1,512)	(7)
Loans Made to Community Groups		–	(283)
Net cash provided (or used in) investing activities		<u>(5,669)</u>	<u>(5,496)</u>
Cash flows from financing activities			
<u>Payments</u>			
Repayments of Borrowings		(983)	(1,078)
Repayment of Bonds & Deposits		–	(50)
Net Cash provided by (or used in) Financing Activities		<u>(983)</u>	<u>(1,128)</u>
Net Increase (Decrease) in Cash Held		<u>251</u>	<u>(1,651)</u>
plus: Cash & Cash Equivalents at beginning of period		5,730	7,380
Cash and cash equivalents held at end of period	10a	<u>5,981</u>	<u>5,730</u>
Additional Information:			
plus: Investments on hand – end of year	6b	1,783	271
Total Cash, Cash Equivalents & Investments		<u>7,764</u>	<u>6,000</u>

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

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

Contents of the Notes accompanying the General Purpose Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	8
2	Income	14
3	Expenses	17
4	Asset Disposal & Fair Value Adjustments	18
5	Current Assets	19
6	Non-Current Assets	20
7	Infrastructure, Property, Plant & Equipment	21
8	Liabilities	25
9	Reserves	26
10	Reconciliation to Statement of Cash Flows	28
11(a)	Functions	29
11(b)	Components of Functions	30
12	Financial Instruments	31
13	Capital Expenditure and Investment Property Commitments	35
14	Financial Indicators	36
15	Uniform Presentation of Finances	37
16	Leases	38
17	Superannuation	39
18	Controlled Entities	40
19	Non-Current Assets Held for Sale & Discontinued Operations	41
20	Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet	42
21	Related Party Transactions	42

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies

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

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

(1) Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Critical Accounting Estimates

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

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

(2) The Local Government Reporting Entity

Clare & Gilbert Valleys Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 4 Gleeson Street, Clare. 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

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

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

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

Clare & Gilbert Valleys Council

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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

	Cash Payment Received	Annual Allocation	Difference
2018/19	\$1,825,436	\$1,140,695	\$684,741
2019/20	\$1,262,900	\$1,249,284	\$13,616
2020/21	\$1,299,426	\$1,293,942	\$5,484

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

The Operating Surplus Ratio disclosed in Note 14 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

Construction Contracts

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

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

(4) Cash, Cash Equivalents and other Financial Instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

(5) Inventories

Inventories held in respect of stores have been valued at the cost of acquisition.

(6) Infrastructure, Property, Plant & Equipment

6.1 Land under roads

Council has elected not to recognise land under roads acquired prior to 1 July 2008 as an asset in accordance with AASB 1051 Land under Roads. Land under roads acquired after 30 June 2008 has not been recognised as in the opinion of Council it is not possible to reliably attribute a fair value, and further that such value if determined would be immaterial.

6.2 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

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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.

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

6.3 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 in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.4 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.

6.5 Depreciation of Non-Current Assets

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

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

Major depreciation periods for each class of asset are shown in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

6.6 Impairment

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

For 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, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

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.

6.7 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.

Clare & Gilbert Valleys Council

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(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

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

(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 *Employee Benefits*.

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 except where the accrued entitlement is in excess of 400 hours. This entitlement is dependent on years of service upon retirement, resignation, redundancy or death. The entitlement is paid based on the following sliding scale;

Years of Service	Entitlement
10 years	2 weeks
15 years	3 weeks
20 years	4 weeks

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 17.

(10) GST Implications

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

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

(11) New accounting standards and UIG interpretations

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

Amendments to AASB 101 and AASB 108 Definition of Material

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

Amendments to AASB 16 Covid-19 Related Rent Concessions

In 2020, the AASB issued AASB 2020-4, Amendments to AASs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. This amendment had no impact on the consolidated financial statements of the Group.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

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

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

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

Effective for NFP annual reporting periods beginning on or after 1 January 2023

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and associated standards.

(12) Impact of COVID-19

The COVID-19 pandemic has had a minor impact on the 2020/21 financial statements, these were of similar values in additional expenditure to those in the 2019/20 year, the exception being Discretionary Rate Rebates that were \$60,000 higher in 2019/20. Comparability has not been compromised in these financial statements and associated notes other than the exception noted above.

The financial impacts are a direct result of either Council's response to the pandemic or due to the mandatory shut downs as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

Examples include:

- reduced income from events and facility hire
- financial support in the form of rates remission and business support grants
- financial support in the form of temporary suspension of fines and interest on outstanding rates and debt collection
- additional costs for cleaning and health and safety initiatives

Council estimates that the reduction in income and increase in expenditure resulted in a decrease of approximately \$90,000 in the 2020/21 operating surplus. It is expected that similar financial impacts will flow into the 2021/22 financial year.

Council has considered the consequences of COVID-19 and other events and condition, and it has determined that they do not create a material uncertainty that casts significant doubt upon the Council's ability to continue as a going concern.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(13) Comparative Figures

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

(14) Disclaimer

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income

	2021 \$ '000	2020 \$ '000
(a) Rates		
General Rates		
General Rates	11,740	11,419
Less: Mandatory Rebates	(155)	(185)
Less: Discretionary Rebates, Remissions & Write Offs	(55)	(112)
Total General Rates	11,530	11,122
Other Rates (Including Service Charges)		
Natural Resource Management Levy	496	515
Waste Collection	798	708
Community Wastewater Management Systems	1,041	1,004
Total Other Rates (Including Service Charges)	2,335	2,227
Other Charges		
Penalties for Late Payment	37	35
Total Other Charges	37	35
Total Rates	13,902	13,384
(b) Statutory Charges		
Development Act Fees	85	67
Town Planning Fees	135	86
Health & Septic Tank Inspection Fees	39	22
Animal Registration Fees & Fines	48	49
Parking Fines / Expiation Fees	2	1
Environmental Control Fines	–	1
CWMS Connection Fees	15	–
Total Statutory Charges	325	226
(c) User Charges		
Cemetery/Crematoria Fees	49	47
Caravan Park Fees	390	347
Hall & Equipment Hire	15	13
Library Services	8	7
Community Transport	33	27
Sundry	114	147
Recreation Fees	85	76
Tourism	25	37
Waste Management Fees	76	55
Water Sales	17	15
Total User Charges	813	772

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

	2021 \$ '000	2020 \$ '000
(d) Investment Income		
Interest on Investments		
- Local Government Finance Authority	50	93
- Banks & Other	12	5
- Loans to Community Groups	13	17
<u>Total Investment Income</u>	<u>75</u>	<u>115</u>
(e) Reimbursements		
Other	229	370
<u>Total Reimbursements</u>	<u>229</u>	<u>370</u>
(f) Other income		
Sundry	17	29
<u>Total Other income</u>	<u>17</u>	<u>29</u>
(g) Grants, Subsidies, Contributions		
Amounts Received Specifically for New or Upgraded Assets	851	702
Total Amounts Received Specifically for New or Upgraded Assets	<u>851</u>	<u>702</u>
Untied - Financial Assistance Grant	1,299	1,263
Roads to Recovery	593	593
Storm Water Management	191	-
Home and Community Care Grant	202	202
Library and Communications	38	25
Sundry	128	47
Transport	38	140
Natural Disaster Resilience	31	59
Drought Communities	392	793
Training Grants	56	25
Total Other Grants, Subsidies and Contributions	<u>2,967</u>	<u>3,147</u>
<u>Total Grants, Subsidies, Contributions</u>	<u>3,818</u>	<u>3,849</u>
The functions to which these grants relate are shown in Note 12.		
(i) Sources of grants		
Commonwealth Government	1,786	1,494
State Government	1,890	2,017
Other	142	338
Total	<u>3,818</u>	<u>3,849</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

	2021 \$ '000	2020 \$ '000
(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	–	566
Less:		
<i>Expended during the current period from revenues recognised in previous reporting periods</i>		
Recreation	–	(250)
Cemeteries	–	(58)
Roads Infrastructure	–	(249)
Libraries	–	(9)
Subtotal	–	(566)
Plus:		
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
Roads Infrastructure	138	–
Other	124	–
Libraries	–	–
Subtotal	262	–
Unexpended at the close of this reporting period	262	–
Net increase (decrease) in assets subject to conditions in the current reporting period	262	(566)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses

	Notes	2021 \$ '000	2020 \$ '000
(a) Employee costs			
Salaries and Wages		4,016	3,743
Employee Leave Expense		479	514
Superannuation - Defined Contribution Plan Contributions	17	336	303
Superannuation - Defined Benefit Plan Contributions	17	60	60
Workers' Compensation Insurance		123	103
Other Employee Related Costs		9	9
Less: Capitalised and Distributed Costs		(411)	(383)
Total Operating Employee Costs		4,612	4,349
Total Number of Employees (full time equivalent at end of reporting period)		55	54
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		23	20
Elected Members' Expenses		203	223
Election Expenses		28	3
Subtotal - Prescribed Expenses		254	246
(ii) Other Materials, Contracts and Expenses			
Contractors		4,050	4,259
Energy		610	648
Insurance		434	444
Legal Expenses		57	119
Levies Paid to Government - NRM levy		496	516
Levies - Other		25	71
Parts, Accessories & Consumables		693	708
Sundry		471	1,478
Water		213	277
Subtotal - Other Material, Contracts & Expenses		7,049	8,520
Total Materials, Contracts and Other Expenses		7,303	8,766

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses (continued)

	2021 \$ '000	2020 \$ '000
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Land Improvements	62	58
Buildings & Other Structures	1,222	1,216
Infrastructure		
- Stormwater Drainage	72	67
- CWMS	360	361
- Roads, Footways & Kerbing	3,289	3,308
- Bridges	142	140
- Other Road Infrastructure	73	73
Plant, Machinery & Equipment	517	553
Furniture & Fittings	7	12
Library Books	94	34
Subtotal	5,838	5,822
Less: Capitalised and Distributed costs	(98)	(93)
Total Depreciation, Amortisation and Impairment	5,740	5,729

(d) Finance Costs

Interest on Loans	245	310
Unwinding of Present Value Discounts	2	10
Total Finance Costs	247	320

Note 4. Asset Disposal & Fair Value Adjustments

	2021 \$ '000	2020 \$ '000
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	164	182
Less: Carrying Amount of Assets Sold	(111)	(1,264)
Gain (Loss) on Disposal	53	(1,082)
Net Gain (Loss) on Disposal or Revaluation of Assets	53	(1,082)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Current Assets

	2021 \$ '000	2020 \$ '000
(a) Cash & Cash Equivalent Assets		
Cash on Hand at Bank	332	52
Deposits at Call	5,649	5,678
Total Cash & Cash Equivalent Assets	5,981	5,730
(b) Trade & Other Receivables		
Rates - General & Other	313	319
Accrued Revenues	102	48
Debtors - General	69	91
GST Recoupment	139	115
Loans to Community Organisations	74	256
Subtotal	697	829
Total Trade & Other Receivables	697	829
(c) Other Financial Assets (Investments)		
Investment	1,783	271
Total Other Financial Assets (Investments)	1,783	271
Amounts included in other financial assets that are not expected to be received within 12 months of reporting date are disclosed in Note 13.		
(d) Inventories		
Stores & Materials	185	156
Total Inventories	185	156

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Non-Current Assets

	2021	2020
	\$ '000	\$ '000
(a) Financial Assets		
Receivables		
Loans to Community Organisations	104	175
Subtotal	<u>104</u>	<u>175</u>
Total Receivables	<u>104</u>	<u>175</u>
<u>Total Financial Assets</u>	<u>104</u>	<u>175</u>
(b) Other Non-Current Assets		
Other		
Capital Works-in-Progress	600	169
Total Other	<u>600</u>	<u>169</u>
<u>Total Other Non-Current Assets</u>	<u>600</u>	<u>169</u>

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

Note 7. Infrastructure, Property, Plant & Equipment

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

	Fair Value Level	as at 30/06/20		Asset movements during the reporting period										as at 30/06/21			
		At Fair Value \$'000	Accumulated Depreciation At Cost \$'000	Carrying amount \$'000	Asset Additions New/Upgrade \$'000	Asset Additions Renewals \$'000	WDV of Asset Disposals \$'000	Depreciation Expense (Note 3c) \$'000	Impairment Loss (recognised in P/L) (Note 3c) \$'000	Impairment Loss (recognised in Equity) (Note 9) \$'000	Revaluations to Equity (ARR) (Note 9) \$'000	Revaluations Decrements to Equity (ARR) (Note 9) \$'000	At Fair Value \$'000	At Cost \$'000	Accumulated Depreciation \$'000	Carrying amount \$'000	
Land	2	3,234	-	3,234	-	-	-	-	-	-	-	-	-	3,234	-	-	3,234
Land	3	11,874	-	11,874	-	-	-	-	-	-	-	-	-	11,874	-	-	11,874
Land Improvements	2	21	(1)	20	-	-	(1)	-	-	-	-	-	-	21	-	(1)	20
Land Improvements	3	2,380	140	1,629	64	-	(61)	-	-	-	-	-	-	2,380	204	(952)	1,632
Buildings & Other Structures	2	775	(31)	744	-	-	(24)	-	-	-	-	-	-	775	-	(56)	719
Buildings & Other Structures	3	58,105	553	30,247	331	185	(1,198)	-	(129)	-	-	-	-	57,863	1,069	(29,493)	29,439
Infrastructure																	
- Stormwater Drainage	3	4,262	1,457	4,641	21	325	(72)	-	(64)	-	-	-	-	4,180	1,803	(1,134)	4,849
- CWMMS	3	20,190	595	10,404	46	9	(360)	-	(5)	-	-	-	-	20,181	650	(10,738)	10,093
- Roads, Footways & Kerbing	3	113,363	8,080	80,014	771	2,729	(3,289)	-	(930)	-	-	-	-	110,373	11,580	(42,658)	79,295
- Bridges	3	10,311	1,675	7,838	16	26	(142)	-	(72)	-	-	-	-	10,191	1,717	(4,242)	7,666
- Other Road Infrastructure		-	741	227	66	-	(73)	-	-	-	-	-	-	-	807	(585)	222
Plant, Machinery & Equipment		-	7,776	4,118	56	428	(111)	(517)	-	-	-	-	-	-	7,895	(3,922)	3,973
Furniture & Fittings		-	564	52	12	-	(7)	-	-	-	-	-	-	-	577	(519)	58
Library Books	3	447	-	413	40	-	(94)	-	-	-	-	-	-	452	-	(94)	358
Total Infrastructure, Property, Plant & Equipment		224,962	21,5812	155,4556	1,423	3,701	(111)	(5,838)	-	(1,200)	-	-	-	221,523	26,302	(94,394)	153,431
Comparatives		219,758	17,138	147,428	1,992	4,867	(1,264)	(5,822)	-	-	-	-	8,254	224,963	21,581	(91,088)	155,456

Clare & Gilbert Valleys Council

Notes to the Financial Statements

for the year ended 30 June 2021

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

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

Valuation of Assets

General Valuation Principles

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

Highest and best use

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.

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.

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

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.

Capitalisation Thresholds

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

	\$
Office Furniture & Equipment	1,000
Other Plant & Equipment	1,000
Buildings - new construction/extensions	10,000

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2021

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

Park & Playground Furniture & Equipment	2,000
Road construction & reconstruction	10,000
Paving & Footpaths, Kerb & Gutter	2,000
Drains & Culverts	5,000
Reticulation Extensions	5,000
Sidelines & household connections	5,000
Artworks	5,000

Estimated Useful Lives

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

Plant, Furniture & Equipment

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

Building & Other Structures

Buildings - masonry	50 to 100 years
Buildings - other construction	20 to 40 years
Park Structures - masonry	50 to 100 years
Park Structures - other construction	20 to 40 years
Playground Equipment	5 to 15 years
Benches, Seats, etc	10 to 20 years

Infrastructure

Sealed Roads - Surface	20 to 75 years
Sealed Roads - Structure	60 to 120 years
Unsealed Roads	8 to 35 years
Bridges - Concrete	80 to 100 years
Paving & Footpaths, Kerb & Gutter	20 to 70 years
Drains	80 to 100 years
Culverts	50 to 70 years
Flood Control Structures	80 to 100 years
Dams and Reservoirs	80 to 100 years
Bores	20 to 40 years
Reticulation Pipes - PVC	70 to 80 years
Reticulation Pipes - Other	25 to 75 years
Pumps & Telemetry	15 to 25 years

Other Assets

Library Books	7 years
Artworks	indefinite

Notes to the Financial Statements

for the year ended 30 June 2021

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

Land & Land Improvements

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

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 1 July 2019 by Tonkin Consulting at current replacement cost. Additions are recognised at cost.

Buildings & Other Structures

Buildings and other structures were valued as at 1 July 2019 by Tonkin Consulting. Buildings for which leases exist which vest responsibility to the lessees have been excluded from the Statement of Financial Position.

Infrastructure

Roads, footways and kerbing were valued by Tonkin Consulting as at 1 July 2018 at written down current replacement cost, based on rates current at the time and removing residual values as required by the standards.

Bridge infrastructure were valued by Tonkin Consulting as at 1 July 2016 at written down current replacement cost, based on rates current at the time and removing residual values as required by the standards.

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

Stormwater drainage infrastructure were valued by Tonkin Consulting as at 1 July 2017 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system assets were valued by Tonkin Consulting as at 1 July 2017 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

All other assets

Library books and other lending materials are capitalised in bulk when purchased and revalued annually based upon a stocktake applying a unit cost. Adjustments arising from the revaluation are recognised as an expense. All other assets are recognised on the cost basis.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Liabilities

	2021 Current \$ '000	2021 Non Current \$ '000	2020 Current \$ '000	2020 Non Current \$ '000
(a) Trade and Other Payables				
Goods & Services	1,259	–	461	–
Payments Received in Advance	12	–	15	–
Accrued Expenses - Employee Entitlements	132	–	104	–
Accrued Expenses - Other	27	–	75	–
Deposits, Retentions & Bonds	37	–	37	–
<u>TOTAL Trade and Other Payables</u>	<u>1,467</u>	<u>–</u>	<u>692</u>	<u>–</u>
(b) Borrowings				
Loans	376	2,370	983	2,746
<u>TOTAL Borrowings</u>	<u>376</u>	<u>2,370</u>	<u>983</u>	<u>2,746</u>
All interest bearing liabilities are secured over the future revenues of the Council				
(c) Provisions				
Employee Entitlements (including oncosts)	1,245	66	1,198	38
<u>TOTAL Provisions</u>	<u>1,245</u>	<u>66</u>	<u>1,198</u>	<u>38</u>
(d) Liability - Member Councils				
Mid North Community Passenger Network	–	308	–	309
<u>TOTAL Liability Accounted</u>	<u>–</u>	<u>308</u>	<u>–</u>	<u>309</u>
<u>Investments in Council Businesses</u>	<u>–</u>	<u>308</u>	<u>–</u>	<u>309</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Reserves

	<u>as at 30/06/20</u>				<u>as at 30/06/21</u>
	Opening Balance \$ '000	Increments (Decrements) \$ '000	Transfers \$ '000	Impairments \$ '000	Closing Balance \$ '000
(a) Asset Revaluation Reserve					
Land	13,251	–	–	–	13,251
Land Improvements	1,333	–	–	–	1,333
Buildings & Other Structures	28,833	–	–	(129)	28,704
Infrastructure					
- Stormwater Drainage	2,406	–	–	(64)	2,342
- CWMS	7,513	–	–	(5)	7,508
- Roads, Footways & Kerbing	81,163	–	–	(930)	80,233
- Bridges	4,871	–	–	(72)	4,799
Total Asset Revaluation Reserve	139,370	–	–	(1,200)	138,170
Comparatives	131,115	8,255	–	–	139,370

	<u>as at 30/06/20</u>				<u>as at 30/06/21</u>
	Opening Balance \$ '000	Tfrs to Reserve \$ '000	Tfrs from Reserve \$ '000	Other Movements \$ '000	Closing Balance \$ '000
(b) Other Reserves					
CWMS Reserve	4,387	306	–	–	4,693
Clare Off-Street Parking Reserve	3	–	–	–	3
Clare Caravan Park Reserve	1,847	–	(52)	–	1,795
Open Space Reserve	9	–	–	–	9
Total Other Reserves	6,246	306	(52)	–	6,500
Comparatives	9,143	658	(3,555)	–	6,246

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Reserves (continued)

PURPOSES OF RESERVES

Asset Revaluation Reserves

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

CWMS Reserve - For the renewal and upgrade of Community Wastewater Management Systems in Clare, Riverton and Saddleworth.

Clare Off-Street Parking Reserve - For Developers' contributions to parking provision.

Clare Caravan Park Reserve - Proceeds from sale of Clare Caravan Park cabins and equipment to lessee.

Open Space Reserve - Developer contributions towards future acquisition of open space areas.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 10. Reconciliation to Statement of Cash Flows

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

(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	5,981	5,730
Balances per Statement of Cash Flows		5,981	5,730

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

Net Surplus/(Deficit)		1,329	(1,500)
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		5,740	5,729
Grants for capital acquisitions treated as Investing Activity		(851)	(702)
Net (Gain) Loss on Disposals		(53)	1,082
Unwinding of Present Value Discounts		2	10
		6,167	4,619
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		132	449
Net (Increase)/Decrease in Inventories		(29)	300
Net (Increase)/Decrease in Other Assets		(258)	–
Net Increase/(Decrease) in Trade & Other Payables		775	(554)
Net Increase/(Decrease) in Unpaid Employee Benefits		47	144
Net Increase/(Decrease) in Other Liabilities		68	17
Net Cash provided by (or used in) operations		6,903	4,975

(c) Financing Arrangements

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

Corporate Credit Cards		11	11
LGFA Cash Advance Debenture Facility		2,000	2,000

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

Note 11(a). Functions

	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 11(b).													
	2021 \$ '000	2020 \$ '000	2021 \$ '000	2020 \$ '000	EXPENSES 2020 \$ '000	2021 \$ '000	SURPLUS (DEFICIT) 2020 \$ '000	2021 \$ '000	OPERATING INCOME 2020 \$ '000	2021 \$ '000	GRANTS INCLUDED IN INCOME 2020 \$ '000	2021 \$ '000	TOTAL ASSETS HELD (CURRENT & NON-CURRENT) 2020 \$ '000	2021 \$ '000
Functions/Activities														
Business Undertakings	1,509	1,430	1,262	1,399	247	31	–	–	–	–	–	12,085	12,403	
Community Services	313	310	1,637	1,598	(1,324)	(1,288)	202	202	202	202	202	13,546	13,869	
Culture	77	63	1,002	946	(925)	(883)	59	55	55	59	55	4,221	4,347	
Economic Development	438	874	526	629	(88)	245	399	809	809	399	809	1,062	1,086	
Environment	1,599	1,401	2,970	2,793	(1,371)	(1,392)	222	59	59	222	59	6,513	6,346	
Recreation	258	184	2,139	3,000	(1,881)	(2,816)	75	1	1	75	1	22,112	22,448	
Regulatory Services	323	232	1,067	1,010	(744)	(778)	–	–	–	–	–	101	116	
Transport	687	782	6,050	6,480	(5,363)	(5,698)	656	733	733	656	733	87,182	88,080	
Plant Hire & Depot/Indirect	60	33	288	254	(228)	(221)	56	24	24	56	24	3,934	3,984	
Council Administration	13,064	12,733	961	1,055	12,103	11,678	1,299	1,264	1,264	1,299	1,264	12,026	10,105	
Total Functions/Activities	18,328	18,042	17,903	19,164	425	(1,122)	2,967	3,147	3,147	2,967	3,147	162,780	162,785	

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.

Clare & Gilbert Valleys Council

Notes to the Financial Statements

for the year ended 30 June 2021

Note 11(b). Components of Functions

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Caravan Parks, Community Wastewater Management Systems (CWMS).

COMMUNITY SERVICES

Public Order and Safety - Emergency Services, Fire Protection, Other Public Order and Safety, Health Services Community Support – Community Halls, Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport, Other Community Support, Community Amenities – Cemeteries, Public Conveniences, Car Parking – non-fee-paying, Other Community Amenities.

CULTURE

Library Services, Cultural Services - Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

ECONOMIC DEVELOPMENT

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

ENVIRONMENT

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

RECREATION

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

Bridges, Footpaths and Kerbing, Roads, Traffic Management, Other Transport.

PLANT HIRE & DEPOT

Plant and machinery operations, Depot, Indirect Infrastructure.

COUNCIL ADMINISTRATION

Governance - Elected Members, Organisational Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Rates Administration, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenue – General Rates, Local Government Grants Commission Grants.

Clare & Gilbert Valleys Council

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

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

Terms & Conditions:

Deposits are returning fixed interest rates between 0.01% and 1.25% (2020: 0.01% and 1.35%). Short term deposits have an average maturity of 1day and an average interest rate of 0.35% (2020: 56 days and 1.1%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - Rates & Associated Charges

Accounting Policy:

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

Terms & Conditions:

Secured over the subject land, arrears attract interest of 0.4333% (2020: 0.5292%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Fees & Other Charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Other Levels of Government

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12. Financial Instruments (continued)

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:

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

Terms & Conditions:

Secured over future revenues, borrowings are repayable 6 monthly; interest is charged at fixed rates between 5.00% and 7.90% (2020: 5.00% and 7.90%).

Carrying Amount:

Approximates fair value.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12. Financial Instruments (continued)

	Due < 1 year \$ '000	Due > 1 year & ≤ 5 years \$ '000	Due > 5 years \$ '000	Total Contractual Cash Flows \$ '000	Carrying Values \$ '000
Financial Assets					
2021					
Cash & Cash Equivalents	5,981	–	–	5,981	5,981
Receivables	697	110	–	807	800
Other Financial Assets	1,785	–	–	1,785	1,783
Total Financial Assets	8,463	110	–	8,573	8,564
Financial Liabilities					
Payables	1,456	–	–	1,456	1,308
Current Borrowings	376	–	–	376	376
Non-Current Borrowings	–	2,553	–	2,553	2,370
Total Financial Liabilities	1,831	2,553	–	4,384	4,054
2020					
Cash & Cash Equivalents	5,730	–	–	5,730	5,730
Receivables	829	196	–	1,025	1,004
Other Financial Assets	271	–	–	271	271
Total Financial Assets	6,830	196	–	7,026	7,005
Financial Liabilities					
Payables	448	–	–	448	513
Current Borrowings	1,242	–	–	1,242	983
Non-Current Borrowings	–	3,132	–	3,132	2,746
Total Financial Liabilities	1,690	3,132	–	4,822	4,242

	2021		2020	
The following interest rates were applicable to Council's Borrowings at balance date:	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
	\$ '000	\$ '000	\$ '000	\$ '000
Overdraft	2.00%	–	2.20%	–
Fixed Interest Rates	7.67%	2,746	7.36%	3,729
		2,746		3,729

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12. Financial Instruments (continued)

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Capital Expenditure and Investment Property Commitments

	2021 \$ '000	2020 \$ '000
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Bridges	66	6
Buildings & Other Structures	49	–
CWMS	–	4
Furniture and Fittings	–	5
Plant & Equipment	–	3
Roads, Footpaths & Kerbing	109	–
Stormwater	35	–
	259	18
These expenditures are payable:		
Not later than one year	259	18
	259	18

Clare & Gilbert Valleys Council

Notes to the Financial Statements

for the year ended 30 June 2021

Note 14. Financial Indicators

\$ '000	Indicator 2021	Indicators 2020	Indicators 2019
Financial Indicators overview			
<i>These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.</i>			
1. Operating Surplus Ratio			
Operating Surplus	2.3%	(6.2)%	4.5%
Total Operating Income			
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>			
2. Net Financial Liabilities Ratio			
Net Financial Liabilities	(16.6)%	(7.5)%	(6.2)%
Total Operating Income			
<i>Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.</i>			
Adjustments to Ratios			
<i>In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.</i>			
Adjusted Operating Surplus Ratio			
Operating Surplus	2.2%	(4.1)%	4.8%
Total Operating Income			
Adjusted Net Financial Liabilities Ratio			
Net Financial Liabilities	(12.7)%	(3.6)%	(1.0)%
Total Operating Income			
3. Asset Renewal Funding Ratio			
Net Asset Renewals	87.6%	92.6%	148.7%
Infrastructure & Asset Management Plan required expenditure			
<i>Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>			

Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Uniform Presentation of Finances

	2021 \$ '000	2020 \$ '000
The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.		
All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.		
The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.		
Income	18,327	18,042
less Expenses	(17,902)	(19,164)
Operating Surplus / (Deficit)	425	(1,120)
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(3,830)	(4,470)
add back Depreciation, Amortisation and Impairment	5,740	5,729
add back Proceeds from Sale of Replaced Assets	164	182
	2,074	1,441
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(1,613)	(2,018)
add back Amounts Received Specifically for New and Upgraded Assets	851	702
add back Proceeds from Sale of Surplus Assets (including investment property, real estate developments & non-current assets held for resale)	–	171
	(762)	(1,145)
Net Lending / (Borrowing) for Financial Year	1,737	(824)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 16. Leases

(i) Council as a lessor

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

	2021	2020
	\$ '000	\$ '000
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	339	403
Later than one year and not later than 5 years	1,748	2,135
Later than 5 years	1,405	2,178
	<u>3,492</u>	<u>4,716</u>

Clare & Gilbert Valleys Council

Notes to the Financial Statements

for the year ended 30 June 2021

Note 17. Superannuation

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2020/21; 9.50% in 2019/20). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

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

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

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

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

Contributions to Other Superannuation Schemes

Council 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.

Clare & Gilbert Valleys Council

Notes to the Financial Statements

for the year ended 30 June 2021

Note 18. Controlled Entities

Subsidiaries

Section 41 Committees

The financial statements of the following Section 41 Committees have been consolidated into Council's statements for the year ended 30 June 2021.

(a) Mid North Community Passenger Network

This Committee is an advisory committee of interested parties including representatives of the Clare & Gilbert Valleys Council, Wakefield Regional Council, Regional Council of Goyder and Adelaide Plains Council.

A funding deed exists between the Clare & Gilbert Valleys Council and the Minister for Communities and Social Inclusion with additional funding coming from the partner Councils.

The aim of the MNCPN is to address the transport needs of communities in the region particularly the transport disadvantaged, by co-ordinating and brokering transport services within the region, providing an information service and delivering transport where no other appropriate services exist.

The liability to member Councils in the event of the dissolution of the network has been recognised in the Statement of Financial Position. (Note 8)

(b) Other

Auburn Recreation Park Committee
 Clare Town Hall Committee
 Riverton Recreation Grounds Committee
 Clare & Gilbert Valleys Dry Zone Committee
 Bushfire Prevention Committee
 CEO Performance Review Committee

Regional Subsidiaries

Council is a member of the Central Local Government Region of South Australia (referred to as Legatus Group). The objectives of the Region are set out in Clause 2 of the Charter as follows:

- (a) undertake co-ordinating, advocacy and representational roles for its constituent councils at a regional level.
- (b) 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.
- (c) 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.
- (d) develop further co-operation between its constituent councils for the benefit of the communities of the region.
- (e) 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 for the communities of the region
- (f) undertake projects and activities that benefit the Region and its communities
- (g) associate, collaborate and work in conjunction with other regional local government boards for the advancement of matters of common interest
- (h) provide strong advocacy speaking with one voice on what matters most to the communities of the constituent councils
- (i) work together to make the best use of available resources
- (j) collaborate to deliver effective services
- (k) build partnerships with those who can contribute to stronger and more sustainable communities
- (l) develop and implement a robust Business Plan consistent with the Regions Plan

The financials of this regional committee have not been included into Council's statements as they are not considered to be material.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19. Non-Current Assets Held for Sale & Discontinued Operations

	2021 \$ '000	2020 \$ '000
(i). Financial Performance & Cash Flow Information		
Net Cash Inflow (Outflow) from Investing Activities	–	171
Total	–	171

Carrying Amounts of Assets and Liabilities

Assets

Infrastructure, Property, Plant and Equipment

Total Assets**Net Assets**

–	–
–	–
–	–

This disposal group was previously classified as part of community services in Note 11.

As the consideration expected to be received is less than the carrying amount, these assets have been recognised at the recoverable amount.

Notes to the Financial Statements

for the year ended 30 June 2021

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

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

1. LAND UNDER ROADS

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

2. BANK GUARANTEES

No loans or banking facilities advanced to community organisations have been guaranteed by council.

Note 21. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 15 persons were paid the following total compensation:

	2021 \$ '000	2020 \$ '000
The compensation paid to Key Management Personnel comprises:		
Salaries, allowances & other short term benefits	809	643
Total	809	643

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

Key management personnel own retail and consulting business from which various supplies and services were purchased as required on account. Total purchases amounted to \$6,302, with \$172 unpaid at the end of the year.

An elected member or an employee is a member of the following management committees; Reasling Trail Management Committee and the Stockport Community Association. In accordance with the Local Government Act 1999, these persons declare a conflict of interest and leave the meeting environs when any matter affecting their club or group is discussed or voted upon. A total of \$9,000 was paid to these committees by Council during the 2020/21 year.

Key management personnel or close family members (including related parties) lodged one development applications during the year. In accordance with the Local Government Act 1999, these persons declared conflicts of interest and took no part in the assessment or approval processes for these applications. All applications were approved during the year. Total fees paid to the Council in respect to the applications were \$330.

Bentleys SA Audit Partnership

Level 5
63 Pirie Street
Adelaide SA 5000

GPO Box 939
Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900
F +61 8 8372 7999

admin@adel.bentleys.com.au
bentleys.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLARE AND GILBERT VALLEYS COUNCIL

Opinion

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

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

Basis for Opinion

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 22nd day of November 2021

Bentleys SA Audit Partnership

Level 5
63 Pirie Street
Adelaide SA 5000

GPO Box 939
Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900

F +61 8 8372 7999

admin@adel.bentleys.com.au
bentleys.com.au

INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF CLARE AND GILBERT VALLEYS COUNCIL

Opinion

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

In our opinion, the Council has complied, in all material respects, with Section 125 of the Local Government Act 1999 in relation to Internal Controls, established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with legislative provisions for the period 1 July 2020 to 30 June 2021.

Limitation on Use

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

Limitations of Controls

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

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

Independence

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

The Council's Responsibility for the Internal Controls

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

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and ASAE 3150 Assurance Engagement on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls specified above for the period 1 July 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 22nd day of November 2021

Clare & Gilbert Valleys Council

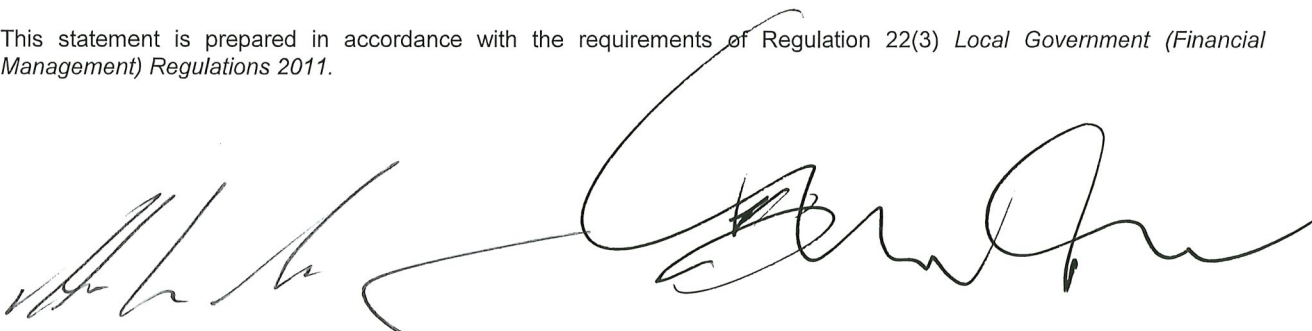
General Purpose Financial Statements

for the year ended 30 June 2021

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Clare & Gilbert Valleys Council for the year ended 30 June 2021, the Council's Auditor, Bentleys SA Audit Partnership 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*.



Dr Helen Macdonald
Chief Executive Officer

Ian Swan
Presiding Member, Audit Committee

Date: 08 November 2021

Bentleys SA Audit Partnership

Level 5
63 Pirie Street
Adelaide SA 5000

GPO Box 939
Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900

F +61 8 8372 7999

admin@adel.bentleys.com.au
bentleys.com.au

Certification of Auditor Independence

I confirm that, for the audit of the financial statements of the Clare and Gilbert Valleys Council for the year ended 30 June 2021, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants (including Independence Standards), Part 4A published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

Bentleys SA Audit Partnership



David Papa
Partner

Dated at Adelaide this 29th day of October 2021

Attachment 2 - Legatus Group Annual Report and Financial Statements



2020/2021 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. T

he Legatus Group AGM held on Friday 3 September 2021 adopted the following report.

The Legatus Group Charter clause 6.3 Annual Report

6.3.1 The Legatus Group must each year, produce an Annual Report summarising the activities, achievements and financial performance of the Legatus Group for the preceding Financial Year.

6.3.2 The Annual Report must incorporate the audited financial statements of the Legatus Group for the relevant Financial Year.

6.3.3 The Annual Report must be provided to the Constituent Councils by 30 September each year.

The Legatus Group is a regional subsidiary of:

- Adelaide Plains Council
- Barunga West Council
- Clare & Gilbert Valleys Council
- Copper Coast Council
- District Council of Mount Remarkable
- District Council of Orroroo/Carrieton
- District Council of Peterborough
- Light Regional Council
- Northern Areas Council
- Port Pirie Regional Council
- Regional Council of Goyder
- The Barossa Council
- The Flinders Ranges Council
- Wakefield Regional Council
- Yorke Peninsula Council

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by the provisions of Section 25 of the Local Government (Implementation) Act 1999.

In 2016 the Central Local Government Region of South Australia adopted the trading name of Legatus Group to which it is referred. The Legatus Group is established to:

- undertake co-ordinating, advocacy and representational roles on behalf of its Constituent Councils at a regional level
- facilitate and co-ordinate activities of local government at a regional level related to community and economic development with the object of achieving improvement for the benefit of the communities of its Constituent Councils
- develop, encourage, promote, foster and maintain consultation and co-operation and to strengthen the representation and status of local government when dealing with other governments, private enterprise and the community
- develop further co-operation between its Constituent Councils for the benefit of the communities of the region
- develop and manage policies which guide the conduct of programs and projects in the region with the objective of securing the best outcomes for the communities of the region
- undertake projects and activities that benefit the region and its communities
- associate collaborate and work in conjunction with other regional local government bodies for the advancement of matters of common interest.

The Legatus Group is a body corporate and is governed by a Board of Management which has the responsibility to manage all activities of the group and ensure that they act in accordance with its Charter.

Contact Details: Address: 155 Main North Road CLARE SA 5453 PO Box 419 CLARE SA 5453
Telephone: 0407819000 Email: ceo@legatus.sa.gov.au Website: www.legatus.sa.gov.au

Legatus Group Board of Management: The Board consists of all principal members (Mayors) of the Constituent Councils which for 2020/2021 were:

Council	Delegate
Adelaide Plains Council	Mayor Mark Wasley
Barunga West Council	Mayor Leonie Kerley
Clare & Gilbert Valleys Council	Mayor Wayne Thomas
Copper Coast Council	Mayor Roslyn Talbot
District Council of Mount Remarkable	Mayor Phillip Heaslip
District Council of Orroroo Carrieton	Mayor Kathie Bowman
District Council of Peterborough	Mayor Ruth Whittle OAM
Light Regional Council	Mayor Bill O'Brien

Northern Areas Council	Mayor Denis Clark - Mayor Ben Browne replaced Mayor Clark from 27 November 2021 Legatus Group meeting.
Port Pirie Regional Council	Mayor Leon Stephens
Regional Council of Goyder	Mayor Peter Matthey OAM
The Barossa Council	Mayor Bim Lange OAM
The Flinders Ranges Council	Mayor Peter Slattery - Mayor Greg Flint replaced Mayor Slattery from 5 March 2021 Legatus Group Meeting.
Wakefield Regional Council	Mayor Rodney Reid
Yorke Peninsula Council	Mayor Darren Braund

Office Bearers for 2020/21

Chairman	Mayor Peter Matthey OAM
Deputy Chairs	Mayor Bill O'Brien Mayor Rodney Reid
South Australian Regional Organisation of Councils	Mayor Peter Matthey Mayor Bill O'Brien
Chief Executive Officer	Mr Simon Millcock
Auditor	Dean Newberry and Associates

The following meetings of the Board of Management were held during the 2020/21 year:

- 3 July 2020 Special Meeting online
- 14 August 2020 Special Meeting online
- 4 September 2020 Annual General Meeting Quorn
- 4 September 2020 Ordinary General Meeting Quorn
- 27 November 2020 Ordinary General Meeting online
- 5 March 2021 Ordinary General Meeting Ardrossan
- 11 June 2021 Ordinary General Meeting Mallala

There were five advisory committees in 2020/2021 and all agendas and minutes from the Board meetings and Committees are published on the Legatus Group Website. All advisory committee minutes were provided in the agendas to the Legatus Group Ordinary General meetings. The Constituent Councils are provided with the Board Agendas, Minutes, Annual Reports, Business Plan and Budgets and Quarterly Financial Reports.

Committee	Members	Meeting Dates
Audit Committee	<ul style="list-style-type: none"> • Mayor Kathie Bowman (Chair) • Mayor Denis Clark replaced by Mayor Rodney Reid at 3 June 2021 meeting • Mr Peter Ackland • Mr Colin Byles • Mr Ian McDonald 	21 August 2020 13 November 2020 19 February 2021 3 June 2021
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) • Ms Maree Wauchope (Barunga West) • Dr Helen Macdonald (Clare & Gilbert Valleys) • Mr Russell Peate (Copper Coast) • Mr Eric Brown (Flinders Ranges) • Mr David Stevenson (Goyder) • Mr Brian Carr (Light) • Mr Sam Johnson (Mt Remarkable) • Mr Dylan Strong (Orroroo/Carrieton) • Mr Peter McGuinness (Peterborough) replaced by Mr Stephen Rufus • Mr Peter Ackland (Pirie Regional) • Mr Andrew MacDonald (Wakefield) • Mr Andrew Cameron (Yorke Peninsula) 	14 August 2020 17 December 2020 12 February 2021 14 May 2021
Road & Transport Infrastructure Advisory Committee:	<ul style="list-style-type: none"> • Dr Helen Macdonald Chair (CEO Clare & Gilbert Valleys Council) • Lee Wallis (Goyder) • Steve Kaesler (Barossa) • Tom Jones (Adelaide Plains) • Mike Wilde (Department of Planning, Transport and Infrastructure) • Kelly-Anne Saffin (CEO RDA YMN) • Dylan Strong (CEO Orroroo Carrieton) • Michael McCauley (Yorke Peninsula) • Stuart Roberts (Wakefield) • Mike Burger (Flinders Ranges) 	7 August 2020 18 November 2020 12 February 2021 14 May 2021
Community Wastewater Management Advisory Committee	<ul style="list-style-type: none"> • Andrew MacDonald Chair (CEO Wakefield) • Gary Easthope (Clare and Gilbert Valleys) • Adam Broadbent (Light) • Matthew McRae (Copper Coast) • Riaz Uddin (Goyder) • Hayden Battle (Wakefield) 	12 August 2020 10 November 2020 11 February 2021 17 May 2021
Visitor Information Services	<ul style="list-style-type: none"> • Stephen Rufus Chair (CEO Peterborough) from 19 Feb 2021 • Paula Jones (Clare Valley Wine Food and Tourism Centre) till 19 Feb 2021 • Glen Christie (Port Pirie) • Anne Hammond (Yorke Peninsula) • Lynn Spurling (Copper Coast) • Jo Seabrook (The Barossa) • Liz Healy (Light Regional) • Shirley Dearlove (Peterborough Council) • Jeremy Carn (RDA Far North) 	14 August 2020 6 November 2020 19 February 2021 4 June 2021

Chairman's Report

It has been my pleasure to serve as Chairman in 2020/21 and I take this opportunity to report on some highlights of the past year.

We saw the continued disruption and impacts of COVID-19 including the extended need for some meetings to be held on-line. Member councils should be recognised for the support to their communities and I note that the Wakefield Regional Council was awarded the 'Excellence in Local Economic Development' Award for its COVID support program.

The Legatus Group provides a pivotal role to member councils in advocating on both regional and state-wide issues. This has included the continued advocacy on rating equity associated with major energy producers, community wastewater management schemes, regional roads funding and coastal management. I find it extremely frustrating that we have been unable to achieve a satisfactory outcome at this point in time in relation to rating equity.

We provided a leadership role for the South Australian Regional Organisation of Councils (SAROC) via the Waste Management Infrastructure for South Australian Regional Local Government report and the SA Regional Waste Pathways Forum.

Support has been provided to member councils via advocacy through the LGA on the new Planning and Design Code and the Local Government Reform Bill.

The Legatus Group provided support at a state level with the Department of Innovation and Skills re the Creative Industries and to both Mainstreet SA and Parks and Leisure Australia SA/NT to hold their conferences in our region.

At a more regional level the report on reconciliation and work on cultural awareness has been of great support to member councils. The commitment by the Legatus Group on issues such as wellbeing and volunteering have seen several projects and reports progress as we continue to advocate for increased inclusiveness, mental health and aligned services. Our advocacy included support for the extension of the two Family and Business Support Mentors through Dept Primary Industries and Regions within our northern councils.

The Legatus Group acknowledged the Australian Governments rollout of the Drought Communities Funding. This included assisting with securing a South Australia Drought Resilience Adoption and Innovation Hub which was led by the University of Adelaide. The Legatus Group is a Local Government project partner and it is pleasing to see that its head office will be established in the region along with one of the nodes.

Works have commenced on several National and State Highways with long overdue work in our region after years of lobbying. The Road and Transport Infrastructure Advisory Committee have been active this year via updates to our Regional Roads Plan and renewed Deficiency Action Plan. There was a robust assessment of this year's Special Local Roads Program funding applications. The 2021 Legatus Group Road and Transport Forum provided the opportunity for member councils to come together and discuss and be more informed on issues around areas such as heavy vehicle access.

The Legatus Group are seeking to increase the level of productivity, safety and community connectivity through increased funding for local significant roads. This requires fairer funding models to address the regions local roads infrastructure deficiencies and the release this year of our video seeking increased support was part of the broader Local Govt Association approaches to the

Australian Government. The initial work undertaken on the socio-economic impacts Road Deficiency Report will be expanded in the coming year to assist with developing the required data for continued advocacy.

We continue to encourage and foster closer working relationships with the three Regional Development Australia (RDA) organisations and the Northern and Yorke Landscape Board. This year's Yorke Mid North Forum Water for our Future was a success.

The region has been proactive in supporting the challenges of our changing environment through the management of the Sector Agreement for the Climate Change Adaptation Plan. This included the development of the new Northern and Yorke Climate Change Sector Agreement which now includes the Barossa, Light and Adelaide Plains Councils. The concept plans for a Sustainability Hub were completed through our regional partnership approach.

The Legatus Group managed the Northern and Yorke Coastal Management Action Plan stage 1 implementation on behalf of the Northern and Yorke Landscape Board which resulted in several projects being undertaken across the Yorke Peninsula. The continued support for the Northern and Yorke Coastal Management Action Plan included the coordination of workshops and a grant application through the Northern and Yorke Landscape Board. The Legatus Group have been an active supporter of the SA Coastal Council Alliance.

The Legatus Group have supported and are an active partner in the Northern and Yorke Landscape Board Aboriginal Engagement Committee.

We acknowledge the RDA's who have committed their staff to be members of several Legatus Group Advisory Committee and or Project Reference Groups.

The Legatus Group CEO and staff committed large amounts of time to the development of many Conferences and Forums. I also note with positivity of the CEO and the staff's efforts to support other regional councils through their roles and specifically to the CEO who Chaired the Regional LGA Executive Officers Forum. These collaborations included several forums and workshops which have assisted not only the Legatus Group members but also SAROC, and their input is commended.

The collaboration and establishment of MoUs and partnerships with universities has been strengthened during the past year and provided valuable reports through research and partnerships.

This has allowed 11 cost effective research projects in areas such as tourism (mixed reality and accessibility), asset management (pump monitoring), waste (cost model, use of organic waste, supply chain for circular economy), wastewater (design criteria) and reconciliation. These are providing appropriate identification for advocacy and decision making in areas that are of significance to local government, stakeholders and community.

The Audit and Risk Management Group Committee have ensured that the work plan has assisted us in improving our governance and recommendations around variations to our policies.

There has been valuable feedback gained from the Legatus Group Management Group meetings and information sharing opportunities by and for the CEO group.

The Community Wastewater Management Advisory Committee assisted in gaining a further extension of the Joint CWMS program until June 2022, staging of a successful SA conference and assisting with a reform paper now being developed by the LGA CWMS Committee. Their continued work on issues around training associated with compliance is gaining traction.

The Legatus Group Visitor Information Services Advisory Committee have provided a great support especially around the reopening of tourism in our region. Their workshop on story telling was well attended and they have provided direct input to two projects being progressed through the Yorke Peninsula Councils with regards accessible tourism and the Remarkable South Flinders Ranges Councils Tourism Alliance.

It was noticeable that there was a reduced attendance by the six State Government Members of Parliament, and our Federal Member although the Hon Geoff Brock is an exception and is a regular attendee. I note that we have continued to provide the opportunity for dialogue to all MPs.

In closing I would like to thank everyone who has taken a proactive role in progressing the strategic initiatives of the region. I thank Mayors Bill O'Brien (and in his role on SAROC) and Rodney Reid for your roles as Deputy Chairs.

Feedback tells me that the reports prepared by the Legatus Group CEO and progressed to SAROC and other stakeholders and partners in all tiers of government are well received. The organisations positive approach to strong partnerships and a collaborative approach, with our other regional local government associations, stakeholders and tiers of government continues. These activities are coordinated and managed by our CEO Mr Simon Millcock. I wish to thank him for his committed, dedicated and consistent approach in the development and delivery of the of the goals and directions of the board.

I would like to acknowledge all the Board members and those who have committed time to the Advisory Committees. Your valuable service to the communities and the region continues to provide much needed leadership into the future.

Mayor Peter Matthey OAM

Chairman Legatus Group

CEO Report

Firstly, I would like to acknowledge the support provided to me by the Chair and Deputy Chairs, Board, CEOs, Committees, Regional Partners and the Legatus Group staff in making the past year extremely productive and enjoyable.

This year provided consolidation for the positioning of the Legatus Group and the opportunity to expand and support state-wide, regional and subregional programs and research. This was made possible by reducing the reserves of which \$493,077 from the LGA Regional Capacity Building Allocations was required to be acquitted by 30 June 2021.

We were successful with grant applications and contracts to provide services which have been acquitted or reported on accordingly. There was \$333,151 generated from this income stream plus reimbursements and other income of \$105,679. As such 70% of the Legatus Group's income came from outside its membership fees.

This has helped to place the Legatus Group in a solid financial position which is reflected in the 2021 – 2022 business plan and budget whilst consideration is needed to not raise expectations of increased capacity and or project delivery into the future due to the reliance on grants.

Of special mention during the past year is the partnerships developed with several universities through formal MoU's, collaborative agreements and the use of the APR. Intern program. This not only made the research reports extremely cost effective but provided greater links between universities and local government.

This year saw my attendance and delivery of agendas, minutes and reports to nearly 40 Legatus Group Board / Committee, Yorke Mid North Alliance and SAROC meetings whilst managing the delivery of several regional forums, workshops and webinars. There was considerable time spent with the development and management of reference groups for nearly all projects.

Due to the employment of 3 extra Project Officers, there was increased HR requirements whilst their employment allowed an increase in strategic development which included my time with the review of the Legatus Group Strategic Plan.

Other administration responsibilities included for part of the year as Chair of the Regional LGA Executive Officers, Secretariat to the Murray Darling Association Region 8 and a member of LGA Functional Support Groups associated with COVID-19 reference groups.

Plus, I am a member of the Yorke Mid North Alliance and the Northern and Yorke Landscape Board Aboriginal Engagement Committee. My time was also provided to the Local Government Information Technology SA Awards, Volunteering Strategy for SA and the SA Creative Industries Think Tank.

There was an increased level of conference, forums, workshops and webinars which included (1) Sustainable Regions through Parks, Recreation, Sport and the Environment (2) Legatus Group CWMS Risk Assessment Workshops (3) Heavy Vehicle Access (4) Coastal Management Strategic Planning (5) SA/NT Parks and Leisure Regional Conference (6) SA CWMS Conference (7) YMN Alliance Forum (8) Legatus Group Visitor Information Services Forum (9) SA Regional Creative Industries Conference (10) Regional Women's Networking Event (11) Legatus Group Roads Forum (12) Cultural Awareness Training and (13) SAROC Regional Waste Pathways Forum. These provided valuable opportunities for increased knowledge for both Elected Members and Operational Staff for member councils.

There was the commencement of projects associated with water and waste via:

1. Sub-regional projects for Smart Irrigation and Storm Water Harvesting which focus on urban areas. This has shown strong interest in the role Local Government can have with regional partners and the inaugural SA Drought Innovation and Adoption Hub of which the Legatus Group is a member.
2. The Legatus Group were commissioned by the SA Regional Organisation of Councils (SAROC) and secured funding from Green Industries SA to progress regional waste management for Local Government.

The Community Wastewater Management Schemes work continued to provide valuable support across regional SA. This including a series of workshops and a discussion paper which assisted the LGA CWMS Committee in looking to develop a reform paper. The LGA have again advised of the value of this work by supporting an extension of funding until June 2022.

A focus on Community Development via the Brighter Futures and Volunteering had mixed results with the Brighter Futures program which was intended for roll-out in the Flinders Ranges Council and District Council of Orroroo Carrieton unable to proceed due to COVID-19 and Council staffing constraints resulting from the rollout of Drought Communities Fund projects. Discussions have been

held to revamp this project. The Youth Volunteering project resulted in a series of videos produced that feature reasons why youth are volunteering and some training was provided to young people around wellbeing.

The Wellbeing Gap Analysis report associated with the 7 Northern Councils was just about completed and will provide a valuable document for the future lobbying efforts. Support was provided for the extension of the 2 Family and Business Support Mentors mentioned in the report.

The formation this year of the Remarkable South Flinders Ranges Councils Tourism Alliance and the Yorke Peninsula Tourism Accessibility Working Group and the management of the Northern and Yorke Coastal Management Action Plan are three examples of where the Legatus Group can provide a management role.

The following is a list of 2020/2021 Legatus Group reports which are being used to further progress actions and they can now be found on the Legatus Group Website:

1. Creative Industries in the Legatus Group Region. The research project was completed and a series of projects are now being progressed.
2. Tourism and the use of Mixed Reality. This report was a collaboration between the Legatus Group and Flinders University and looks at the options for Augmented and Virtual Reality Storytelling for the region.
3. Inclusive and Accessible Tourism Experiences Yorke Peninsula. This report provides a critical analysis of the literature and identifies Opportunities and Gaps in the Yorke Peninsula as a destination of choice for people with a disability.
4. Reconciliation Action Planning Northern and Yorke Region. Following input from the reference group and a cultural review the report by the Adelaide University was completed in October 2020.
5. Waste Management Infrastructure for South Australian Regional Local Government & Regional SA Waste and Resource Recovery Background Report by Rawtec. These 2 reports will assist with future actions regarding Waste Management for Regional Local Governments in SA and for the development of the Legatus Group Waste Management Action Plan.
6. Making and Using Organic Compost report. This builds on a previous study of biosolids and septage waste within Legatus Group councils which found that there was insufficient volume of this material to establish a composting plant.
7. Evaluation of expansion options for existing CWMS in SA. This report was instigated due to many CWMS having reached or are approaching their treatment capacity due to population growth, climate change impact and growing demand for recycled water.
8. Socio-Economic Impacts of Road Deficiency Report. This report assesses (qualitatively and quantitatively, where possible) the economic, social and environmental impacts/ costs from not being able to upgrade major roads to a fit for purpose standard due to insufficient funding. This can be used to support advocacy efforts of the Legatus Group and its member Councils for securing required funding.
9. PROJECT 155 Mid North Sustainability Hub Concept Plan. This involved the development of a concept plan and was the next stage of progress towards a Regional Sustainability Hub.

10. Future Drought Fund report. This looked at the opportunities for the Northern and Yorke Region.

There was also a series of webinars undertaken which have been recorded and produced and they can be found on the Legatus Group website.

Greater use of social media was undertaken with the use of a Legatus Group Facebook and LinkedIn pages. These included the release of videos re Youth Volunteering, Roads Equity and Youth into Music and a SA Regional Creative Industries Showreel.

Observation: This year has seen an increase in sub-regional support via an increasing number of collaborations occurring between councils that have been supported by the Legatus Group. Support to councils has been a focus and it was pleasing to see the value of having some extra resources (people and cash) being utilised during this year. The continued collaborations with the Northern and Yorke Landscape Board and RDA Yorke Mid North add value to all 3 organisations and this year has seen increased involvement with RDA Barossa Light Gawler Adelaide Plains.

During the year there was a review of the Legatus Group Strategic Plan and an external review of my performance. There were several synergies between both including the need to have a greater strategic focus with clearer and more relevant goals and objectives. Support was identified for bringing forward potential projects and responsiveness to member Council proposals with the promotion of subregional and focus groups as good examples of joint shared initiatives.

I would like to sincerely thank the support I received from Paul Chapman, Bridget Johns, Moira Coffey, Sarah Cheesmur and Sean Cheriton. Working as a team in isolation across a myriad of topics had its challenges but the resulting work from all was of a professional standard that reflected well for the Legatus Group.

Simon Millcock

CEO Legatus Group

The Legatus Group Audit and Risk Committee summary of activities undertaken, and recommendations made during 2020-2021. The committee met on 4 occasions with the following attendance.

Date	No of Members Attending
21 August 2020	5
13 November 2020	5
19 February 2021	4
3 June 2021	4

Committee Member	No of Meetings Attended
Chairman Mayor Kathie Bowman	4

Mayor Denis Clark till 19 February 2021	3
Mayor Rodney Reid from 3 June 2021	1
Peter Ackland	3
Colin Byles	3
Ian McDonald	4

The following table sets out the principal issues addressed by the Committee for 2020-2021 year.

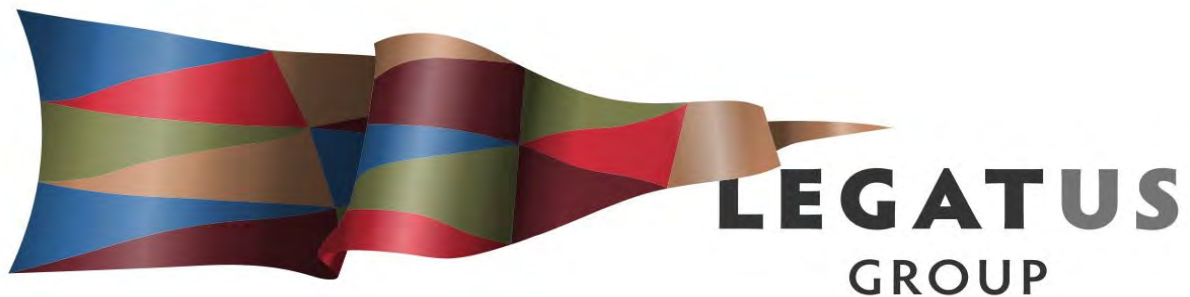
Principal Issues Examined	Recommendations to Board
Financial Report	No issues, unqualified audit, adopted for the 19/20 financial year.
Review of budget against actuals	Noted no issues and supported the allocation of the expenditure identified of carry over reserves and accumulated surplus for business plan and budgets.
Review of work plan, internal controls	<ol style="list-style-type: none"> 1. Work planned maintained and adoption of recommendations by Auditor for increased internal controls – recommended for the Legatus Group consider adopting: <ol style="list-style-type: none"> a. Budget Framework Policy b. Code of Conduct for Employees <p>Draft policies developed.</p> <ol style="list-style-type: none"> 2. Recommended an external review of CEOs performance which was undertaken. 3. Recommended that Legatus Group Audit and Risk Management Committee be provided access via the read only format to the financial transaction reports of the Legatus Group. Approved by the board. 4. Assisted with and provided recommendations re the provision of Financial Management Services.
Charter	Recommended the Legatus Group adopt the variation to item 5.1 of the Legatus Group Charter as set out in item 3.2 of the Legatus Group Audit and Risk Management Committee meeting held on 22 May 2020 and they authorise the Legatus Group CEO to comply with the Local Government Act requirements to secure the variation to the charter. Completed.

Business, Budget and Strategic Plan	<ol style="list-style-type: none"> 1. Noted the development of the 2020-2021 business plan and budget. 2. Recommended the review of the Legatus Group Strategic Plan and provided input to the review.
Membership	Recommendations to Board re membership of Audit Committee
Equity / reserves	Recommendations to Board on levels to be held

Mayor Kathy Bowman

Chairman Legatus Group Audit and Risk Management Committee

CENTRAL LOCAL GOVERNMENT
REGION of SA
trading as



Annual Financial
Statements

For the financial year

1 July 2020 – 30 June 2021

LEGATUS GROUP

General Purpose Financial Reports for the year ended 30 June 2021

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 - Plant & Equipment	14
Note 7 - Liabilities	15
Note 8 - Reserves	15
Note 9 - Reconciliation of Cash Flow Statement	16
Note 10 - Functions	16
Note 11 - Financial Instruments	17
Note 12 - Financial Indicators	18
Note 13 - Uniform Presentation of Finances	19
Note 14 - Related Party Disclosures	20
Note 15 - Contingencies & Assets & Liabilities Not Recognised	21
Note 16 - 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 2021

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 2021 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:

LEGATUS GROUP

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
INCOME			
Grants, subsidies and contributions	2	333,151	485,336
Investment income	2	8,188	10,845
Reimbursements	2	75,400	37,787
Other income	2	<u>192,804</u>	<u>193,397</u>
Total Income		<u>609,543</u>	<u>727,366</u>
EXPENSES			
Employee costs	3	352,082	221,194
Materials, contracts & other expenses	3	555,477	273,479
Depreciation, amortisation & impairment	3	<u>5,489</u>	<u>5,695</u>
Total Expenses		<u>913,048</u>	<u>500,368</u>
OPERATING SURPLUS / (DEFICIT)		(303,505)	226,998
Asset disposal & fair value adjustments	4	<u>-</u>	<u>(3,690)</u>
NET SURPLUS / (DEFICIT)		(303,505)	223,308
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		<u>(303,505)</u>	<u>223,308</u>

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

LEGATUS GROUP

STATEMENT OF FINANCIAL POSITION as at 30 June 2021

ASSETS	Notes	2021 \$	2020 \$
Current Assets			
Cash and cash equivalents	5	929,918	1,258,006
Trade & other receivables	5	39,970	93,845
Total Current Assets		969,888	1,351,851
Non-current Assets			
Infrastructure, property, plant & equipment	6	19,361	24,850
Total Non-current Assets		19,361	24,850
Total Assets		989,249	1,376,701
LIABILITIES			
Current Liabilities			
Trade & other payables	7	37,162	135,189
Provisions	7	19,350	10,314
Total Current Liabilities		56,512	145,503
Non-current Liabilities			
Provisions	7	12,113	7,069
Total Non-current Liabilities		12,113	7,069
Total Liabilities		68,625	152,572
NET ASSETS		920,624	1,224,129
EQUITY			
Accumulated Surplus		650,854	704,359
Other Reserves	8	269,770	519,770
TOTAL EQUITY		920,624	1,224,129

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 2021

		Accumulated Surplus	Other Reserves	TOTAL EQUITY
2021	Notes	\$	\$	\$
Balance at end of previous reporting period		704,359	519,770	1,224,129
Net Surplus / (Deficit) for Year		(303,505)	-	(303,505)
Other Comprehensive Income				
Transfers between reserves	8	250,000	(250,000)	-
Balance at end of period		650,854	269,770	920,624
2020				
Balance at end of previous reporting period		166,358	834,463	1,000,821
Net Surplus / (Deficit) for Year		223,308	-	223,308
Other Comprehensive Income				
Transfers between reserves	8	314,693	(314,693)	-
Balance at end of period		704,359	519,770	1,224,129

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

LEGATUS GROUP

STATEMENT OF CASH FLOWS

for the year ended 30 June 2021

		2021	2020
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<u>Receipts</u>			
Investment receipts		8,401	11,352
Grants utilised for operating purposes		292,151	561,336
Reimbursements		54,700	37,787
Other revenues		176,855	193,398
<u>Payments</u>			
Employee costs		(336,239)	(210,531)
Materials, contracts & other expenses		(523,956)	(284,365)
Net Cash provided by (or used in) Operating Activities	9	(328,089)	308,977
CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Sale of replaced assets		-	5,909
<u>Payments</u>			
Expenditure on renewal/replacement of assets		-	(28,967)
Net Cash provided by (or used in) Investing Activities		-	(23,058)
CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>			
		-	-
<u>Payments</u>			
		-	-
Net Cash provided by (or used in) Financing Activities		-	-
Net Increase (Decrease) in cash held		(328,089)	285,919
Cash & cash equivalents at beginning of period	9	<u>1,258,006</u>	<u>972,087</u>
Cash & cash equivalents at end of period	9	<u>929,918</u>	<u>1,258,006</u>

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 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1. Basis of Preparation

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

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

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

All amounts in the financial statements have been rounded to the nearest dollar (\$).

1.1 Historical Cost Convention

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

1.2 The Local Government Reporting Entity

The Legatus Group ("the Group") is a regional subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999.

The Constituent Councils are:

- | | |
|--------------------------------------|--|
| 1. The Barossa Council | 2. District Council of Mount Remarkable |
| 3. Barunga West Council | 4. Northern Areas Council |
| 5. Clare and Gilbert Valleys Council | 6. District Council of Orroroo/Carrieton |
| 7. Copper Coast Council | 8. District Council of Peterborough |
| 9. The Flinders Ranges Council | 10. Port Pirie Regional Council |
| 11. Regional Council of Goyder | 12. Wakefield Regional Council |
| 13. Light Regional Council | 14. Yorke Peninsula Council, and |
| 15. Adelaide Plains Council. | |

All funds received and expended by the Group have been included in the Financial Statements forming part of this Financial Report.

1.3 Income recognition

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

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

LEGATUS GROUP

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.4 Cash, Cash Equivalents and other Financial Instruments

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

Receivables for generally unsecured and do not bear interest. All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 11.

1.5 Property, Plant & Equipment

All non-current assets purchased are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". All assets are recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

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

Office Furniture & Equipment	\$5,000
Motor Vehicles, Other Plant & Equipment	\$5,000

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of the Group, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually. Major depreciation periods for each class of asset are shown below.

Office Furniture & Equipment	5 to 10 years
Motor Vehicles, Other Plant & Equipment	3 to 5 years

1.6 Payables

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

Amounts received from external parties in advance of service delivery are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

1.7 Employee Benefits

Salaries, Wages & Compensated Absences

The Group has two employees as at the 30th June 2021, 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 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

1.8 Superannuation

The Group contributes the statutory 9.5% SGC superannuation to the nominated superannuation funds for the Chief Executive Officer and Project Officer.

1.9 GST Implications

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

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

1.10 Leases

In the previous year, the Group performed an assessment of the potential impact of AASB 16 *Leases*. The Group is only engaged in a short-term lease as per Section 5 of AASB 16 and therefore the lease is recognised as an operating expense on a straight-line basis over the term of the lease.

1.11 New Accounting Standards

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

The Group has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective. Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2021 reporting period and have not been used in preparing these reports.

AASB 2018-6 Amendments to Australia Accounting Standards – Definition of a Business

AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvement 2018-2020 and Other Amendments

AASB 17 Insurance Contracts

The Group is of the view that none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

1.12 Economic Dependencies

The Group is aware of its current dependence on Grants Revenue received from the Commonwealth Government, State Government and the Local Government Association for the ongoing operations of the Group. Should the Group not secure funding or a significantly reduced level of funding in future years, it may impact on the ability of the Group to continue operating as a going concern.

1.13 Disclaimer

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

LEGATUS GROUP

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

Note 2 - INCOME

	2021	2020
	\$	\$
INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	8,185	10,807
Banks	3	39
	<u>8,188</u>	<u>10,845</u>
REIMBURSEMENTS		
- for Internships	<u>75,400</u>	<u>37,787</u>
	<u>75,400</u>	<u>37,787</u>
OTHER INCOME		
Council Contributions	177,525	177,025
Conference Registrations & Sponsorship	15,279	-
Sundry	-	16,372
	<u>192,804</u>	<u>193,397</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Waste Management	60,000	-
CWMS	61,000	-
Coastal Management	140,000	-
Research & Development	26,000	-
Sundry	46,151	485,336
	<u>333,151</u>	<u>485,336</u>
Sources of grants		
Commonwealth government	-	17,000
State government	<u>174,000</u>	70,500
LGA	<u>159,151</u>	<u>397,836</u>
	<u>333,151</u>	<u>485,336</u>

LEGATUS GROUP

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

Note 3 - EXPENSES

	2021	2020
	\$	\$
EMPLOYEE COSTS		
Salaries and Wages	281,829	172,422
Employee leave expense	33,226	21,759
Superannuation	28,510	17,828
Workers' Compensation Insurance	2,012	2,087
Professional Development	400	400
FBT	6,106	6,699
Total Operating Employee Costs	352,082	221,194
Total Number of Employees	1.4	1.5
<i>(Full time equivalent at end of reporting period)</i>		
MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration	2,238	2,100
Subtotal - Prescribed Expenses	<u>2,238</u>	<u>2,100</u>
<u>Other Materials, Contracts & Expenses</u>		
Contractors & Consultants	461,067	210,349
Unleaded Fuel	3,053	3,003
Other Motor Vehicle Costs	2,754	362
Members Allowances & Support	5,500	5,500
Meetings & Conferences	23,692	14,517
Insurance	7,980	7,934
Rental - Premises	9,442	10,126
Advertising	3,905	28
Accommodation	3,587	1,022
Airfares, Taxi Fares & Parking	2,790	338
Travel - Reimbursement	2,086	834
Catering & Meals	17,142	3,293
Telephone & Internet	5,797	3,432
Postage/Stationery/IT	594	3,792
Sundry	3,849	6,849
Subtotal - Other Materials, Contracts & Expenses	<u>553,239</u>	<u>271,379</u>
	555,477	273,479
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Motor Vehicle	5,489	5,695
	<u>5,489</u>	<u>5,695</u>

LEGATUS GROUP

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

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2021 \$	2020 \$
PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	-	5,909
Less: Carrying amount of assets sold	-	9,599
Gain (Loss) on disposal	<u>-</u>	<u>(3,690)</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>-</u>	<u>(3,690)</u>

Note 5 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS		
Cash at Bank	91,271	77,756
Deposits at Call	<u>838,647</u>	<u>1,180,250</u>
	<u>929,918</u>	<u>1,258,006</u>
TRADE & OTHER RECEIVABLES		
Accrued Revenues	224	436
Debtors - General	39,270	93,409
GST / FBT Recoupment	<u>476</u>	<u>-</u>
	<u>39,970</u>	<u>93,845</u>

LEGATUS GROUP

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

Note 6 - PLANT & EQUIPMENT

Fair Value Level	2020 \$				2021 \$			
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Motor Vehicles Computers & Software	-	28,967 3,948	(4,117) (3,948)	24,850 -	-	28,967 3,948	(9,606) (3,948)	19,361 -
TOTAL PLANT & EQUIPMENT	-	32,915	(8,065)	24,850	-	32,915	(13,554)	19,361
<i>Comparatives</i>	-	37,301	(26,124)	11,177	-	32,915	(8,065)	24,850

2020 \$	CARRYING AMOUNT MOVEMENTS DURING YEAR \$										2021 \$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	CARRYING AMOUNT	
24,850	New/Upgrade	Renewals	In				Out	- <th style="text-align: center;">- <th style="text-align: center;">- <th style="text-align: center;">19,361</th> </th></th>			- <th style="text-align: center;">- <th style="text-align: center;">19,361</th> </th>
Motor Vehicles Computers & Software	24,850	-	-	-	(5,489)	-	-	-	-	-	19,361
TOTAL PLANT & EQUIPMENT	24,850	-	-	-	(5,489)	-	-	-	-	-	19,361
<i>Comparatives</i>	11,177	-	28,967	(9,599)	(5,695)	-	-	-	-	-	24,850

LEGATUS GROUP

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

Note 7 - LIABILITIES

	2021		2020	
	Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES				
Goods & Services	32,740	-	2,143	-
Payments received in advance	-	-	110,500	-
Accrued expenses - employee entitlements	2,160	-	5,890	-
Accrued expenses - other	1,759	-	-	-
GST & PAYG	503	-	16,656	-
	<u>37,162</u>	<u>-</u>	<u>135,189</u>	<u>-</u>
PROVISIONS				
Employee entitlements - Annual Leave	19,350	-	10,314	-
Employee entitlements - Long Service Leave	-	12,113	-	7,069
	<u>19,350</u>	<u>12,113</u>	<u>10,314</u>	<u>7,069</u>

Note 8 - RESERVES

OTHER RESERVES	1/7/2020	Transfers to Reserve	Transfers from Reserve	30/6/2021
General Reserve	269,770	-	-	269,770
Rubble Royalties Projects	250,000	-	(250,000)	-
TOTAL OTHER RESERVES	<u>519,770</u>	<u>-</u>	<u>(250,000)</u>	<u>269,770</u>
<i>Comparatives</i>	<u>834,463</u>	<u>1,094,247</u>	<u>(1,408,940)</u>	<u>519,770</u>

PURPOSES OF RESERVES

(Other Reserves)

Rubble Royalties / Projects Reserve

This reserve was established from the Region's rubble royalty payments, with a percentage returned for allocation towards projects that provide a benefit to Member Councils. During 2019-2020 the Board decided that it would utilise the remaining funds in this reserve and undertake a range of additional projects during the 2020-2021 financial year to benefit member Councils.

LEGATUS GROUP

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

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2021 \$	2020 \$
Total cash & equivalent assets	5	<u>929,918</u>	<u>1,258,006</u>
Balances per Cash Flow Statement		<u>929,918</u>	<u>1,258,006</u>

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

Net Surplus (Deficit)		(303,505)	223,308
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		5,489	5,695
Net increase (decrease) in unpaid employee benefits		14,080	10,663
Net (Gain) Loss on Disposals		-	3,690
		<u>(283,936)</u>	<u>243,356</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		53,875	(33,993)
Net increase (decrease) in trade & other payables		(98,028)	(10,886)
Net increase (decrease) in other liabilities		-	110,500
Net Cash provided by (or used in) operations		<u>(328,089)</u>	<u>308,977</u>

(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	1,000
------------------------	-------	-------

Note 10 - FUNCTIONS

The activities of the Region are categorised into the following programs, projects & activities:

- 1 Corporate Function
- 2 P022 - Roads & Transport
- 3 P024 - Climate Change Co-Ordinator
- 4 P028 - Regional Capacity Building
- 5 P029 - LGA R&D Projects
- 6 P032 - Sustainability Hub
- 7 P034 - N&Y Coastal Management Action Plan
- 8 P037 - Creative Industries Project
- 9 P038 - Regional Waste Strategy
- 10 P039 - Community Collaborator
- 11 P040 - Disability Inclusion Action Plan
- 12 P041 - SFRCA Tourism Project
- 13 P042 - Drought Wellbeing Project
- 14 P043 - Stormwater Harvesting Trial
- 15 P044 - IT Data Gathering & Digital Research
- 16 P045- Aboriginal Engagement Committee

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 2021

Note 11 - FINANCIAL INSTRUMENTS

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Short term deposits are available on 24 hour call with the LGFA and have an interest rate of 0.30% as at 30 June 2021</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Trade & other debtors	<p>Accounting Policy: Carried at nominal value.</p> <p>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.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

Liquidity Analysis

2021	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	929,918	-	-	929,918	929,918
Receivables	39,970	-	-	39,970	39,970
Total	969,888	-	-	969,888	969,888
Financial Liabilities					
Payables	35,002	-	-	35,002	35,002
Total	35,002	-	-	35,002	35,002

2020	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	1,258,006	-	-	1,258,006	1,258,006
Receivables	93,845	-	-	93,845	93,845
Total	1,351,851	-	-	1,351,851	1,351,851
Financial Liabilities					
Payables	129,299	-	-	129,299	129,299
Total	129,299	-	-	129,299	129,299

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 2021

Note 12 - FINANCIAL INDICATORS

	2021	2020	2019
--	------	------	------

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>	(49.8%)	31.2%	24.5%
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>	(148%)	(165%)	(135%)
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%	305%	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 2021

Note 13 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Group prepared on a simplified Uniform Presentation Framework basis.

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

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

	2021 \$	2020 \$
Income	609,543	727,366
Expenses	<u>(913,048)</u>	<u>(500,368)</u>
Operating Surplus / (Deficit)	(303,505)	226,998
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	-	(28,967)
Add back Depreciation, Amortisation and Impairment	5,489	5,695
Proceeds from Sale of Replaced Assets	<u>-</u>	<u>5,909</u>
	5,489	(17,363)
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	-	-
Amounts received spec. for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Net Lending / (Borrowing) for Financial Year	<u>(298,016)</u>	<u>209,635</u>

LEGATUS GROUP

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

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Group include the 15 Mayors/Chairpersons of the constituent Councils and the CEO. In all, 2 persons were paid the following total compensation:

	2021 \$	2020 \$
Salaries, allowances & other short term benefits *	154,050	159,975
Member Allowance	5,500	5,500
Post-employment benefits *	14,635	15,198
FBT	6,106	6,699
TOTAL	180,291	187,372

* comparatives for 2020 adjusted to include only CEO and not all employees

The Group received the following amounts in total:

	2021 \$	2020 \$
Contributions for fringe benefits tax purposes	-	-
TOTAL	-	-

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

During the reporting period, no Key Management Personnel or parties related to them had any transactions on more favourable terms than those available to the general public.

OTHER RELATED PARTIES

Amounts received from Related Parties during the financial year and owed by Related Parties at the end of the financial year.	Received 2020 \$	Outstanding 2020 \$
The Barossa Council	12,249	-
Barunga West Council	13,749	-
Clare and Gilbert Valleys Council	12,249	-
Copper Coast Council	13,749	-
The Flinders Ranges Council	12,249	-
Regional Council of Goyder	12,249	-
Light Regional Council	12,249	-
Adelaide Plains Council	12,249	-
District Council of Mount Remarkable	14,449	-
Northern Areas Council	14,449	-
District Council of Orroroo / Carrieton	12,249	-
District Council of Peterborough	12,249	-
Port Pirie Regional Council	14,449	-
Wakefield Regional Council	12,249	-
Yorke Peninsula Council	12,249	-
TOTAL	193,335	-

Description of Services provided to all Related Parties above:

The Legatus Group is the peak regional local government organisation that is focused on the interests of its communities. The Legatus Group's primary purpose focuses on the wealth, wellbeing and social cohesion of these communities via a sustainable approach of productive landscapes and natural environment. Its focus is on the key roles of local government.

The Group has Five Primary Goals and numerous strategies to achieve these are outlined in the Group's Strategic Plan 2018-2028 which is available on the Group's website.

LEGATUS GROUP

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

Note 15 - 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 2021.

Note 16 - EVENTS OCURRING AFTER REPORTING DATE

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

HEAD OFFICE

214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 30 164 612 890

INDEPENDENT AUDITOR'S REPORT

To the members of the Legatus Group Authority Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a general purpose financial report, of the Legatus Group (the Authority), which comprises the Statement of Financial Position as at 30 June 2021, the 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 Certification of Financial Statements.

In our opinion, the accompanying financial report of the Authority is in accordance with the requirements of the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards (including Australian Accounting Interpretations), including:

- (i) giving a true and fair view of the Authority's financial position as at 30 June 2021 and of its performance for the year then ended; and
- (ii) that the financial records kept by the Authority are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described 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 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.

Responsibility for the Financial Report

The Board of Management is responsible for the preparation and fair presentation of the financial report, and has determined that the basis of preparation described in Note 1 is appropriate to meet the need of the directors. The Board of Management's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board of Management 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 Authority or to cease operations, or has no realistic alternative but to do so.

The Board of Management of the Authority is responsible for overseeing the 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority'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 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

Jim Keogh
Partner

Signed on the day of 2021,
at 214 Melbourne Street, North Adelaide

LEGATUS GROUP

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Legatus Group for the year ended 30 June 2021, 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
Barunga West Council

.....
CHIEF EXECUTIVE OFFICER
Clare & Gilbert Valleys Council

.....
CHIEF EXECUTIVE OFFICER
Copper Coast Council

.....
CHIEF EXECUTIVE OFFICER
The Flinders Ranges Council

.....
CHIEF EXECUTIVE OFFICER
Regional Council of Goyder

.....
CHIEF EXECUTIVE OFFICER
Light Regional Council

.....
CHIEF EXECUTIVE OFFICER
Adelaide Plains Council

.....
CHIEF EXECUTIVE OFFICER
District Council of Mount Remarkable

.....
CHIEF EXECUTIVE OFFICER
Northern Areas Council

.....
CHIEF EXECUTIVE OFFICER
Port Pirie Regional Council

.....
CHIEF EXECUTIVE OFFICER
District Council of Orroroo Carrieton

.....
CHIEF EXECUTIVE OFFICER
York Peninsula Council

.....
CHIEF EXECUTIVE OFFICER
District Council of Peterborough

.....
CHIEF EXECUTIVE OFFICER
Wakefield Regional Council

.....
CHAIRMAN
Legatus Group
Board of Management

Date:

LEGATUS GROUP
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2021

STATEMENT BY AUDITOR

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

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

Jim Keough

Partner

Dean Newbery & Partners

Dated this day of 2021