



District Council of

**Grant**



**Annual Report**  
2019-2020



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# Mayoral Report

**As Mayor, once again it is certainly a privilege to be a part of delivering the District Council of Grant's Annual Report to reflect on Council's and our community's aspirations and achievements over the past twelve months.**

What a year we have seen and lived! Again Local Government has been at the forefront, working with the State and Federal Governments and with our volunteers in late 2019 and the early part of 2020. We saw unprecedented sacrifices by our men and women of our Emergency Services, answering the call to bushfires ranging across many parts of New South Wales and Victoria along with Kangaroo Island and parts of South Australia.

Australia is a country that has communities that support each other in emergencies, our volunteerism has a very proud history, with Local Government also rallying to help. At our modest Australia Day event held this year at Kongorong, we saluted our service men and women who volunteered over the last fire season some ten thousand hours with the majority of this time away from our council area and their families. What a selfless achievement by those courageous people.

The District Council of Grant proudly owns and operates the Mount Gambier Regional Airport. A major upgrade project is being undertaken by Council which is including a new terminal, lengthening of the runway, plus the apron and general aviation parking area to be completed by late 2020. All this work is to be undertaken by local companies and contractors. Benefits we will see include increased parking of larger aircraft and reduced time delays in refilling firefighting water bombers with four being filled at any one time. Once completed the facility will boast a modern airport terminal which will be a beautiful gateway into the region.

The Council has also worked on bringing the Mount Gambier and District Saleyards up to a modern livestock exchange through adding to and updating their masterplan along with gaining support from the State Government and Telstra to finally boost the connectivity via a Telstra tower so that we can eventually have online sales and really good mobile coverage connecting us to the world.

Council has pledged \$50,000 towards the cost of the tower, the remainder coming from a State Government Grant along with Telstra, which will see in excess of a \$600,000 investment that will connect the Mount Gambier Racecourse, the Borderline Speedway and the Mount Gambier Karting Clubs. This increased mobile phone coverage combined with NBN, will improve connectivity for the broader community.

Council has been successful in gaining Federal Grant funding to upgrade and renew the cattle ramps to allow for side and front loading facilities to cater for road trains and B-Doubles and with the reconfiguration of the Saleyards, in the future this will see improved safety for the users and the cattle and less loading time for the operators.

Council has also included in the masterplan to renew the yards, replace the rubber matting with soft fall and roofing of the cattle yards, with water harvesting and the latest technology to ensure the Saleyards are the most modern facility for the benefits of both the sellers and purchasers of cattle and sheep, bringing us into the twenty first century. This is yet another council facility that we are all proud of.

The foreshore project at Port MacDonnell, Stage One has been completed with in excess of one million dollars in grant and Council funding being spent to beautify the foreshore area. Stage Two has been funded, planning has been completed with contracts being let and work should commence towards the end of the year.

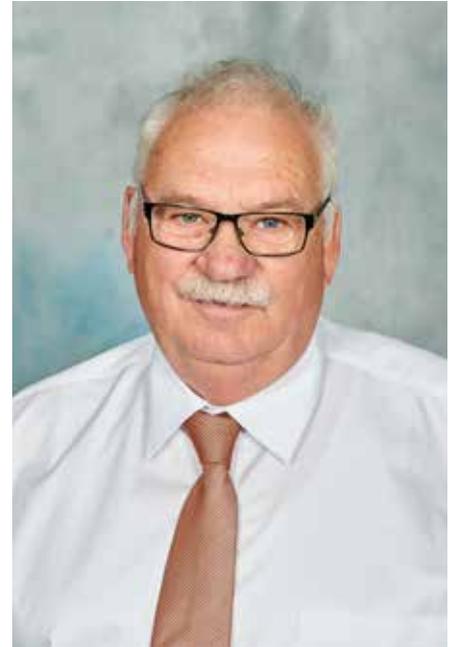
The COVID-19 pandemic was like something out of a science fiction film, and this has changed the world in the way we will interact forever. It has caused chaos across every country, including Australia, within Victoria and especially Melbourne. The residents and businesses have been the hardest hit.

The leadership from within all tiers of Government and the hard working staff in our health system has been second to none. Once again, many volunteers have been in the forefront carrying the heavy load. We as Local Government and our communities, have learnt so much during this period to try and stop the spread and keep our families and communities safe.

Many business have been pushed to the brink and will find it very hard to survive. As a Local Government body, Elected Members and Staff, have worked together to put in place measures to assist our ratepayers, residents, friends and relatives through this crisis so that we can all survive with many of our businesses still trying to find ways to recover.

Job losses have also been on the forefront during this period, Local Governments across South Australia have tried to find innovative ways to assist through rate relief, care packages and trying to assist small business through grants and advice on how to cope with the pandemic and the way forward

A lot has been achieved and it has been a very hard year for everybody, but by working together our community will remain strong and resilient. I would like to personally thank the Elected Council and Staff for their contributions and commitment to our community. Please remember **"an act of kindness goes a long way."**



**Richard Sage**  
**MAYOR**

# CEO Report

## **Local Government provides such diverse range of activities it is impossible to cover every aspect of the District Council of Grants' operations.**

The annual report presents a snapshot of Council's achievements during 2019-2020 on behalf of our community, residents and ratepayers.

Council's wide ranging decision making and strategy setting continues to influence the operations of the organisation. Council has many aspirational strategic plans comprising, but not limited to, strategic management plans, long term financial management plans, annual budget, master plans and project plans.

Council's Management Team are responsible for transforming strategic direction to become operational projects, activities and services that are valued and used by the community. Council's significant investment into major projects, activities and services is vast with some of the specific actions undertaken during 2019-2020 comprising of the following:

- A comprehensive review of Council's Strategic Management Plan (SMP) by undertaking a community survey, a

series of drop-in sessions, as well as Elected Member and Staff Workshops.

The new SMP will set the Council vision, mission and aspirations for what we strive to achieve over the next ten years.

- Commenced work on the Disability Access and Inclusion Plan, consultation is underway comprising community and staff surveys, focus group sessions and broader community consultation. This is a particularly important piece of work as Council plans to improve: access to information, the built environment, employment access and programs and services. We look forward to finalising and commencing the plan during 2020-2021.
- Construction underway on the \$9.2 million Mount Gambier Regional Airport new terminal building. This development expands on the completed \$3 million airside works that comprised a 120 metre run-way extension, heavy aircraft apron and lighting and electrical upgrade. Private construction of the Royal Flying Doctor Service of Australia patient transfer facility compliments our Airport as a truly regional facility which is proudly owned and operated by the Council.
- The Port MacDonnell Stage 2 Waterfront Project designs were consulted on with the request for quotations and groundworks set to commence during the 2020-2021 financial year.
- The Mount Gambier and District Saleyards sold 80,000 head of cattle and 110,000 sheep grossing more than \$122 million in sales. Co-funding with the State Governments Regional Development Fund will secure an additional two adjustable cattle ramps with design work underway.
- Council supported the community during the COVID-19 pandemic by implementing a series of Community Care Packages which ranged from disaster relief, hardship arrangements to the establishment of a Business Liaison Team to support businesses with information, government support and how to adjust in the constantly changing environment.
- Community Grants were provided of \$36,000 to support community projects and initiatives.
- Council continues to deliver asset renewal consistent with its

Long Term Financial Management Plan and Asset Management plans. An asset renewal funding ratio of 84% was achieved which has improved from 59% in 2017–2018. During 2019/2020 roads infrastructure projects delivered \$6.7 million on operating and capital works comprising; road grading program, road reseal, road construction, kerb and water table, tree trimming, roadside slashing and weed spraying.

**FINANCIAL**

An operating surplus of \$189,079 was achieved during 2019–2020 with an operating income similar to 2018–2019 and expenditure increasing by less than 2.0%. Capital expenditure of \$9.2 million occurred in 2019–2020 with the majority of the expenditure spent on the Mount Gambier Regional Airport (\$4.8 million), Road Infrastructure (\$2.4 million) and Plant & Equipment renewals (\$1.0 million). The remaining funds (\$1.0 million) were spent on various Buildings, IT Equipment, Structures, Community Waste Water Schemes and Saleyards projects. No additional loan borrowings were required to fund Council's programs and operations for the financial year with capacity available

to fund future projects should the need arise.

**EMERGENCY RESPONSE**

This year has seen tremendous change in the way the Council operated and delivered services. Government response to COVID-19 seen the declaration of a Public Health Emergency (Pandemic) and an ever changing Council work environment which dramatically altered the way Council conducted its business and deliver services.

Council enacted its Business Continuity Plan (BCP) with aims of community and staff safety, maintaining services and community and business outreach. The Council itself was required to transition to electronic live streamed meetings in order to maintain social distancing and for Council to continue to meet and make strategic decisions.

The BCP Team was formed comprising senior managers, leaders and functional experts all who worked collaboratively and tirelessly to provide regular updates and guidance to our staff and community. To mitigate risk and ensure continuity of services our very agile workforce dispersed to alternate sites and including working from home



**Darryl Whicker**  
**CHIEF EXECUTIVE OFFICER**

arrangements. Without doubt this was a difficult time for staff, Council and our community and I would like to thank our staff and elected members for their sustained team effort, and unwavering commitment to our community. I would also like to thank our community for their patience and resilience. Collectively we are on the road to recovery, but it is still important that we all remain vigilant and continue to support each other.

# Council Profile

## The District Council of Grant is the most southern local government area in South Australia.

Situated on the south east coast corner of the Limestone Coast, it is bounded to the south and southwest by the Southern Ocean, the Victorian Border to the east and the Wattle Range Council to the north and northwest. The Council encircles the local government area of the City of Mount Gambier. The Council is predominantly rural with a number of small townships, serving an estimated population of 8584 (as at 30 June 2019). Our population was 8,203 (as at 2016 census) and covers an area of 1,898 square kilometres.

The area contains some of the richest and most productive agricultural land in South Australia. Dairying, beef and sheep production, horticulture, wool, seed and grain production are the predominant agricultural activities. The fishing industry, in particular the southern rock lobster industry is a significant factor in the economy of the area. Port MacDonnell is acknowledged as the "Southern Rock Lobster Capital of Australia". Forestry production and related secondary industries of logging and milling are

major economic and employment generating activities.

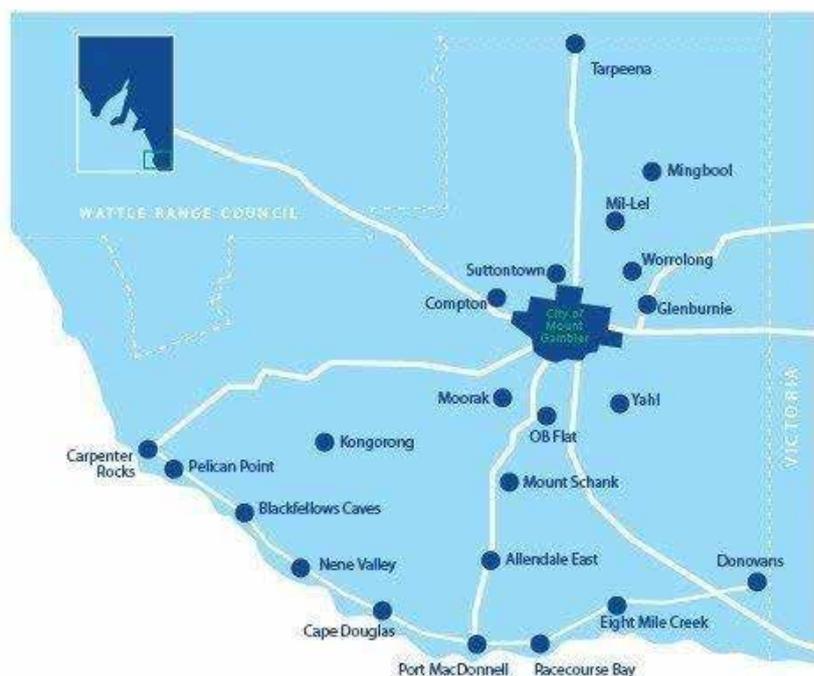
The District Council of Grant is home to the Mount Gambier Wine Region which is Australia's newest official wine appellation, producing quality cool climate wines and featuring a multiple vineyards and cellar door outlets.

Features such as the spectacular coastline and the natural and built heritage, including Mount Schank State Heritage area, Canunda National Park, Lake Bonney, and Piccaninnie Ponds and Ewens Ponds, and exceptional cave diving opportunities, make the area a popular and growing

tourist destination and a recreational playground for local, national and international visitors.

The District Council of Grant is a diverse collection of townships and communities and we value the different approaches, opinions, and expectations from our communities.

The Council provides a range of support and development services as well as administrative and regulatory functions to improve the quality of life for all people who live, work, do business, enjoy leisure and visit the community and its environs.



# Council Profile

## ECONOMIC DRIVER PROFILE<sup>1</sup>

GROSS REGIONAL PRODUCT  
**\$547M**

TOTAL OUTPUT  
**\$920M**

### TOP 3 INDUSTRIES BY OUTPUT



**01. AGRICULTURE, FORESTRY AND FISHING**  
**\$531.8 MILLION (57.8%)**



**02. MANUFACTURING**  
**\$156 MILLION (16.9%)**



**03. CONSTRUCTION**  
**\$108.3 MILLION (11.8%)**

### VALUE ADDED BY INDUSTRY



**01. AGRICULTURE, FORESTRY AND FISHING**  
**\$308.5 MILLION (66.4%)**



**02. MANUFACTURING**  
**\$57.9 MILLION (12.5%)**



**03. CONSTRUCTION**  
**\$29.4 MILLION (6.3%)**

TOTAL VALUE ADDED - ALL INDUSTRIES

**\$464.3M**



TOTAL EXPORTS **\$581.2M**

(BOTH DOMESTIC AND INTERNATIONAL)

AGRICULTURE, FORESTRY AND FISHING **74.9%**

MANUFACTURING **20.9%**

LOCAL BUSINESSES

**1047**

EST. NUMBER OF LOCAL JOBS

**2950**



**49.8%** EMPLOYED IN AGRICULTURE, FORESTRY AND FISHING

<sup>1</sup> Statistics for 2018–2019. Source: National Institute of Economic and Industry Research (NEIR) c2019. Compiled and presented in economy.id by.id the population experts.

# Strategic Management Plan 2016–2020

The Strategic Management Plan 2016–2020 guides Council's direction and actions. The Strategic Management Plan is available from Council's website and offices.

<p><b>GOAL 1</b> Physical Infrastructure is improved and developed</p>	<ul style="list-style-type: none"> <li>• Improved roads &amp; infrastructure, transport links, footpaths and walking/cycle trails</li> <li>• Improved public spaces</li> <li>• Improved regional infrastructure (including non-council infrastructure)</li> <li>• Improved Airport infrastructure and services</li> <li>• Improved Mount Gambier Saleyards infrastructure and services</li> <li>• Improved marine infrastructure</li> </ul>
<p><b>GOAL 2</b> Economic Development opportunities pursued and promoted</p>	<ul style="list-style-type: none"> <li>• Growth of new and existing industries and businesses</li> <li>• Increased tourism</li> <li>• Existing events supported and new events developed</li> <li>• Land developed to meet future needs and demands</li> </ul>
<p><b>GOAL 3</b> Community Development and Support</p>	<ul style="list-style-type: none"> <li>• Improved and accountable partnerships and services provided by other stakeholders</li> <li>• Effective and improved community development programs</li> <li>• A safe and vibrant community</li> </ul>
<p><b>GOAL 4</b> Strong Leadership, Management, and Delivery of Transparent Council Services</p>	<ul style="list-style-type: none"> <li>• Effective communication and consultation with the community and regional partners</li> <li>• Effective Council management and business systems</li> <li>• Effective regulatory services</li> <li>• Effective support and services to Elected Members</li> <li>• Effective partnerships with stakeholders</li> </ul>
<p><b>GOAL 5</b> Sustainable Use, Accessibility and Planned Use of Our Natural and Built Environment</p>	<ul style="list-style-type: none"> <li>• Alternative energy solutions and opportunities explored</li> <li>• Improved and continued public access to our natural environs (parks, coast, marine parks, etc)</li> <li>• Sustainable approach to coastal protection strategies</li> <li>• Sustainable Community Waste Management Systems implemented and maintained</li> <li>• Sustainable Waste Management Services</li> </ul>

At the end of 2019 Council commenced the development of the Strategic Management Plan 2020–2030.

# Vision & Mission

## OUR VISION

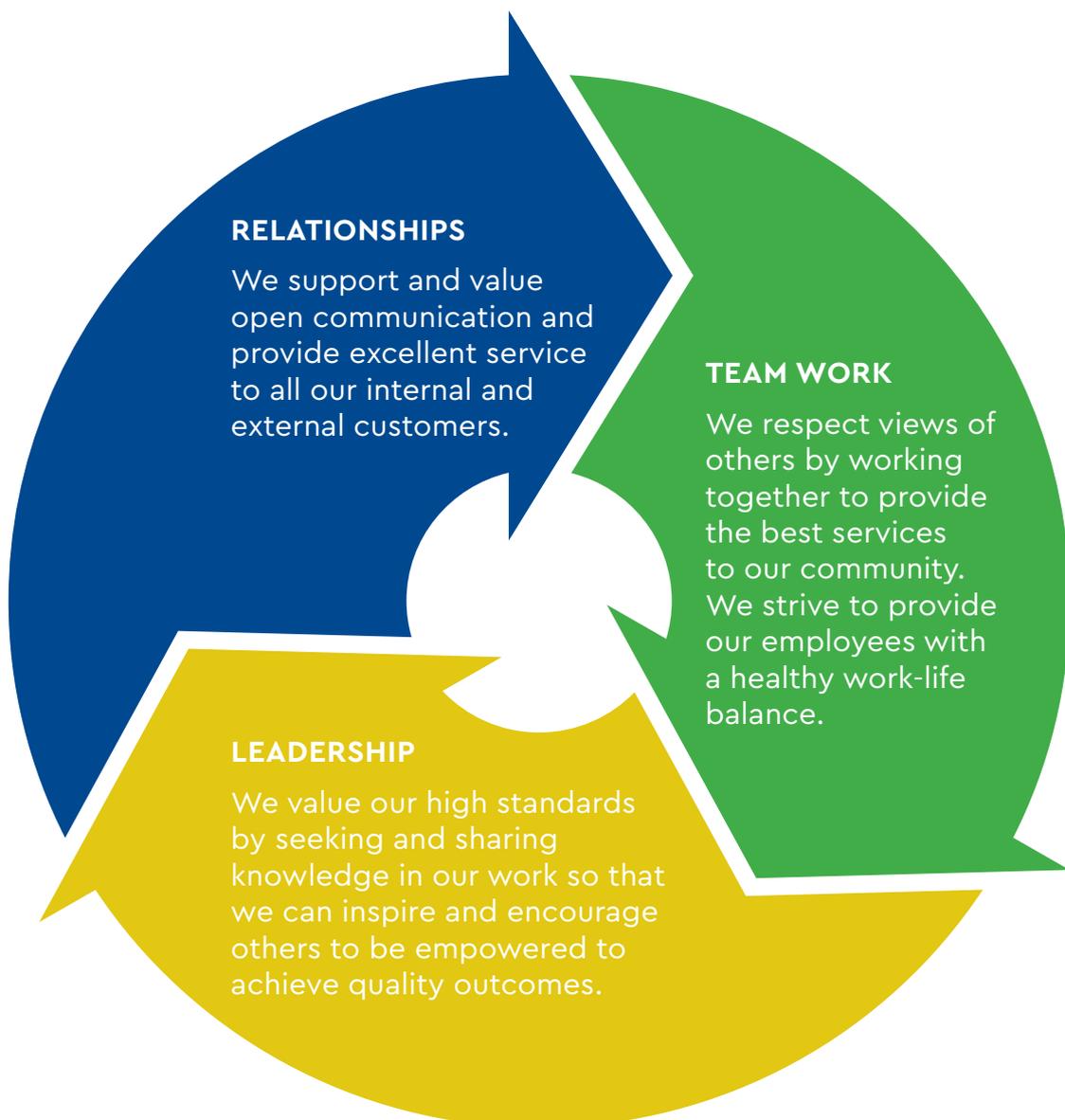
"A progressive and caring Council, providing responsible leadership, sustainable development and cost effective quality services."

## OUR MISSION

"To provide a range of services which meet the environmental, social and economic needs of our community."

## OUR VALUES

We have adopted three core values that will underpin how we approach the delivery of outcomes of this Strategic Management Plan.



## TAGLINE

*A Progressive and Caring Council.*



# Governance Compliance

# Governance Compliance

## COUNCIL DECISION MAKING STRUCTURE

Council meetings are held in the Council Chambers at 324 Commercial Street West, Mount Gambier, on the first and third Monday of each month at 5.30pm. If the Monday is a public holiday, the Council meeting is held on the Wednesday of that week. Meetings are open to the public and Council encourages attendance. Any individual wishing to bring a matter before Council should put the request in writing to the Chief Executive Officer a minimum of seven working days prior to the scheduled meeting.

The COVID-19 pandemic has resulted in many meetings being held and conducted in an electronic online manner.

## ELECTOR REPRESENTATION REVIEW

The *Local Government Act 1999* prescribes that a review must be undertaken by the Council in accordance with the *Local Government (General) Regulations 2013* as gazetted by the Minister. Section 12(4) of the *Local Government Act 1999* outlines that a review of this nature must entail a comprehensive review of "...all aspects of the composition of the council, and the issue of the division, or potential division, of the area of the council into wards ...".

District Council of Grant is required, by a notice published in the Government Gazette, to undertake an Elector Representation review between April 2024 and April 2025. District Council of Grant currently has 10 Elected Members for 5475 electors.

The table shows a comparison of the elected representation quota for the District Council of Grant compared with similar size and type of Councils in South Australia.

Council	Electors	Elected Members (including Mayor)	Representation Quota
Clare & Gilbert Valleys	6799	10	679
Coorong	3784	9	420
<b>Grant</b>	<b>5475</b>	<b>10</b>	<b>547</b>
Adelaide Plains	6187	10	618
Mid Murray	6527	10	652
Naracoorte-Lucindale	5851	11	531
Northern Area	3399	9	377
Renmark Paringa	6498	9	722
Tatiara	4478	10	447
Wakefield Regional	4782	10	478

# Governance Compliance

## COUNCIL COMMITTEES AND MEETING ATTENDANCE

The Elected Members are part of the Council and attend Ordinary Council Meetings. In addition, nominated Elected Members are members of Council's key council committees which are formed under the Local Government Act 1999 and the previous Development Act 1993.

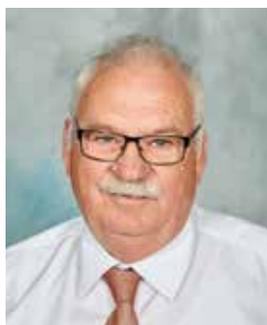
Information on the Terms of Reference of the committees are available on Council's website or can be obtained on request from Council.

### Meetings held between July 2019 and June 2020

Council Meetings (20 Ordinary meetings and 6 Special meetings)	26
Audit Committee Meetings	2
Council Assessment Panel Meetings	4
Mount Gambier Regional Airport Strategy Committee Meetings	1
Mount Gambier and District Saleyards Strategy Committee Meetings	3
Planning and Development Committee	1

# Governance Compliance

## COUNCIL COMMITTEES AND MEETING ATTENDANCE



### MAYOR SAGE

#### Committee/Council meetings attended:

Council Meetings	26
Audit Committee	2
Mount Gambier Regional Airport Strategy Committee	0
Mount Gambier & District Saleyards Strategy Committee	3
Planning & Development Committee	1



### CR BAIN

#### Committee/Council meetings attended:

Council Meetings	15
Audit Committee	2
Council Assessment Panel	3



### CR BOSTON

#### Committee/Council meetings attended:

Council Meetings	25
Mount Gambier & District Saleyards Strategy Committee	3



### CR CLAYFIELD\*

#### Committee/Council meetings attended:

Council Meetings	18
Mount Gambier Regional Airport Strategy Committee	0
Planning & Development Committee	0



### CR DUKALSKIS

#### Committee/Council meetings attended:

Council Meetings	25
Audit Committee	2



### CR DUNCAN\*\*

#### Committee/Council meetings attended:

Council Meetings	8
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# Governance Compliance

## COUNCIL COMMITTEES AND MEETING ATTENDANCE



### CR ELLIOTT

#### Committee/Council meetings attended:

Council Meetings	18
Planning & Development Committee	1



### CR KUHL

#### Committee/Council meetings attended:

Council Meetings	25
Audit Committee	2
Council Assessment Panel (proxy)	1
Mount Gambier & District Saleyards Strategy Committee	3
Planning & Development Committee	1



### CR LITTLE

#### Committee/Council meetings attended:

Council Meetings	25
Mount Gambier Regional Airport Strategy Committee	1
Planning & Development Committee	1



### CR MANN

#### Committee/Council meetings attended:

Council Meetings	26
Planning & Development Committee	1



### CR REIS\*\*\*

#### Committee/Council meetings attended:

Council Meetings	2
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\* Reduced number of meetings due to approved leave of absence.

\*\* Cr Duncan commenced with Council on 16 December 2019.

\*\*\* Reduced number of meetings due to approved leave of absence. Cr Reis resigned from Council on 2 September 2019.

# Governance Compliance

## ELECTED MEMBER TRAINING AND DEVELOPMENT

Council recognises the importance of providing useful, relevant, accessible and effective training opportunities for all Elected Members and supports the continual development of Elected Members through all mediums, including online training, short courses and conferences and in-house workshops. The following subject matter was covered during 2019–2020.

- Regional Development Strategy Community Forum
- South Australian Regional Organisation of Councils
- Local Government Association Roads and Works Conference
- Mount Gambier Regional Outlook Conference
- Local Government Association Annual General Meeting
- Strategic Management Plan Workshops
- Enhanced Public Speaking & Presenting for Elected Members
- Meeting Procedure Training
- Department of Environment & Water - Glenelg River Shacks Workshop

- Limestone Coast Local Government Association Workshop
- Budget 2020–2021 Workshops
- Audit Committee Training
- Council Assessment Panel Training
- E Tourism Workshop
- Local Roads Infrastructure Workshop
- Elected Member Mandatory Training
- Various Ministerial Meetings

## ANNUAL ALLOWANCES

Council Member Annual Allowances are independently set by the Remuneration Tribunal. Council Members are entitled to receive the following annual allowance as determined by the Remuneration Tribunal pursuant to Section 76 of the Local Government Act (amended each year with any CPI change) for performing and discharging their official functions and duties.

- **Mayor**  
\$41,072 per annum paid quarterly in advance
- **Deputy Mayor**  
\$12,832 per annum paid quarterly in arrears
- **Other Elected Members**  
\$10,988 per annum paid quarterly in arrears

## Council Assessment Panel

- **Presiding Member**  
\$250 per Meeting  
\$60 per Teleconference Meeting
- **Elected Member** (or proxy)  
\$200 per Meeting
- **Independent Members**  
\$200 per Meeting  
\$50 per Teleconference Meeting

## Audit Committee

- Independent Member  
\$200.00 per Meeting

In addition to any allowance paid, Elected Members are also entitled to receive reimbursement for travel within the area of Council, and dependent care expenses associated with attendance at Council and Committee meetings.

## Additional Support

Council make available to Elected Members the following facilities and support to assist them in fulfilling their official functions and duties:

- An iPad issued to Elected Members on the understanding that all equipment remains the property of Council. iPad's have SIM cards installed that are on a \$15/5GB monthly plan with no excess charges if the data limit is exceeded, these services are paid by Council.

# Governance Compliance

- Council provides Elected Members with an allowance of \$60 per month for telephone rental and call costs.

Council make available to the Mayor the following facilities and support as per the Elected Members Allowances and Support Policy:

- Council provide a vehicle (no private use) for the Mayor, with the vehicle to remain the property of Council, and with Council meeting all operational and replacement costs including costs of insurance, registration, servicing, tyres and minor expenses for the vehicle.
- Council are responsible for all fuel costs for the vehicle subject to the following:
  - > The Mayor to maintain a log book that will document all travel that is not related to the Mayors role, functions and duties.

The Mayor has a corporate fuel card for fuel purchases for the Council owned vehicle, with the Mayor providing all fuel docketts/ receipts to the Chief Executive Officer on at least a monthly basis.

Council provide the Mayor with a mobile phone for business use. Where the Mayor elects to use his own personal mobile phone, an allowance of \$150 per month (payable in advance) covers business calls.

It is recognised that the Mayor's role requires him to meet with various government agencies, and businesses. The Mayor may seek reimbursement of entertainment expenses subject to the event being in his calendar and approved by Council.

## Procurement

Council's procurement activities aim to achieve advantageous outcomes by:

- Advancing and/or working within Council's economic, industrial, social and environmental policies and/or Agreements in accord with Councils Strategic Management Plan;
- Enhancing value for money by encouraging competition by ensuring non-discrimination in procurement and using competitive procurement processes;
- Promoting the use of resources in an efficient, effective and ethical manner;
- Making decisions with probity, accountability and transparency.

- Providing reasonable opportunity for competitive local businesses to supply to Council;
- Considering the impact of the service delivery approach on local businesses, observing National Competition Policy guidelines and associated legislation;
- Appropriately managing risk;
- Promoting compliance with all relevant legislation; and
- Advancing opportunities for creating or maintaining economic development and growth in the region and other opportunities to participate with other spheres of government, community groups and the private sector in service delivery.

# Governance Compliance

## CONFIDENTIALITY PROVISIONS

Council held 20 Ordinary meetings and six special meetings for the financial year 2019-2020 with a total of 350 resolutions made at these meetings.

During 2019-2020, Section 90(2) provisions of the *Local Government Act 1999*, which enables the exclusion of the public from Council meetings, were invoked on 30 occasions, resulting in 31 resolutions being made in confidence (9% of the total number of resolutions made). Section 91(7) provisions, which keep minutes confidential, were invoked on 27 occasions.

The total number of confidential orders released from confidence was 32, with 23 still in place at the end of the financial year (however 13 of those were carried over from previous financial years).

2019-2020	Description	Nature of Confidentiality	Held in Confidence
1 July 2019	Confidential Minutes of the Planning and Development Committee Meeting held Wednesday 19 June 2019 [9.14.1/3]	90(3)(m) DPA Proposal	No
1 July 2019	Mount Gambier Regional Airport Upgrade	90(3)(j) Information from Crown or Public Authority	No
5 August 2019	Performance Bonus	90(3)(a) Personal affairs	No
5 August 2019	Lease of Hangar	90(3)(d) Commercial information (not a trade secret)	No
19 August 2019	Mount Gambier Regional Airport Upgrade	90(3)(k) Tenders	No
19 August 2019	Chief Executive Officer Recruitment	90(3)(a) Personal affairs	No
21 August 2019	Chief Executive Officer Recruitment	90(3)(a) Personal affairs	No
27 August 2019	Chief Executive Officer Recruitment	90(3)(a) Personal affairs	No
2 September 2019	Staff matters	90(3)(a) Personal affairs	Yes
2 September 2019	Personal affairs	90(3)(a) Personal affairs	No

# Governance Compliance

2019-2020	Description	Nature of Confidentiality	Held in Confidence
16 September 2019	Sale of Land for Non-Payment of Rates and Charges	90(3)(a) Personal affairs	No
16 September 2019	Sandyridge Holdings Pty Ltd	90(3)(h) Legal advice	Yes
16 September 2019	Release of Cultural Review	90(3)(e) Security	No
9 October 2019	Confidential Minutes of the Planning and Development Committee – Meeting Held Monday 30 September 2019	90(3)(m) DPA Proposal	No
9 October 2019	Rural Living and Township Zone Boundaries Review and Master Plan – Consultation	90(3)(m) DPA Proposal	No
9 October 2019	Mount Gambier Regional Airport Terminal Construction Tenders	90(3)(k) Tenders	No
2 December 2019	Council Assessment Panel – Appointment of an Independent Member	90(3)(a) Personal affairs	No
2 December 2019	Nominations for 2020 Australia Day Citizens Awards	90(3)(a) Personal affairs	No
2 December 2019	Annual Report	90(3)(a) Personal affairs	No
12 December 2019	Chief Executive Officer – Employment Matters	90(3)(h) Legal advice	No
20 January 2020	Potential Use Council Land for Commercial Activity	90(3)(d) Commercial information (not a trade secret)	Yes
3 February 2020	Chief Executive Officer's Key Performance Indicators Report	90(3)(a) Personal affairs	No
17 February 2020	Potential Use Council Land for Commercial Activity	90(3)(d) Commercial information (not a trade secret)	Yes
17 February 2020	Chief Executive Officer Probationary Period	90(3)(a) Personal affairs	No
16 March 2020	Mount Gambier Regional Airport Museum Project	90(3)(j) Information from Crown or Public Authority	Yes

# Governance Compliance

2019-2020	Description	Nature of Confidentiality	Held in Confidence
16 March 2020	Sandyridge Holdings Pty Ltd – Landfill Operations – Allotment 22 Cafrico Road, Compton	90(3)(d) Commercial information (not a trade secret)	Yes
23 March 2020	Regional Express Airlines – Amendments to Operating Conditions	90(3)(d) Commercial information (not a trade secret)	No
6 April 2020	Rating and Debt Options	90(3)(a) Personal affairs	No
15 April 2020	Regional Express Airlines	90(3)(d) Commercial information (not a trade secret)	Yes (minutes only released)
18 May 2020	Sandyridge Holdings Pty Ltd – Landfill Operations	90(3)(d) Commercial information (not a trade secret)	Yes
18 May 2020	Operational Savings	90(3)(a) Personal affairs	Yes

# Governance Compliance

Pre 2019-2020 (carried over)	Description	Nature of Confidentiality	Held in Confidence
6 July 2015	Port MacDonnell Old Boatyard Land	90(3)(d) Commercial information (not a trade secret)	Yes
6 June 2016	Building Regulatory Matters	90(3)(i) Litigation of Council or employee	Yes
5 October 2016	Building Regulatory Matters	90(3)(i) Litigation of Council or employee	Yes
7 November 2016	Question Without Notice – Building Regulatory Matters	90(3)(i) Litigation of Council or employee	Yes
6 August 2018	Sandyridge Holdings Asbestos Burial	90(3)(h) Legal Advice	Yes
20 August 2018	Sandyridge Holdings Asbestos Burial	90(3)(h) Legal Advice	Yes
17 December 2018	Sandyridge Holdings Pty Ltd – Disposal of Asbestos	90(3)(h) Legal Advice	Yes
21 January 2019	Building Regulatory Matters	90(3)(i) Litigation of Council or Employee	Yes
4 February 2019	Legal Advice Concerning Sandyridge Holdings Pty Ltd	90(3)(h) Legal Advice	Yes
4 March 2019	Building Regulatory Matter	90(3)(i) Litigation of Council or Employee	Yes
18 March 2019	Legal Advice Concerning Sandyridge Holdings Pty Ltd	90(3)(h) Legal Advice	Yes
15 April 2019	Internal Affairs	90(3)(j) Information from Crown or Public Authority	Yes
6 May 2019	Litter Abatement Notice – Megaw Road, Compton – Notice of Appeal	90(3)(h) Legal Advice	Yes

# Governance Compliance

## NUMBER OF CONFIDENTIAL ORDERS MADE 2016-2020



Council Committee	Number of Meetings	Number of Items	Items considered 'in confidence'
Audit Committee	2	13	0
Mount Gambier Regional Airport Strategy Committee	1	3	0
Mount Gambier & District Saleyards Strategy Committee	4	16	0
Planning & Development Committee	1	4	1

# Governance Compliance

## INTERNAL REVIEW OF COUNCIL DECISIONS

Council is committed to open decision making processes and to providing access to a fair and objective procedure for the hearing of review of decisions. Council's Procedure for Review of Decisions has been adopted in accordance with Section 270 of the *Local Government Act 1999* and applies to matters that are not resolved satisfactorily. A formal application or request for review of a decision will therefore initiate the internal review. The procedure applies to all formal requests for review of decisions under the Local Government Act, but not to requests for reviews made under other legislation (for example the Development Act or Freedom of Information requests) where separate specific procedures are already prescribed by that legislation.

In 2019–2020 Council received one request for an internal review of a decision of Council. The matter was in relation to the granting of a Lease over community facilities at Donovans.

The internal review, which is being undertaken by Norman Waterhouse

Lawyers, is ongoing and has not been finalised at the time of collating this Annual Report.

## COMMUNITY LAND

Council currently has 34 Community Land Management Plans. These consist of five generic plans covering sporting grounds, parks, general community use, vacant land and emergency services land, and twenty-nine (29) individual plans adopted specifically for a particular parcel of land.

## REGISTERS, CODES AND PRACTICES

The *Local Government Act 1999* or the Local Government (Elections) Act 1999 requires Council to keep the following Registers, Codes of Conduct/Practice and Policies.

### Registers

- Register of Interests (Members) – Section 68
- Register of Allowances and Benefits – Sections 79
- Register of Remuneration, Salaries and Benefits – Sections 105
- Register of Interests (Staff) – Sections 116
- Register of Community Land – Sections 207
- Register of Public Roads – Sections 231

- Register of By-Laws – Sections 252

### Codes

- Code of Conduct for Council Members – Section 63
- Code of Practice – (Access to Council Meetings, Committees and Documents) – Section 92
- Code of Conduct for Employees – Section 110
- Code of Practice for Meeting Procedures Regulation 6(1)

### Policies

The following are policies that are required by the *Local Government Act 1999*, to be available for inspection by the public and for purchase, on payment of a fee. Council also has a number of policies which are developed to assist Council with its work, however these policies are not legislative requirements under the *Local Government Act 1999*.

- Caretaker Policy
- Procurement Policy
- Elected Members Allowances and Support Policy
- Internal Control Policy
- Informal Gatherings Policy
- Internal Review of Council Decisions (Grievance Procedures)

# Governance Compliance

- Order Making Policy
- Public Consultation Policy
- Selection of Road Names Policy
- Elected Members Training and Development Policy
- Elected Member Complaint Handling Policy (under Council Member Code of Conduct)
- Public Interest Disclosure Policy & Procedure
- Complaint Handling Policy / Complaint Handling Procedure
- Disposal of Land & Assets Policy
- Mobile Food Business Policy (containing Location Rules)
- Request for Service Procedure

## **FREEDOM OF INFORMATION**

Council publishes an updated Freedom of Information Statement on its website, in accordance with requirements of Section 9(1a) of the *Freedom of Information Act 1991*. Council is pleased to comply with the legislation and welcomes enquiries.

The District Council of Grant processed seven (7) Freedom of Information applications during 2019-2020 (compared to six (6) in 2018-2019).

One (1) applicant was granted full access to the documents that were requested; five (5) applicants were granted partial access to the documents that were requested; and one (1) application was refused access to the documents that were requested. In addition, two (2) applications were carried over from the 2018-2019 year (making the total applications nine (9) that were completed).



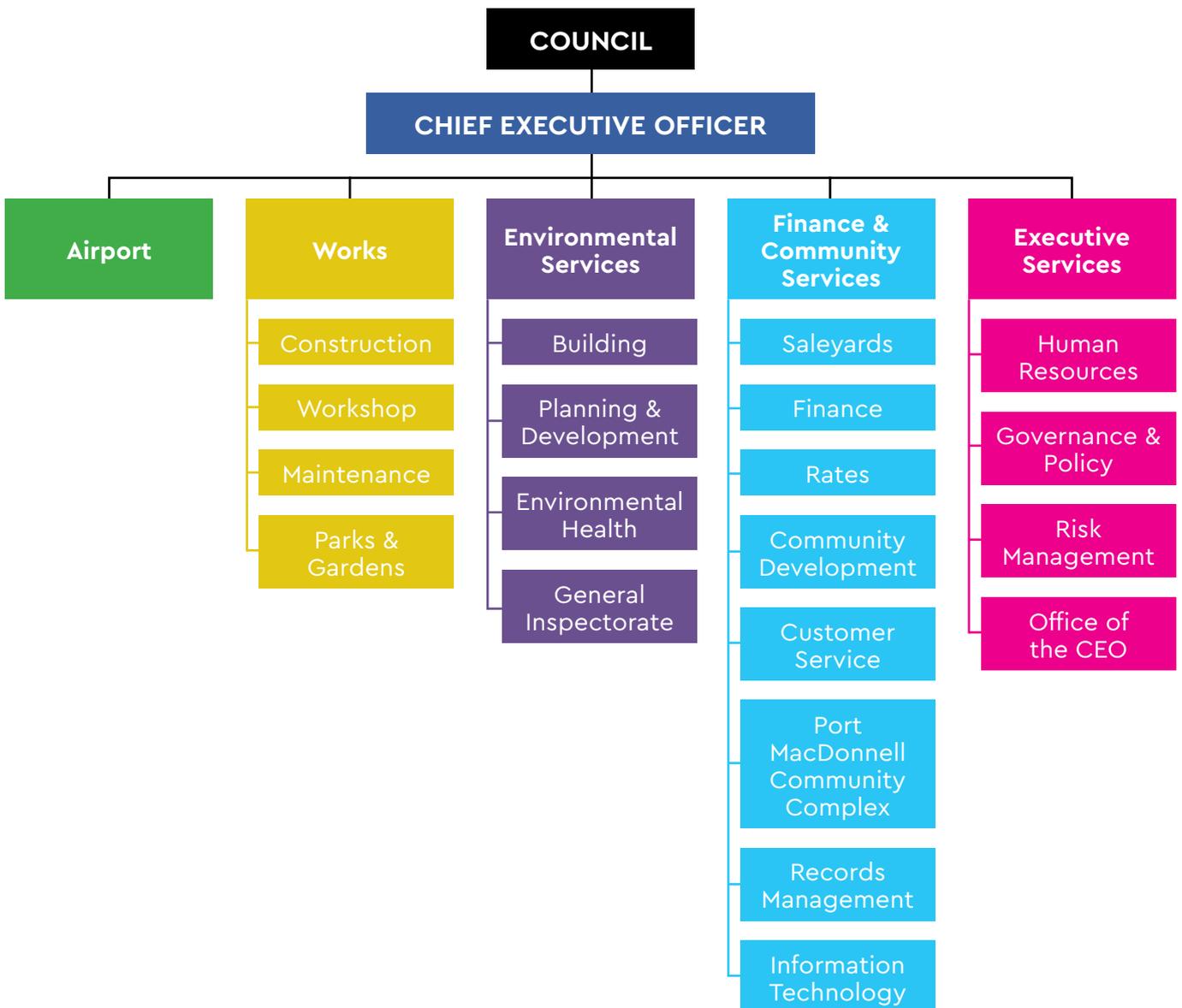
# Our Organisation

# Our Organisation

The District Council of Grant Management Team, consisting of the Chief Executive Officer and Senior Managers, formulates policy options, conducts strategic overviews and implements the decisions of Council.

The Management Team has the overall responsibility for the efficient and effective management of the operations and affairs of the Council and includes the execution of works and services, financial and budgetary control, planning, health, human services and statutory requirements.

Council has delegated various powers, duties and functions to the Management Team wherever possible to make administrative decisions on its behalf. This frees Elected Members to concentrate on policy issues.



# Our Organisation

## WORKFORCE AT A GLANCE

**79** TOTAL NUMBER OF PEOPLE EMPLOYED BY COUNCIL

---

**51:28** MALE: FEMALE RATIO

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**38** NUMBER OF STAFF WHO HAVE BEEN WITH COUNCIL OVER 10 YEARS

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**10.4** AVERAGE YEARS OF SERVICE

---

**47.72** AVERAGE AGE OF COUNCIL EMPLOYEES

---

**63.5** NUMBER OF FULL TIME EQUIVALENTS (FTE)

## COUNCIL'S MANAGEMENT AND BUSINESS SYSTEMS

The Human Resource Framework continues to guide the application of sound human resource management principles across Council. Key focus is placed on the streamlining of systems and the development of a suite of procedures.

The Risk Management Plan and Framework provide an integrated approach to risk management, and includes Work Health Safety management which aims to provide an incident and injury free workplace for all employees, elected members, contractors, visitors and the public. During 2019–20 Council's Work Health Safety systems have been further developed with a continuing emphasis on hazard management, together with emergency management and monitoring of systems to ensure legislative compliance.

Council is committed to a culture of fair treatment and Council's equal opportunity requirements are monitored by its Work Health Safety Committee which meets quarterly.



## Services

# Services

## INFRASTRUCTURE

### Works Around the District

Special Local Roads Program funding was received to undertake the reconstruction of a 2.2km section of Post Office Road which was completed in March 2020 at a cost of \$400,000. Funding of \$200,000 was received, with the remainder contributed by Council.

In accordance with Councils 10 year Roadwork's Program a 1700m section of Lower Nelson Road, 1800m section of Ridge Road, 700m of Legget Road, 200m of Uphill Street and 1400m of Vorwerk Road were reconstructed and sealed. Council's 10 Year Road Program commits to seal and kerb at least one street per year in the districts townships. During 2019-2020 Council completed kerbing and water channel construction to a 260m section of the northern side of Kilsby Road, 210m of Dry Creek Road and a 120m section of Waring Street West.

As part of Council's commitment to maintenance of the unsealed road network, sections of roads within the Council area were re-sheeted during the year. This included Barrows Road, Crane Lane,

Three Chain Road, Carney Lake Road, Gilbruc Road, Brim Brim Road, McCabes Lane, McCleans Road, Old Medhurst Road, Cape Banks Road, Gums Road, Stevenson Road, Vause Road, Tervoerts Road, Warrenaga Road, ACI Road and Stock Route Road.

### Donovans and Dry Creek Boat Ramp Landings

The replacement of Donovans and Dry Creek boat ramp landings were installed in December 2019 in time for the 2019-2020 summer season. As part of Council's commitment to improved public spaces, the updated boat ramp landings have delivered an updated area for the community.

### Power Line Environment Committee (PLEC)

Stage 1 of the under grounding of power lines was completed at Port MacDonnell. This was a key project identified in the Port MacDonnell Urban Design Framework and Master Plan with a co-funded cost between the Council (\$228,028) and PLEC (\$456,055). This project was valued at \$684,083.

### The Waterfront Project

In late 2019 Council released the concept design for stage 2 of The Waterfront Project. The community were consulted and provided feedback and comments on the project via a survey, community meetings and online platforms.

The project commenced in July 2019 with a co-funding announcement from the State Government for 50% of the project total of \$705,000. The project will include a pump track, new entry at Standish Street and a new play space on the foreshore.

Council are looking to award the contract for the project in the 2020-2021 financial year with the aim for it to be completed by 31 March 2021.

# Services

## Mount Gambier and District Saleyards

The Mount Gambier and District Saleyards is located on the Princes Highway, Glenburnie, operating a Stock Sale every Wednesday commencing at 9.00am, with Store Sales held on the second Friday of each month, commencing at 10.00am.

The Saleyards offers five selling agents, and is European Union Prime Eligible.

The Saleyards has retained its reputation as a premier livestock selling centre during the COVID-19 pandemic with a strong finish to the year.

Although overall numbers were slightly down for 2020 this was made up in stock value, with an increase of nearly \$13M on last year's figures and the average price per head of cattle increasing to \$1,304, up from \$1,095 last financial year.

For the 2019–2020 financial year a total of 164 sales were held with close to 80,000 head of cattle and 110,000 sheep being sold, grossing more than \$122M in total sales at the Saleyards.

Indirectly the Saleyards assists five agents, many local livestock transporters and over 100 producers. Many other businesses and industries within the Limestone Coast indirectly benefit from the Saleyards with further value-adding and the money multiplier effect of the income spend by producers.

In October 2019, modifications to Ramp C along with other enhancements to improve operation and flow in loading and unloading areas was undertaken. These changes included the installation of slam shut gates, additional access gates and sheeting on the sides of pens to improve the experience for both livestock and handlers.

In late 2019, funding of \$385,000 was secured from the State Government's Regional Growth Fund towards a co-funded \$770,000 project. The project will see the installation of two new state of the art adjustable cattle ramps with both rear and side loading options that will cater for both B Doubles and A Doubles which will greatly assist stock transportation. The new ramps will provide increased efficiencies and productivity when loading and unloading cattle, meaning less downtime reduced waiting periods and quicker turnaround. The project, which will be managed by Council as owner, has a total budget of \$770,000. Completion date will be June 2021.

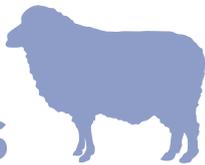
The Saleyards continues to focus on listening and working cooperatively with all stakeholders of the Saleyards facility to ensure that everyone prospers and the Saleyards reputation and image is known, trusted, respected and valued by all as the place to sell livestock in the Limestone Coast as well as Western Victoria.

# Services

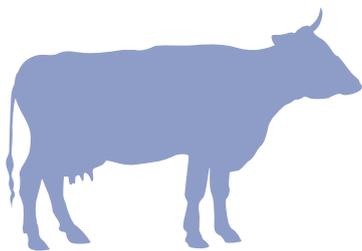
Focussing on core strategies from the Strategic Management Plan, the Saleyards continues developing, reviewing, and implementing the Mount Gambier Saleyards Master Plan and Asset Management Plan; retention and attraction of business to the Saleyards; and pursuing funding partnerships for infrastructure improvements and opportunities for the Saleyards.

## STOCK DATA FOR THE MOUNT GAMBIER AND DISTRICT SALEYARDS

SHEEP & LAMBS



111,191



CATTLE (NOT INCLUDING CALVES)

79,575



# Services

## Mount Gambier Regional Airport

2019–2020 has seen the biggest changes to the Mount Gambier Regional Airport infrastructure since the Council acquired the Airport. As a result of \$9.2 million co-funding from the Commonwealth Government's Building Better Regions Fund, South Australian Government, the City of Mount Gambier and Council; the Airport has been able to undertake a number of projects which have been in line with the Airport Masterplan.

The replacement of the Airport lighting control system and the conversion of all apron lights to energy efficient LED units has been completed. This new system has provided greater reliability over the old system resulting in higher safety of night operations.

Completion of the general aviation parking extension which comprises a one hectare general aviation and heavy aircraft apron has allowed greater flexibility in parking general aviation as well as larger aircraft. This has resulted in a reduction of

congestion on the RPT apron and an increase in airport flexibility. This apron has also dramatically increased the capacity and efficiency of firebombing operations during the summer months.

The completion of a 120 metre extension to runway 18/36 has increased its length from 1524 metres to 1644 metres allowing larger aircraft to operate more economically to and from the Airport. Although this did not include the extra overlay as outlined in the master plan, a need had arisen post plan implementation for a



# Services

four step design to allow for the construction of a 2,000 metre runway in the future. This 120 metre addition is step 1 of the 4 step process with these steps being constructed as needs arise in the future.

A single 32,000 litre self-bunded above ground AVGAS tank was installed to replace the two aging tanks. The environmental safety associated with these above ground bunded tanks has made monitoring and safety of the installation simpler and easier.

The construction of the Royal Flying Doctors Service (RFDS) patient transfer facility is the first in South Australia and the Northern Territory. This now allows for better all-weather undercover onsite care during transfers in a more private and comfortable environment. To be chosen by the RFDS to be the launch Airport for one of these facilities is a great honour. This facility has been made possible by significant assistance by Council and the generous financial support of the local community.

Progress of the new modern terminal will serve the needs of the Airport well into the future and be a spectacular gateway into the Limestone coast. The handover of Stage 1 is programmed for August 2020, and completion and handover of Stage 2 in December 2020.

To complement the new terminal development, a new Airport logo was adopted to brand the Airport as a truly regional Airport serving as a gateway into Mount Gambier and the greater Limestone Coast region.



**MOUNT GAMBIER**  
REGIONAL AIRPORT



# Economic Development

# Economic Development

## **BUSINESS OUTREACH**

In response to the COVID-19 pandemic a range of support packages were announced by the Federal and State Governments to support businesses and the community. Council established a Business Liaison Team to provide businesses with support and assistance during this time. A "Business Support" page on Council's YourSayDCG website gave businesses a "go to" place to find up to date information as well as Council distributing a number of editions of the "Business Outreach" newsletter. This newsletter provided business operators with information, health and safe work practices, South Australian restrictions and training opportunities as well as a Frequently Asked Questions bulletin for short term accommodation providers.

Feedback indicated that tourism and hospitality businesses were the hardest hit, with most other industry sectors managing to continue to operate after making adjustments to their operations for hygiene and social distancing. Fortunately some businesses reported little or no impact, with some reporting being busier than ever.

## **GENETICALLY MODIFIED CROPS**

Changes to regulations under the Genetically Modified Crops Management Act 2004 that will enable Genetically Modified (GM) food crops to be grown in South Australia with the exception of Kangaroo Island, were passed by Parliament on 12 May 2020. Council noted these changes and the ability for Councils to apply to the Minister to remain GM free at its May meeting, with a position on the issue to be adopted once further information was available.

## **COMMERCIAL HARVESTING OF KANGAROOS**

Following comment provided by Council to the South Australian Commercial Kangaroo Management Plan 2020-2024 and submissions to the Natural Resources Committee's Inquiry into Management of Overabundant and Pest Species highlighting issues being experienced with an overabundance of kangaroos in the region, recommendations of the Committee which included the extension of commercial harvesting to this region, as well as the inclusion of Eastern Grey Kangaroos as a species able to be commercially harvested were adopted by the South Australian Government. Council has been advocating for these changes for a number of years. As a result, a number of Kangaroo Field Processors have gained the required qualifications and are now operating as commercial businesses in the Council area.

# Economic Development

## **SUCCESSFUL REGIONAL GROWTH FUND APPLICATION**

Council was successful with its application to the South Australian Government's Regional Growth Fund for funding of \$385,000 towards the Mount Gambier and District Saleyards Infrastructure upgrade project to provide two new loading and unloading ramps, reconfiguration of pens and associated works with the project to commence in the new financial year.

## **MOBILE PHONE TOWER GLENBURNIE**

A partnership between the Council, the South Australian Government and Telstra will see the installation of a Mobile Phone tower at Glenburnie to provide much needed improved mobile phone coverage for the Mount Gambier and District Saleyards, the Mount Gambier Racing Club, Borderline Speedway, Mount Gambier Karting Club, Glenburnie Primary School and the wider Glenburnie community. Council will contribute \$50,000 towards the total cost of the installation of \$688,700.

## **POTENTIAL PROJECTS**

Council has had discussions with a number of proponents of significant projects during the year and provided assistance and information to help further these projects. It is hoped that announcements in relation to some of these can be made in the coming financial year.

## **TIMBERLINK**

The \$90million major mill upgrade program at Timberlink's Tarpeena site is progressing well, with the three year upgrade project being past the halfway point as at the end of June. Council staff were able to provide assistance to the company during the approval stage of the project and continue to provide support wherever possible. Advice was also received in February of the announcement by Timberlink of its plans to construct a \$60m state-of-the-art Cross Laminated and Glue Laminated engineered timber products manufacturing facility, with Tarpeena being one of the two locations being considered for construction of the facility. The project will initially see a total of 27 full-time permanent jobs created when the facility opens, rising to 50 at full output, with a significant number of additional jobs created during the construction phase. Timberlink is currently in discussions with both state and federal governments in relation to securing a location for the facility.



## Planning & Development

# Planning & Development

## DEVELOPMENT SERVICES

Council's Environmental Services Department provide development information and guidance in the areas of planning, building and environmental health. Development within the Council area may be in relation to building work; a change in use of land; land division; some earthworks; and activities in relation to State and Local Heritage places.



**\$ VALUE OF DEVELOPMENT APPLICATIONS**  
**\$30,061,923**

**NUMBER OF DEVELOPMENT APPLICATIONS RECEIVED** **337**

**53 NEW DWELLINGS**

## THE AVERAGE PROCESSING TIME FOR DEVELOPMENT APPLICATIONS COMPARED TO THE PREVIOUS YEAR

Financial Year	Up to 1 week	1 – 2 weeks	2 – 3 weeks	3 – 4 weeks	> 4 weeks
2018–2019	37 (13%)	20 (7%)	29 (10%)	22 (8%)	176 (62%)
2019–2020	61 (18%)	62 (19%)	58 (17%)	48 (14%)	108 (32%)

The average processing time for Development Applications significantly improved during 2019-2020. This was largely due to a higher focus on development assessment and the appointment of a full-time Team Leader – Development Services to undertake building assessment internally. Council will continue to monitor and improve development assessment time-frames into the future.

The commencement of the new ePlanning system and the introduction of the new Planning and Design Code for all Phase Two Rural Councils in South Australia on 31 July 2020 will significantly change and improve the overall planning and building assessment of Development Applications. These changes will occur under the provisions of the Planning, Development and Infrastructure Act 2016, replacing the previous Development Act 1993.

# Planning & Development

## **COUNCIL ASSESSMENT PANEL**

In accordance with changes made to the Development Act 1993 during 2006-2007, all Councils in South Australia were required to establish a Council Assessment Panel (CAP) for the purposes of acting as the "relevant authority" in respect to all development control matters within the respective Council areas. The CAP now operates under the provisions of the Planning, Development and Infrastructure Act 2016.

Meetings of the Council Assessment Panel are scheduled to be held in the Council Chambers at 324 Commercial Street West, Mount Gambier, on the second Wednesday of each month at 5.30pm, unless otherwise determined. Members of the public are welcome to attend meetings.

The Council Assessment Panel considered and determined 13 Development Applications during 2019-2020.

## **INDUSTRIAL LAND REVIEW AND MASTER PLAN**

The District Council of Grant Industrial Land Review and Master Plan was completed in October 2016. The Review and Master Plan was endorsed by Council, and was to be used as the general basis of an Industry Development Plan Amendment (DPA). The DPA would amend the Council's Development Plan.

Due to the staged implementation of the new Planning, Development and Infrastructure Act 2016, and the move from the current Council Development Plan to the new Planning and Design Code in 2020, no new DPA's are being allowed by the Department of Planning, Transport and Infrastructure (DPTI).

The Industrial Land Review and Master Plan will now be considered with respect to the new Planning and Design Code which is to come into operation for all Phase Two Rural Councils in South Australia on 31 July 2020.

## **RURAL LIVING AND TOWNSHIP ZONE BOUNDARIES REVIEW AND MASTER PLAN**

Council at its meeting held on 20 June 2018 resolved to engage planning consultants in relation to undertaking the preparation of a Rural Living and Township Zone Boundaries Review and Master Plan. The Review and Master Plan will be a significant strategic reference and planning document for Council and the community, and will provide a vision for the zoning of rural living and township land, and sustainable development activity into the future.

The document will enable Council to proceed with any required future zoning and planning policy work; prioritise projects; source funding; and work with land owners, developers and the community to ensure that appropriate land is available in the Council area for future rural living and township growth and development.

A consultation program and ground truthing process took place in October 2018 where members of the consultant team collected information and heard the issues direct from the community, which included the general public,

# Planning & Development

key stakeholders, and Council. The findings of the consultation process and the investigations conducted by the consultant team, were presented in a draft report for the consideration of the Council's Planning and Development Committee at its meetings held on 19 June 2019 and 30 September 2019, and then subsequently by Council.

The final report has been completed and considered and endorsed by Council's Planning and Development Committee and Council. Council resolved that the public release of the entire Review and Master Plan should occur after a four (4) week period of review was provided to all parties who made submissions. The public release of the Review and Master Plan occurred in mid-2020.

Council intends to consider and progress the recommendations of the Review and Master Plan in a staged manner over a number of years. Council will consider and initiate planning policy amendments in a holistic manner to achieve the Council's strategic goals and abide by good planning principles.

## **GLENELG RIVER SHACKS**

Since early 2019 Council has been working with the Glenelg River Shack Owners Association and the Department of Environment and Water (DEW) in relation to the retention and improvement of the shacks along the Glenelg River.

Council has established a Working Group with the Glenelg River Shack Owners Association to address and progress ongoing and future access, waste systems, maintenance, improvements and/or development issues and opportunities for the shacks along the Glenelg River.

## **FORMER BOAT YARD SITE AT PORT MACDONNELL**

Council engaged consultants to proceed with further required groundwater monitoring at the former Boat Yard site in Port MacDonnell, as required by the Environment Protection Authority (EPA). In addition, the project has also involved the preparation of a Site Management Plan. The project will assist Council in further considering future use and development options of the site.

## **NORTHERN GATEWAY PRECINCT**

The Northern Gateway Precinct comprises primarily industrial and commercially zoned land immediately to the north of Mount Gambier, along both sides of the Riddoch Highway out to Worrolong Road (Bypass Road).

In early 2019 Council met with land owners within the Northern Gateway Precinct, and/or their representatives, the City of Mount Gambier, and with local State and Federal Members of Parliament, to discuss the potential development of both the industrial and the commercial land in the Precinct, and the need for a dual carriageway along this section of the Riddoch Highway.

The agreed general position on the upgrading of this section of the Riddoch Highway is as follows:

There is an immediate need for the Riddoch Highway from Pinehall Avenue/Bishop Road through to Worrolong Road (Heavy Vehicle Bypass) in the Northern Gateway Precinct to be made a dual carriageway, as an extension of the dual carriageway which already exists in the City area. This section of the Riddoch Highway is reasonably short in length, in

# Planning & Development

poor condition and amenity, carries high traffic volumes, has traffic movement safety issues – and is the main highway entrance/exit into and out of Mount Gambier (the largest Regional City in South Australia). All utilities and services should be extended from the City along the dual carriageway (or near vicinity) to assist with the development of the Precinct.

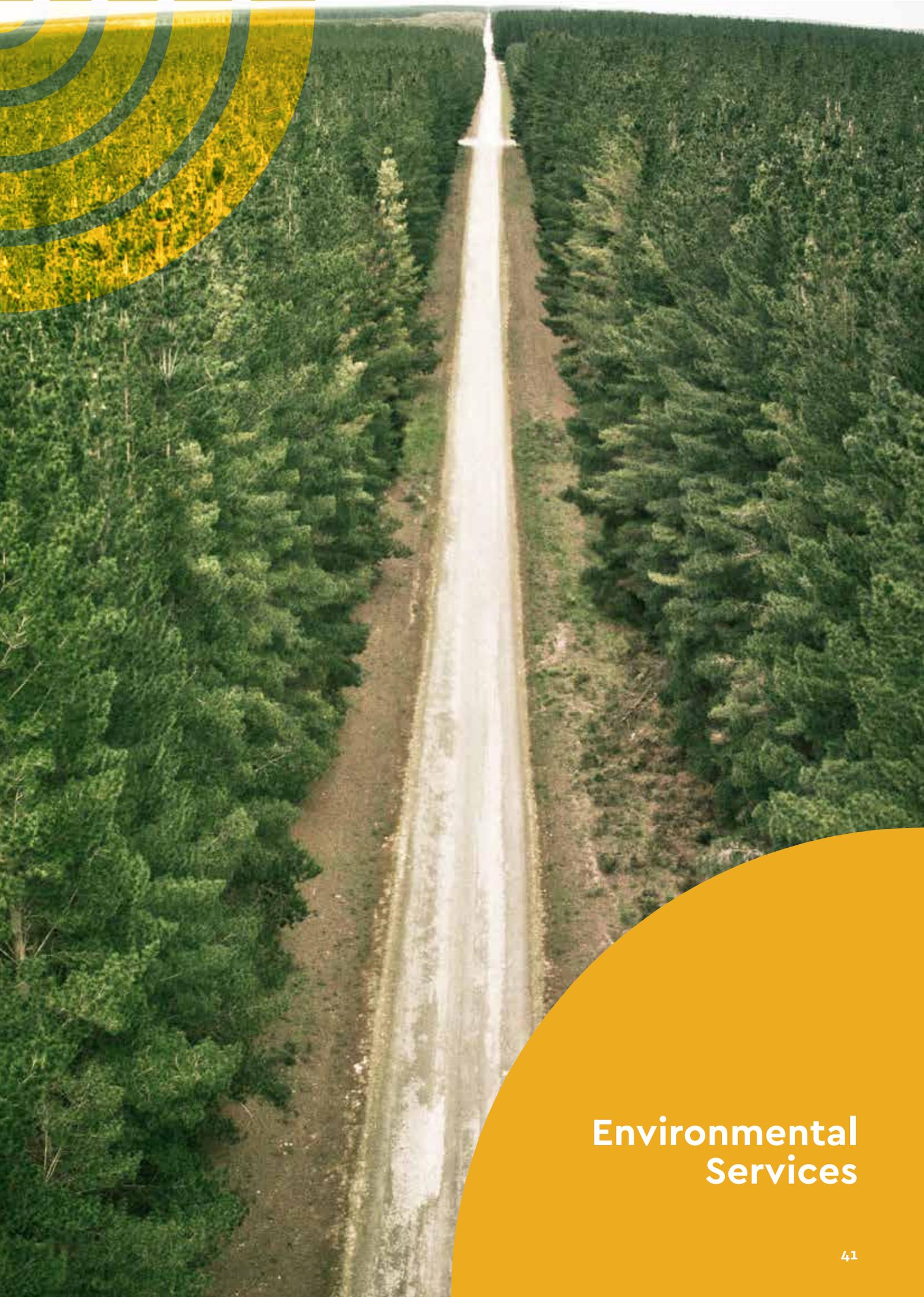
Work on trying to achieve this project will continue into the future.

## **REGIONAL JOINT PLANNING BOARD AND REGIONAL ASSESSMENT PANEL**

The Limestone Coast Local Government Association has continued to work on the possible establishment of a Regional Joint Planning Board and a Regional Assessment Panel (or Panels), in consultation with the seven (7) Council's in the Limestone Coast Region. The proposal is being supported by the State Government.

At this time it is anticipated that a Regional Joint Planning Board and two (2) Regional Assessment Panels will be established during 2020–2021.





# Environmental Services

# Environmental Services

## COMMUNITY RANGERS

Community Rangers are responsible for animal management, stock control, fire prevention, illegal dumping, litter control, road traffic matters, abandoned vehicles, boat ramp monitoring, illegal camping, Drum Muster, community education, EPA litter control act and burning policies; and other related local government responsibilities and compliance duties.

Animal management and control is carried out with the approval of the Dog and Cat Management Board, Council's Animal Management Plan, and Council's By-laws, which are periodically reviewed, together with relevant legislation.

## ANIMAL CONTROL

The State Governments new Dogs and Cats Online system, referred to as DACO, went live on 1 July 2018. The registration of all dogs and cats is now undertaken online through DACO. The new laws require dogs and cats to be microchipped and desexed.

The number of dogs registered increased by 57 to 2,783 dogs. The number of dogs impounded and wandering dog reports has decreased compared to the previous year. There has been an increase in the incidence of dog attack/harassment on humans, but a decrease of dog attack/harassment on animals than the previous year. There has also been an increase in the number of barking dog complaints.

Council continues to combat instances of dogs wandering at large and has continued to conduct frequent township patrols. Instances of dog attacks and dogs wandering at large are responded to as expediently as resources allow.

Breaches of the Dog and Cat Management Act can result in the issuing of Expiations, and/or dogs having to be destroyed due to attacks on livestock and humans.

The diagram below provides some statistics in the area of animal control.

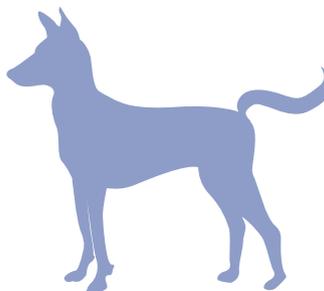
A total of 449 cats were registered in the Council area through DACO for 2019–2020, compared with 216 cats the previous year.

**NUMBER OF REGISTERED DOGS 2783**

**NUMBER OF WANDERING DOG REPORTS 15**

**NUMBER OF REGISTERED BARKING DOG COMPLAINTS 14**

**NUMBER OF DOGS IMPOUNDED 10**



**NUMBER OF DOGS RETURNED TO OWNER 8**

**NUMBER OF DOGS DESTROYED 0**

**NUMBER OF DOGS RE-HOMED 5**

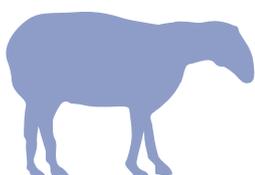
**NUMBER OF DOG ATTACKS ON HUMANS / HARASSMENTS 8**

**NUMBER OF DOG ATTACKS ON ANIMALS / HARASSMENTS 8**

# Environmental Services

## WANDERING STOCK

The Council's Rangers have routinely chased up wandering stock throughout the district. They endeavour to educate stock owners about the importance of paddock fencing being maintained. The issuing of expiations has been necessary in some instances.



## ILLEGAL DUMPING

Illegal dumping continues to be a significant ongoing problem throughout the Council area. The number of illegal dumping complaints has decreased from 93 in 2018-2019 to 67 in 2019-2020.

Hazardous items posing a risk to members of the public and Council staff have been collected from the roadside. Furniture, mattresses, tyres and putrescible waste make up the majority of the discarded items. Council staff liaise with other agencies, private landholders, and the media in relation to this issue.



# Environmental Services

## FIRE PREVENTION

Council plays a significant role in fire prevention within the district. Staff liaise with the Country Fire Service (CFS) in relation to curing data, particularly during the Fire Danger Season. A number of expiations were issued to landholders for failing to comply with the legislated requirements. Council also manages burning activities within townships, under the Environmental Protection (Air Quality) Policy 2016. This involves site assessments and the issuing of permits.

Council is a member of the Limestone Coast Bushfire Management Committee.

## DRUM MUSTER

The collection of drums through the Drum Muster program continues to be a well utilised service. The previous collection last year saw approximately 4002 eligible containers accepted, while 2019–2020 saw a decrease to 2486 containers being collected, picked up, processed and recycled. For a rural municipality such as the District Council of Grant, the initiative prevents a significant amount of waste from entering landfill.

## UNSIGHTLY PROPERTIES

Council has strived to achieve satisfactory resolutions in relation to illegal land uses and unsightly properties. This has involved thorough investigation, collaboration with other regulatory bodies, and various enforcement actions. The Development Act, Local Nuisance and Litter Control Act, and South Australian Public Health Act provide the legislative tools for Councils to work through these matters.

## FOOD SAFETY

As a result of the COVID-19 pandemic, Council has been unable to deliver the face to face short course in food safety originally programmed for 2020. However, Health Officers have had an important role to play in communicating the South Australian restrictions to food businesses and advising proprietors on strategies that can be implemented to help sustain their operations. It has involved coordination with the Department of Primary Industries and Regions (PIRSA) and neighbouring Councils.

Some of the Councils in the Limestone Coast Region have also formalised Cross-Council Delegations to enable Environmental Health staff to assist neighbouring Councils where appropriate.



**2486**  
**NUMBER OF**  
**DRUMS**  
**RECYCLED**

# Environmental Services

## WASTE MANAGEMENT

Council continues to explore opportunities for improvement through its waste management services and operations. The transition to a cashless Voucher system at the Council's Waste Transfer Stations is designed to simplify the experience for residents, improve the level of recycling participation and engagement, as well as affording the site attendants a greater degree of safety.

Residents effectively receive a financial discount through the Voucher system.

Maintaining up to date information on the various diversionary streams for items such as batteries, E-waste, and scrap metal, enables residents to dispose of their waste in an efficient and appropriate manner. It also minimises the risk of load contamination, particularly in relation to the recyclable streams.

Council is a member of the Limestone Coast Waste Management Committee.

**300**

TONNES OF GENERAL WASTE RECEIVED AT THE COUNCIL'S WASTE TRANSFER STATIONS

**380**

APPROX. TONNES OF RECYCLABLE WASTE (EXCLUDING GREEN WASTE) COLLECTED ACROSS THE FOUR SITES. THE OVERWHELMING MAJORITY OF THIS WAS SCRAP METAL

NEXT LARGEST RECOVERED MATERIAL TYPES (TONNES):

**37.16**  
E-WASTE

**34.56**  
CARDBOARD

MOBILE GARBAGE BIN (MGB) COLLECTION SERVICE, CO-MINGLED RECYCLING ACCOUNTED FOR

**373.4**  
TONNES OF WASTE



# Environmental Services

## DISABILITY ACCESS AND INCLUSION PLAN

Council has commenced work on the preparation of a Disability Access and Inclusion Plan (DAIP), which has involved a Consultation and Engagement Plan. DAIP is being prepared pursuant to the provisions of the Disability Inclusion Act 2018, and will be a four (4) year Plan.

Consultation has included Community and Staff Surveys, focus group sessions with representatives of the disability services community, and with the 2020 Limestone Coast Regional Leadership Program participants who are undertaking a Community Action Project on the Disability Sector.

DAIP will encompass a schedule containing action lists, which will be allocated under various themes that align with Council's Strategic Plan, and other Council Asset Management Plans. The themes will include:

- Information and Communication;
- Built Environments and Facilities;
- Employment; and,
- Programs and Services.

Following further consultation and community engagement on the Draft DAIP, the final Plan is due to be completed and published in an accessible format on Council's website by 31 October 2020, and also be provided to the SA Department of Human Services. The Plan will then be reviewed, updated and amended every four (4) years.

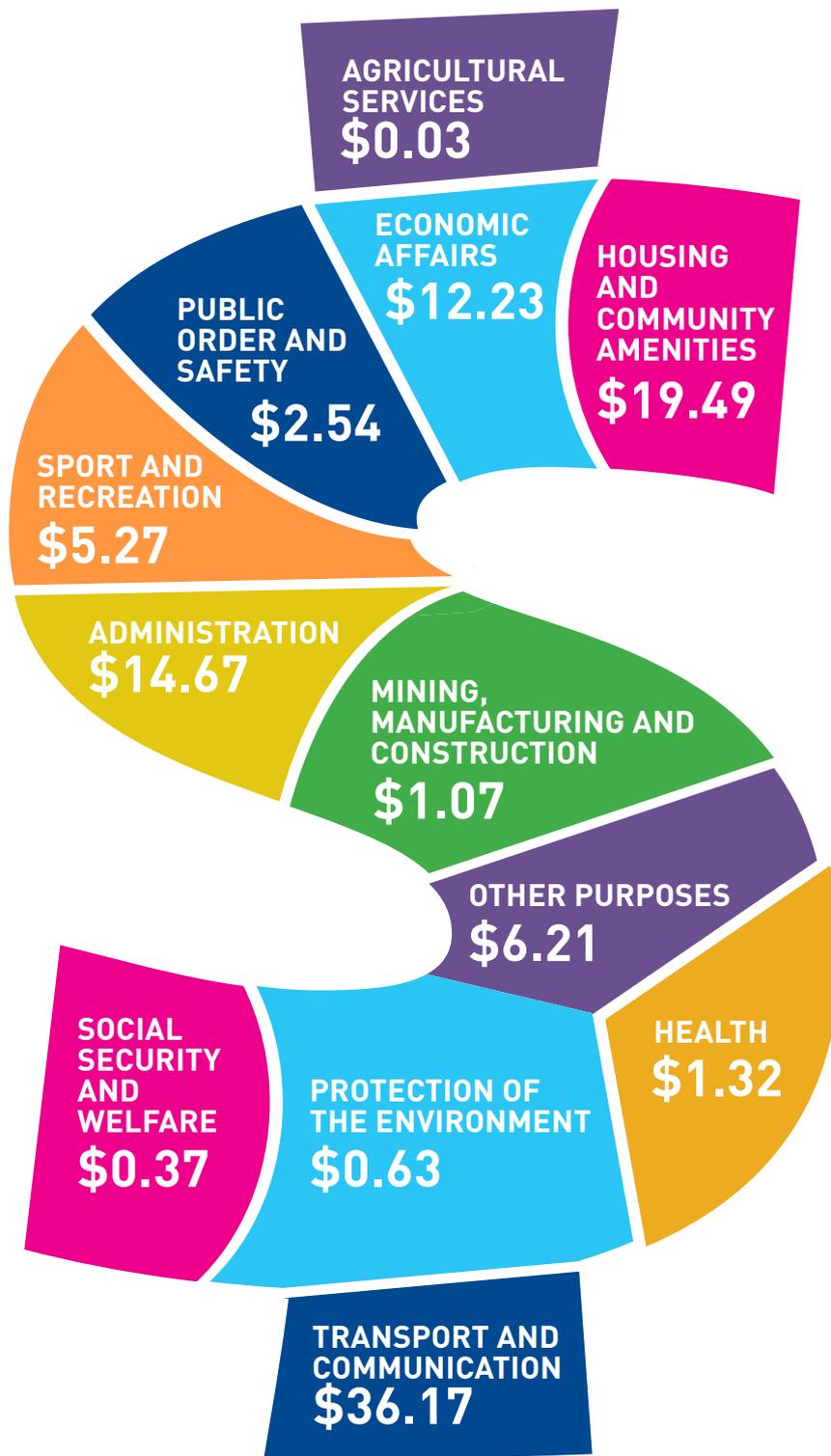


Disability Access  
and Inclusion Plan  
2020-2024



# Information at a glance

EVERY \$100 OF RATES IS SPENT ON...



# Information at a glance

## GENERAL INFORMATION

**\$2.582M**

CAPITAL VALUE OF PROPERTIES (AS AT 1/7/19)

**5,981**

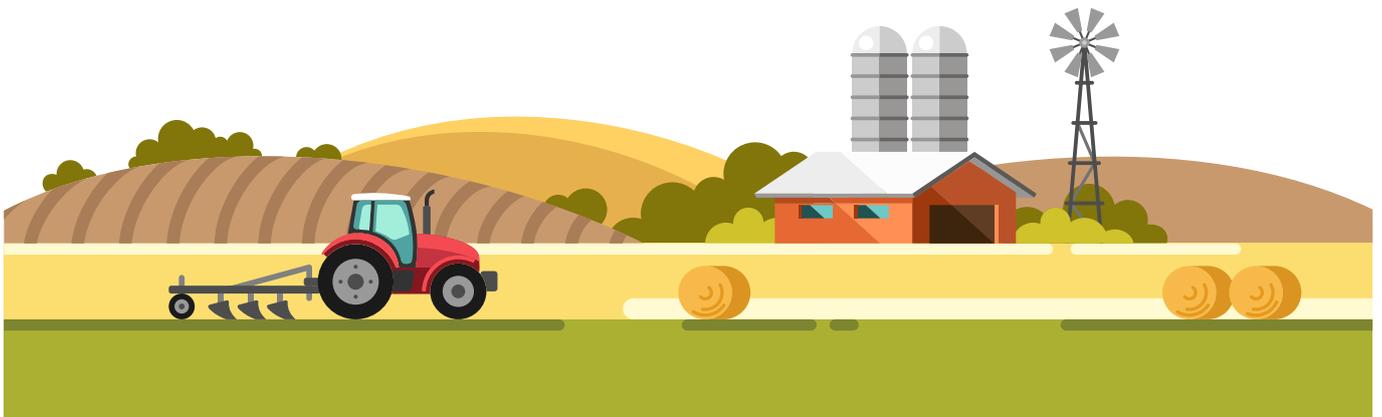
TOTAL PROPERTIES

**5,596**

RATEABLE PROPERTIES

**540**

ROADS SEALED (KM)



**189,688**

HECTARES OF COUNCIL AREA

**984**

ROADS UNSEALED (KM)

**385**

NON-RATEABLE PROPERTIES

**8,584**

ESTIMATED POPULATION (2019 ABS ERP)

**1,524**

TOTAL ROADS (KM)



# Community

# Community

## DCG COMMUNITY CARE PACKAGE

In April Council launched the DCG Community Care Package which was developed to help balance the cost pressures of service delivery whilst trying to ease the pressure on our ratepayers. Initiatives within this package include and are not limited to:

- Establishment of a Business Liaison Team dedicated to connecting local businesses with government support and advice Appointment of Council's Team Leader Environment Health and Compliance to the position of Area Liaison Officer to coordinate the regional data and local compliance plans during this crisis
- Initial allocation of Disaster Relief funding to the value \$10,000 to be used in partnership with local support agencies to help families and individuals
- Development of a flexible Rates Hardship arrangement
- Prompt payment of creditors by Council
- 90 day extension for all Sundry Debtors to Council
- New protocols for the Mount Gambier and District Saleyards to

ensure viability and continuation to support local meat producers

- Support for cancelled events and the potential to reschedule events in the future
- Click and Collect Library Services at the Port MacDonnell Community Complex
- Operational changes to ensure the continuation of essential services such as banking at the Port MacDonnell Community Complex
- Zero Head Tax for Regional Express Airlines for a period of 6 months to then be further reviewed
- Delegation to waive rent for all other commercial and community tenancies on a case by case basis, including airport tenancies.

## YOUTH ON WHEELS

Council continues to offer the Youth on Wheels program to young people aged 16–25 living in the City of Mount Gambier or District Council of Grant Council areas. The learner driver mentor program is coordinated and managed by the Council and focuses on safe driving with the goal of minimising the risks young drivers face on the roads, while assisting young people in obtaining the hours required to obtain their provisional licence.

At the beginning of 2020, the South East Unique and Classic Car Club extended an offer of financial sponsorship towards the Youth on Wheels program. In acknowledgement of this support, the Car Club logo has been added to the existing signage on the YOW vehicle.



From left: Mr Andrew Aldersey, Mr Frank Mittiga of the South East Classic & Unique Car Club Inc. and Mr Jack Peacock – Council Volunteer for Youth on Wheels.

# Community

In March Council had to suspend the Youth on Wheels program due to the COVID-19 pandemic. Fortunately the program was able to recommence in mid-June with new measures in place to protect participants and volunteers. As a result, the program hours have reduced by close to a third of what is normally expected. Currently the Youth on Wheels program has four volunteers, with two volunteers resigning as a result of interstate movement and a change in personal circumstances. Council extends an enormous thank you for the time and dedication of Val Phillips and Mardi Howell and wishes them all the best for the future.

## DONATIONS AND SPONSORSHIPS

The COVID-19 pandemic affected many community events and activities with many associations cancelling or postponing events into early 2021. Council have remain flexible and held over sponsorship funds where possible to accommodate changes in circumstances and reduce the red tape for community groups.

Council continue to be proud supporters of the many programs and events that are on offer in the

district and the Limestone Coast region and provided \$140,565 in funding to support these activities.

## ACADEMIC SCHOLARSHIPS

The Council have awarded the 2020 round of academic scholarships to eligible students who reside in the Council area.

Operating since 2010, the program gifts \$500 academic scholarships to year 10 to 12 students who reside in the Council area. Over the past 10 years 50 scholarships have been awarded helping out local students with purchasing

books, equipment and resources to support their education.

Successful recipients demonstrate high level academic achievement, commitment and attitude and have an exemplary attendance record. Students adhere to the schools code of conduct and the schools vision and values; with a commitment to school activities including extra-curricular activities. Students should also aspire to completing the South Australian Certificate of Education, and further education.



Gavin Millard accepts his academic scholarship from Allendale East Area School principal, Kylie Smith.

# Community

The 2020 academic scholarship recipients are Gavin Millard of Allendale East Area School, Manon Finch of Grant High School, Nicola Bowditch of Mount Gambier High School, Kristy Sneath of St Martins Lutheran College, and Joel Duncan of Tenison Woods College.

Due to COVID-19 restrictions a Council representative was unable to attend the schools and colleges to present the students with their awards, however, Mayor Richard Sage wrote a personal letter of congratulations to each student.

## COMMUNITY GRANT SCHEME

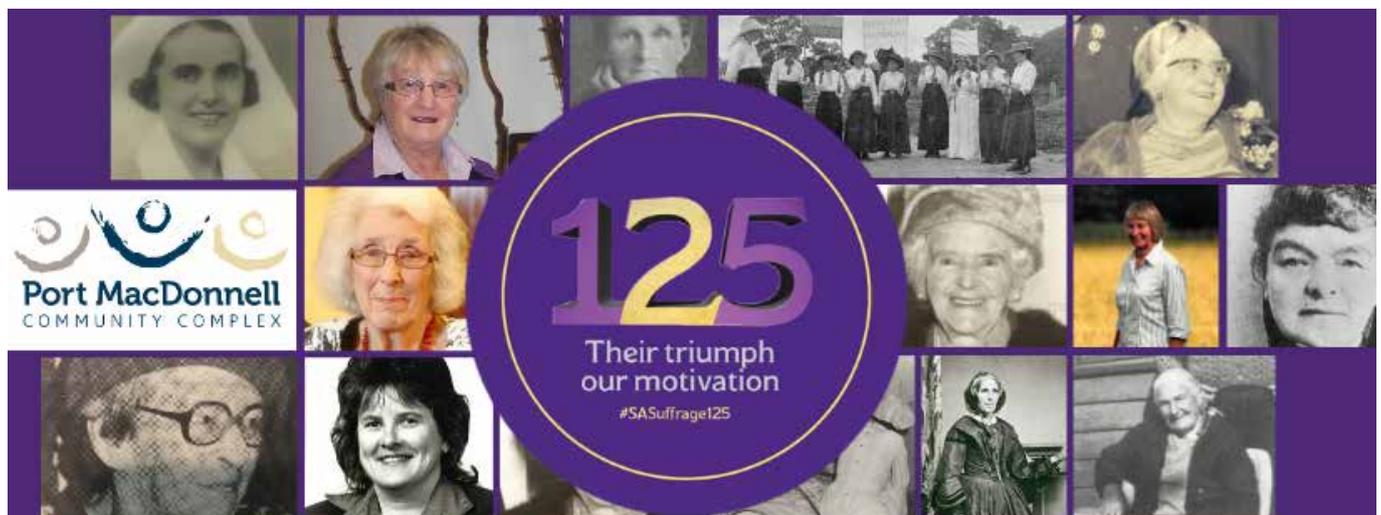
Council ran two successful rounds of the Community Grant Scheme with \$36,000 worth fantastic and practical projects being completed by local community groups. Projects completed under the categories of Halls, Community and Sport included new toys, building upgrades, electrical work, IT resources and new sporting equipment. Congratulations to all successful projects over the year.

## COMMUNITY PROGRAMS

During October 2019 Council hosted a range of well attended events across the district for National Seniors Month. The free events celebrate the valuable contribution the senior population have made, and continue to make, to our community.

In collaboration with the City of Mount Gambier the event name was changed to the Positive Ageing Festival and featured lunches at the various hotels located in the district and presentations with a health and wellbeing theme.

The **125th Anniversary of Women's Suffrage** in 2019 was commemorated by celebrating local women who enacted change or made a significant contribution to the lives of other women, children and the greater community, past and present. Council curated an exhibition using nominations from the public. The local women celebrated were Christina Smith 1809-1893, Doris Taylor 1901-1968, Eleanor Fox 1895-1975, H. Lesley Gebhardt 1901-1995, Pamela O'Connor 1928-2015, Elaine Williams 1941 - 2016, Fay Buckley, Veronica



# Community

Jenkin and Midwives Anne Lithgow 1865–1945, Sarah Yateman 1857–1950 and Mona Carlin 1911–1997.

Approximately 70 people attended the official opening of the **"Their Triumph Our Motivation" exhibition** at the Port MacDonnell Community Complex in November with Cr Shirley Little and Cr Gill Clayfield officiated at the event.

In April 2020 Council received grant funding from the Office of Youth to assist with hosting the annual **Youth Week events** for youth aged from 12 to 25 years of age. Unfortunately due to COVID-19, events have been postponed until the end of the year.

A wide selection of community members are involved in around 140 organisations throughout the district including volunteers involved in sporting, charity, youth, environmental, education, emergency services, history, art, seniors and progress committees. Council normally hosts an annual morning tea to celebrate these volunteers during National Volunteers Week in May, however, the event also fell victim to COVID-19. To help recognise the valuable contribution volunteers make to our community

Council participated in **"Colour your Community Red"**. Large red bows were attached to town entrance and community group signage with images shared on social media.



# Community

## PORT MACDONNELL COMMUNITY COMPLEX

The Port MacDonnell Community Complex provides excellent facilities to support social and business activities for residents and visitors to Port MacDonnell and the area. The Complex incorporates the Council Office, boat ramp permits, library and the "One Card" network, free Wi-Fi and public use computers, Visitor Information outlet and souvenirs, Maritime Museum, art gallery, Service SA Rural Agency, EzyReg, Services Australia, two banks and EFTPOS, Volunteer Information Hub, disabled access toilet, community meeting room, and a fully equipped kitchen available to the public. The Complex also has a youth

area incorporating a pool table, Wii, Playstation and a dedicated safe area to sit, meet or greet. The Complex is built to meet the needs of the community well into the future and offers:

- Children and Youth Programs
- School holiday programs
- Lego Club
- The "Little Bang Discovery Club" from the National Library Science, Technology, Engineering and Mathematics Initiative
- "The Gallery" offers a space for local artists to promote and display their work. This year's exhibitions included: Coastal Collaboration, A step back in time, Twisted Threads, Women's Suffrage – Their Triumph, Our Motivation, Colours of

the Limestone Coast and Life Boat SE.

- "Tech Savvy Seniors" funded by South Australian Government and Libraries SA.
- The Maritime Museum is a large display, rich in information and artefacts which tell the story of Port MacDonnell as a historic trading port and how it became Australia's Southern Rock Lobster Capital. Volunteers are continually updating displays to enhance visitor experience.
- Group Visits have included education and school groups, car clubs, bus line tours, age care groups, Mary McKillop walking groups, Friendship Force, Radio Club, Probus clubs, fellowship groups and environmental groups.

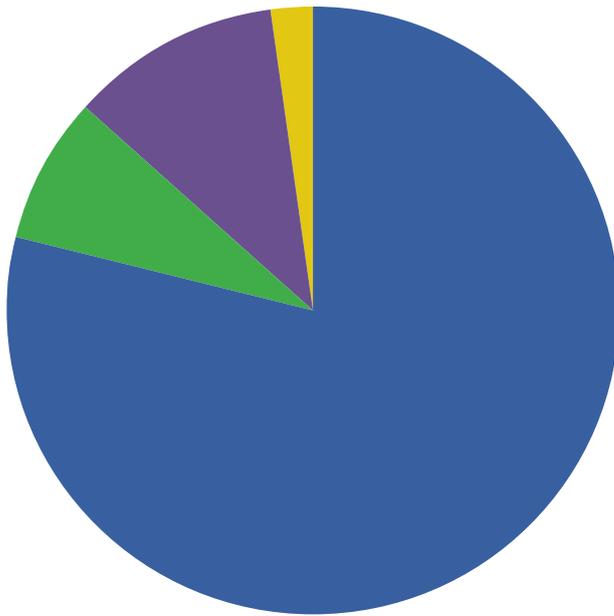


Unfortunately due to COVID-19 some of the in-house programs were suspended, however, the Complex became innovative by setting up a library click and collect service as well as creating take-home school holiday craft packs which proved to be very popular.

Left: Storytime at Port MacDonnell Community Complex.

# Community

## VISITOR NUMBERS AT THE PORT MACDONNELL COMMUNITY COMPLEX FOR 2019-2020



- From District Council of Grant and Mount Gambier **26,815**
- Interstate **3,760**
- South Australia **2,659**
- Overseas **674**

## RETIREMENT OF EVE CARLIN, PORT MACDONNELL COMMUNITY COMPLEX COORDINATOR

On 12 June 2020 Council said farewell to long standing employee, Port MacDonnell Community Complex Coordinator, Eve Carlin. Eve worked for Council for 32 years commencing her association with the Port MacDonnell District Council in 1987 when volunteering in the library. Council has valued Eve's exceptional knowledge of the Port MacDonnell area, community and its history which has enabled her to contribute and add value to the many community groups that she has formed longstanding relationships with. Eve is sure to continue her association with the Complex as a passionate volunteer, and will now be able to find the time to pursue interests in other fields as well as spending many hours with her family, grandchildren and friends. Council recognised and thanked Eve for her service to Council.



Left: Eve Carlin (second from right) is farewelled into retirement after 32 years of service.



## Tourism and Events

# Tourism and Events

## TOURISM

Council provides advice to local tourism operators and community groups on tourism issues including promotional opportunities and preparation of promotional materials, event procedures and requirements, and also promote coastal and local heritage areas and activities including cave diving, Mount Schank, Piccaninnie Ponds and Ewens Ponds.

Advertising and promotion is undertaken primarily in Council produced tourism guides and the "Stay Another Day" guide, as well as through the Australian Tourism Data Warehouse and a number of Council hosted web and social media sites. Council operates a Visitor Information Outlet at its Port MacDonnell Community Complex, which is open

to the public seven days a week, incorporating the Port MacDonnell and District Maritime Museum, and has hosted a number of exhibitions for visitors to view free of charge in the Gallery.

Council is a member of the Limestone Coast Local Government Association Tourism Management Group. The group was formed in 2016 and makes recommendations to the Limestone Coast Local Government Association on matters relating to tourism, the development of tourism and the future of tourism in the Limestone Coast.

Below: Mil-Lel Show.



## EVENTS

### Great South Coast Cycling Classic

Council continued support of the Tour of the Great South Coast Cycling Classic, a National Road Series event, hosting Stage 3 on 28 August 2019. The course commenced and finished in Port MacDonnell after the completion of five x 25km laps passing through the town and Allendale East. Rolling road closures are organised by SAPOL along with tour supplied marshals, with Council employees assisting with the closure of Sea Parade for the start and finish of the race and award presentations.

The prestigious championships attracted interstate and international competitors and promoted the region through social media coverage. Cycling has been recognised as a growing tourism market and Council have agreed to support the Tour in 2020, which is to be covered by SBS in a television documentary and screened nationwide.

### Mil-Lel Agricultural and Horticultural Show

The Mil-Lel Show is a traditional country show which includes horse events, beef cattle showing and

# Tourism and Events

indoor sections including cookery, flower and craft competitions. Council continue to support the show society through sponsorship and in-kind works in order to showcase rural enterprises, activities and lifestyles.

## 2020 Australia Day Awards and Celebration

The Kongorong community hosted a free family focused lunch-time event on Sunday 26 January. Entertainment was provided by the Mount Gambier City Band, and also included a Vintage vehicle display and jumping castle. Public were asked to bring their own cutlery in a bid to cut down on one-use plastic. Aunty Michelle Jacquelin-Furr performed the Welcome to Country and Mrs Mel Whitty sang the National Anthem. A Citizenship Ceremony was

performed and Emergency Services personnel were called forward to be publicly thanked by Mayor Sage. It had been a record fire season for deployments both intrastate and interstate with volunteers already spending over 18,000 hours away from their home areas. A one minute's silence acknowledging bushfire victims was undertaken before the Australia Day Awards were presented.

The Australia Day Awards were presented by Mayor Sage to Mr Phillip Simpson, Mr Bradley Long and the Tarpeena Progress Association for their Paint the Bowl project. Nomination Recognition certificates were presented to six other community groups and members.

## Bay Escape

2020 saw the return of the Port MacDonnell Bay Escape festival with Council providing \$5,000 plus in-kind works to support the festival committee after rebranding and reformatting the event program in the previous year. Held annually along the Port MacDonnell foreshore, the Bay Escape festival is a key event in the District and is proudly supported by Council.

## Generations In Jazz

Council provides an ongoing amount of \$4,000 in sponsorship annually towards the running of Generations In Jazz, however, the successful OB Flat event, which was due to be held in May, was cancelled due to COVID-19.



Left: Australia Day Mayor Sage with Community Event of the Year reps Bo and Seb, Citizen of the Year Phillip Simpson and Young Citizen of the Year Bradley Long.



# Appendix 1: Annual Financial Statements

**DISTRICT COUNCIL OF GRANT**  
**General Purpose Financial Reports**  
**for the year ended 30 June 2020**

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**DISTRICT COUNCIL OF GRANT**  
**Annual Financial Statements**  
**for the year ended 30 June 2020**

**CERTIFICATION OF FINANCIAL STATEMENTS**

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

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



.....  
Darryl Whicker  
**CHIEF EXECUTIVE OFFICER**



.....  
Richard Sage  
**MAYOR**

Date: 2 November 2020

**DISTRICT COUNCIL OF GRANT**  
**Statement of Comprehensive Income**  
**for the year ended 30 June 2020**

	Notes	2020 \$'000	2019 \$'000
<b>INCOME</b>			
Rates	2	9,984	9,659
Statutory charges	2	403	256
User charges	2	2,062	2,335
Grants, subsidies and contributions	2	2,427	2,671
Investment income	2	114	112
Reimbursements	2	93	100
Other income	2	459	429
<b>Total Income</b>		<b>15,542</b>	<b>15,562</b>
<b>EXPENSES</b>			
Employee costs	3	5,985	5,707
Materials, contracts & other expenses	3	4,669	4,837
Depreciation, amortisation & impairment	3	4,486	4,282
Finance costs	3	213	242
<b>Total Expenses</b>		<b>15,353</b>	<b>15,068</b>
<b>OPERATING SURPLUS / (DEFICIT)</b>		<b>189</b>	<b>494</b>
Asset disposal & fair value adjustments	4	(433)	(576)
Amounts received specifically for new or upgraded assets	2	5,612	575
Physical resources received free of charge	2	224	868
<b>NET SURPLUS / (DEFICIT) (transferred to Equity Statement)</b>		<b>5,592</b>	<b>1,361</b>
<b>Other Comprehensive Income</b>			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	334	19,396
<b>Total Other Comprehensive Income</b>		<b>334</b>	<b>19,396</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>5,926</b>	<b>20,757</b>

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

**DISTRICT COUNCIL OF GRANT**  
**Statement of Financial Position**  
**as at 30 June 2020**

		2020	2019
	Notes	\$'000	\$'000
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	5	8,228	6,015
Trade & other receivables	5	766	1,153
Inventories	5	238	158
<b>Total Current Assets</b>		<b>9,232</b>	<b>7,326</b>
<b>Non-current Assets</b>			
Financial assets	6	178	208
Infrastructure, property, plant & equipment	7	139,346	135,132
<b>Total Non-current Assets</b>		<b>139,524</b>	<b>135,340</b>
<b>Total Assets</b>		<b>148,756</b>	<b>142,666</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade & other payables	8	2,101	1,611
Borrowings	8	535	529
Provisions	8	1,133	965
<b>Total Current Liabilities</b>		<b>3,769</b>	<b>3,105</b>
<b>Non-current Liabilities</b>			
Borrowings	8	3,105	3,621
Provisions	8	47	31
<b>Total Non-current Liabilities</b>		<b>3,152</b>	<b>3,652</b>
<b>Total Liabilities</b>		<b>6,921</b>	<b>6,757</b>
<b>NET ASSETS</b>		<b>141,835</b>	<b>135,909</b>
<b>EQUITY</b>			
Accumulated Surplus		43,815	38,333
Asset Revaluation Reserves	9	96,895	96,561
Other Reserves	9	1,125	1,015
<b>TOTAL EQUITY</b>		<b>141,835</b>	<b>135,909</b>

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



# DISTRICT COUNCIL OF GRANT

## Statement of Cash Flows

for the year ended 30 June 2020

	Notes	2020 \$'000	2019 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts:</b>			
Rates - general & other		10,054	9,592
Fees & other charges		403	256
User charges		2,322	2,350
Investment receipts		122	119
Grants utilised for operating purposes		2,427	2,671
Reimbursements		93	100
Other revenues		391	435
<b>Payments:</b>			
Employee costs		(5,737)	(5,596)
Materials, contracts & other expenses		(4,160)	(4,784)
Finance payments		(257)	(226)
<b>Net Cash provided by (or used in) Operating Activities</b>		<b>5,658</b>	<b>4,917</b>
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Receipts:</b>			
Amounts specifically for new or upgraded assets		5,612	575
Sale of replaced assets		600	726
Repayments of loans by community groups		28	56
<b>Payments:</b>			
Expenditure on renewal/replacement of assets		(2,995)	(2,685)
Expenditure on new/upgraded assets		(6,180)	(3,464)
Loans made to community groups		-	(6)
<b>Net Cash provided by (or used in) Investing Activities</b>		<b>(2,935)</b>	<b>(4,798)</b>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Receipts:</b>			
Proceeds from borrowings		-	-
Proceeds from Leasing		29	-
<b>Payments:</b>			
Repayments of borrowings		(529)	(524)
Repayment of lease liabilities		(10)	-
<b>Net Cash provided by (or used in) Financing Activities</b>		<b>(510)</b>	<b>(524)</b>
<b>Net Increase (Decrease) in cash held</b>		<b>2,213</b>	<b>(405)</b>
Cash & cash equivalents at beginning of period	10	6,015	6,420
<b>Cash &amp; cash equivalents at end of period</b>	10	<b>8,228</b>	<b>6,015</b>

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

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 1 - SIGNIFICANT ACCOUNTING POLICIES**

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

**1 Basis of Preparation**

**1.1 Compliance with Australian Accounting Standards**

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

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

**1.2 Historical Cost Convention**

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

**1.3 Critical Accounting Estimates**

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

District Council of Grant is incorporated under the SA Local Government Act 1999 and has its principal place of business at 324 Commercial Street West, Mount Gambier. 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.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports.

**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.

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:

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**  
**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

	Cash Payment Received	Annual Allocation	Difference	
2017-18	\$1,661,603	\$1,461,177	+	\$200,426
2018-19	\$2,511,248	\$1,282,141	+	\$1,229,107
2019-20	\$1,947,422	\$1,230,164	+	\$717,258

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.

### **3.1 Construction Contracts**

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

### **4 Cash, Cash Equivalents and other Financial Instruments**

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

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

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

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

### **5 Inventories**

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

### **6 Infrastructure, Property, Plant & Equipment**

#### **6.1 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.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

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

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. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

**6.5 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 carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not assessed for impairment.

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

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

**7 Payables**

**7.1 Goods & Services**

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

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**  
**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

**7.2 Payments Received in Advance & Deposits**

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

**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 on costs) measured in accordance with AASB 119.

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

Weighted average discount rate	0.25% (2019, 1.9%)
Weighted average settlement period	1 year (2019, 1 year)

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

**9.2 Superannuation**

The Council makes employer superannuation contributions in respect of its employees to the Local Government 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 Leases**

Accounting Policy applicable for the year ending 30 June 2019 (comparatives):

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

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

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

Accounting policy applicable from 01 July 2019:

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

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**  
**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

Council as a lessee

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

i) Right-of-use assets

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

- Plant and equipment 2 to 5 years
- Photocopiers 5 to 7 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (s) Impairment of non-financial assets.

ii) Lease liabilities

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

**11 GST Implications**

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

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

**12 New and amended standards and interpretations**

*Adoption of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities:*

The Council applied AASB 15 and AASB 1058, for the first time from 1 July 2019. AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue, AASB 111 Construction Contracts and the related Interpretations. The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service). Details of the accounting policy adopted for these standards can be found in section 10 of this note. The Council has elected to adopt the modified retrospective method on transition to the new standards with an initial application date of 1 July 2019. The cumulative effect of initially applying AASB 15 and AASB 1058 is recognised at the date of initial application as an adjustment to the opening balance of Accumulated Surplus. Therefore, the comparative information was not restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related Interpretations.

The Council has determined the impact of the new standards will mainly impact the timing of revenue recognition in relation to special purpose grants. These grants are provided to the Council to construct or acquire an asset to be controlled by the Council. They are accounted for under AASB 1058 and as such, amounts received in relation to these grants are recorded as a liability "Amounts in Advance" and recorded in revenue as the asset is constructed.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)**

The impact of adopting the new standards as at 30 June 2020 was an increase to liabilities of \$262,248 and a decrease to Accumulated Surplus of \$262,248.

Set out below are the amounts by which each financial statement line item is affected as at and for the year ended 30 June 2020 as a result of the adoption of AASB 15 and AASB 1058.

The first column shows amounts prepared under AASB 15 and AASB 1058 and the second column shows what the amounts would have been had AASB 15 and AASB 1058 not been adopted:

	Amounts prepared under AASB 15/1058 Previous AAS:	
	\$'000	\$'000
Grants, subsidies and contributions	\$2,427	\$2,689

*Adoption of AASB 16 Leases (AASB 16)*

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

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

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

*The effect of adoption of AASB 16 as at 1 July 2019 is an increase, as follows:*

*Assets:*

*IPP&E (right-of-use assets) \$28,959*

*Liabilities:*

*Interest-bearing loans and borrowings \$28,959*

*Accumulated Surplus nil*

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 2 - INCOME**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>RATES REVENUES</b>			
<u>General Rates</u>		<b>8,100</b>	7,846
Less: Mandatory rebates		<b>(9)</b>	(8)
Less: Discretionary rebates, remissions & write offs		<b>(27)</b>	(17)
		<hr/> <b>8,064</b>	<hr/> 7,821
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		<b>593</b>	582
Waste collection		<b>653</b>	597
Community wastewater management systems		<b>698</b>	678
		<hr/> <b>1,944</b>	<hr/> 1,857
<u>Other Charges</u>			
Penalties for late payment		<b>37</b>	37
		<hr/> <b>37</b>	<hr/> 37
Less: Discretionary rebates, remissions & write offs		<b>(61)</b>	(56)
		<hr/> <b>9,984</b>	<hr/> 9,659
<b>STATUTORY CHARGES</b>			
Development Act fees		<b>95</b>	84
Town planning fees		<b>214</b>	78
Animal registration fees & fines		<b>92</b>	91
Parking fines / expiation fees		<b>2</b>	3
		<hr/> <b>403</b>	<hr/> 256
<b>USER CHARGES</b>			
Cemetery/crematoria fees		<b>12</b>	11
Airport		<b>631</b>	834
Saleyards		<b>1,257</b>	1,304
Sanitary Garbage		<b>28</b>	53
Rural Transaction Centre		<b>79</b>	82
Sundry		<b>55</b>	51
		<hr/> <b>2,062</b>	<hr/> 2,335
<b>INVESTMENT INCOME</b>			
Interest on investments:			
Local Government Finance Authority		<b>109</b>	105
Banks & other			1
Loans to community groups		<b>5</b>	6
		<hr/> <b>114</b>	<hr/> 112

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

Note 2 - INCOME (con't)

	Notes	2020 \$'000	2019 \$'000
<b>REIMBURSEMENTS</b>			
- for roadworks		40	13
- for private works		53	87
		<b>93</b>	<b>100</b>
<b>OTHER INCOME</b>			
Insurance & other recoupments - infrastructure, property, plant & equipment		198	233
Sundry		261	196
		<b>459</b>	<b>429</b>
<b>GRANTS, SUBSIDIES, CONTRIBUTIONS</b>			
Amounts received specifically for new or upgraded assets		5,612	575
Other grants, subsidies and contributions			
Untied - Financial Assistance Grant		1,381	1,449
Roads to Recovery		341	234
Fuel Rebate		61	58
Library & Community Centres		36	37
Sundry		608	893
		<b>2,427</b>	<b>2,671</b>
		<b>8,039</b>	<b>3,246</b>
<i>The functions to which these grants relate are shown in Note 11.</i>			
<b>Sources of grants</b>			
<i>Commonwealth government</i>		5,641	356
<i>State government</i>		2,377	2,614
<i>Other</i>		21	276
		<b>8,039</b>	<b>3,246</b>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 2 - INCOME (con't)**

<b>Individually Significant Item</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$'000</b>	<b>\$'000</b>
<i>Mount Gambier Regional Airport Redevelopment</i>		<b>3,632</b>	-

**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:*

<i>Unexpended at the close of the previous reporting period</i>		<b>352</b>	352
<i>Less: expended during the current period from revenues recognised in previous reporting periods:</i>			
<i>Waterfront - Stage 2</i>		<u>(91)</u>	-
<i>Subtotal</i>		<u>(91)</u>	-
<i>Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>			
		<u>-</u>	<u>-</u>
<i>Subtotal</i>		<u>-</u>	<u>-</u>
<i>Unexpended at the close of this reporting period</i>		<u><b>261</b></u>	<u>352</u>
<i>Net increase / (decrease) in assets subject to conditions in the current reporting period</i>		<u><b>(91)</b></u>	<u>-</u>

**PHYSICAL RESOURCES RECEIVED FREE OF CHARGE**

Land & Improvements		-	11
Roads, Bridges & Footpaths		<b>210</b>	761
Stormwater Drainage		<b>14</b>	30
Community Wastewater Management Systems		-	66
<b>TOTAL PHYSICAL RESOURCES RECEIVED</b>		<u><b>224</b></u>	<u>868</u>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 3 - EXPENSE**

	<b>Notes</b>	<b>2020</b>	<b>2019</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>EMPLOYEE COSTS</b>			
Salaries and Wages		<b>4,989</b>	4,818
Employee leave expense		<b>689</b>	629
Superannuation - defined contribution plan contributions	17	<b>334</b>	330
Superannuation - defined benefit plan contributions	17	<b>148</b>	133
Workers' Compensation Insurance		<b>166</b>	153
Less: Capitalised and distributed costs		<b>(341)</b>	(356)
<b>Total Operating Employee Costs</b>		<b><u>5,985</u></b>	<b><u>5,707</u></b>
<b>Total Number of Employees</b>		<b>65</b>	<b>67</b>
<i>(Full time equivalent at end of reporting period)</i>			
<b>MATERIALS, CONTRACTS &amp; OTHER EXPENSES</b>			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		<b>20</b>	21
Elected members' expenses		<b>162</b>	173
Election expenses		<b>19</b>	20
Subtotal - Prescribed Expenses		<b><u>201</u></b>	<b><u>214</u></b>
<u>Other Materials, Contracts &amp; Expenses</u>			
Contractors		<b>964</b>	1,030
Energy		<b>237</b>	345
Individually Significant Items		<b>212</b>	-
Maintenance		<b>703</b>	624
Legal Expenses		<b>92</b>	163
Levies paid to government			
- NRM Levy		<b>590</b>	581
- Emergency Services Levy		<b>40</b>	40
Materials		<b>201</b>	339
Fuel		<b>321</b>	331
Insurance		<b>260</b>	232
Donations and Grants		<b>156</b>	185
Sundry		<b>692</b>	753
Subtotal - Other Materials, Contracts & Expenses		<b><u>4,468</u></b>	<b><u>4,623</u></b>
		<b><u>4,669</u></b>	<b><u>4,837</u></b>
<b>INDIVIDUALLY SIGNIFICANT ITEMS</b>			
<b>PLEC (Undergrounding powerlines at Port MacDonnell)</b>		<b>212</b>	<b>-</b>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 3 - EXPENSE (con't)**

	2020	2019
Notes	\$'000	\$'000
<b>DEPRECIATION, AMORTISATION &amp; IMPAIRMENT</b>		
<b>Depreciation</b>		
Buildings - Level 2	165	166
Buildings - Level 3	479	477
Other Structures - Level 2	5	5
Other Structures - Level 3	183	161
Playgrounds	28	30
Roads & Kerbs	2,555	2,480
Bridges	1	1
Footways	23	15
Stormwater Drainage	12	12
CWMS	266	263
Plant & Equipment	599	543
IT & Office Fittings	50	42
Marine & River	48	48
Open Space	62	39
Right of Use Assets	10	-
16	<u>4,486</u>	<u>4,282</u>
<b>FINANCE COSTS</b>		
Interest on Loans	212	242
Interest on Leases	1	-
	<u>213</u>	<u>242</u>

# DISTRICT COUNCIL OF GRANT

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

### Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2020	2019
Notes	\$'000	\$'000
<b>INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIPMENT</b>		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	640	726
Less: Carrying amount of assets disposed	<u>1,073</u>	<u>1,302</u>
<b>NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS</b>	<b><u>(433)</u></b>	<b><u>(576)</u></b>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 5 - CURRENT ASSETS**

	Notes	2020 \$'000	2019 \$'000
<b>CASH &amp; EQUIVALENT ASSETS</b>			
Cash on Hand and at Bank		213	176
Deposits at Call		4,015	5,839
Short Term Deposits & Bills, etc		4,000	-
		<u>8,228</u>	<u>6,015</u>
<b>TRADE &amp; OTHER RECEIVABLES</b>			
Rates - General & Other		396	466
Accrued Revenues		4	12
Debtors - general		174	542
GST Recoupment		157	89
Prepayments		-	11
Loans to community organisations		35	33
		<u>766</u>	<u>1,153</u>
<b>INVENTORIES</b>			
Quarry Stock		213	118
Fuel & Lubricant		18	24
Other		7	16
		<u>238</u>	<u>158</u>

*Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.*

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 6 - NON-CURRENT ASSETS**

<b>FINANCIAL ASSETS</b>	<b>Notes</b>	<b>2020</b> <b>\$'000</b>	<b>2019</b> <b>\$'000</b>
<b>Receivables</b>			
Loans to community organisations		<u>135</u>	<u>165</u>
		<b>135</b>	<b>165</b>
<b>Other Financial Assets</b>			
Caveat		<u>43</u>	<u>43</u>
<b>TOTAL FINANCIAL ASSETS</b>		<u><b>178</b></u>	<u><b>208</b></u>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)**

Fair Value Level	2019 \$'000				2020 \$'000			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land - Level 2	1,220	-	-	1,220	1,220	-	-	1,220
Land - Level 3	13,684	10	-	13,694	13,684	10	-	13,694
Buildings - Level 2	7,215	-	(3,831)	3,384	7,065	-	(3,988)	3,077
Buildings - Level 3	20,615	435	(11,583)	9,467	20,615	438	(12,062)	8,991
Other Structures - Level 2	126	9	(100)	35	126	9	(105)	30
Other Structures - Level 3	4,595	123	(1,539)	3,179	4,577	819	(1,723)	3,673
Playgrounds	883	11	(574)	320	878	17	(597)	298
Roads & Kerbs	112,711	2,725	(31,087)	84,349	112,094	7,699	(33,135)	86,658
Bridges	74	-	(22)	52	74	-	(23)	51
Footways	500	100	(190)	410	1,046	14	(325)	735
Stormwater Drainage	1,157	32	(418)	771	1,162	52	(432)	782
CWMS	12,518	298	(5,041)	7,775	12,378	376	(5,246)	7,508
Plant & Equipment	-	8,067	(2,898)	5,169	-	8,478	(3,045)	5,433
IT & Office Fittings	-	760	(554)	206	-	726	(541)	185
Marine & River	-	2,789	(387)	2,402	-	2,933	(403)	2,530
Open Space	-	2,035	(428)	1,607	-	2,067	(490)	1,577
WIP	-	1,092	-	1,092	-	2,885	-	2,885
Right of Use Assets	-	-	-	-	-	29	(10)	19
<b>Total IPP&amp;E</b>	<b>175,298</b>	<b>18,486</b>	<b>(58,652)</b>	<b>135,132</b>	<b>174,919</b>	<b>26,552</b>	<b>(62,125)</b>	<b>139,346</b>
	<b>147,027</b>	<b>25,609</b>	<b>(58,343)</b>	<b>114,293</b>	<b>175,298</b>	<b>18,486</b>	<b>(58,652)</b>	<b>135,132</b>

**Comparatives**

*This Note continues on the following pages.*

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**  
**Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (con't)**

		CARRYING AMOUNT MOVEMENTS DURING YEAR										2020
\$'000		\$'000										\$'000
2019	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Adjustments	Transfers		Net Reval'n	Carrying Amount	
			New / Upgrade	Renewals				In	Out			
	1,220		-	-	-	-	-	-	-	-	1,220	
Land - Level 2	13,694		-	-	-	-	-	-	-	-	13,694	
Land - Level 3	3,384		-	-	(142)	(165)	-	-	-	-	3,077	
Buildings - Level 2	9,467		3	-	-	(479)	-	-	-	-	8,991	
Buildings - Level 3	35		-	-	-	(5)	-	-	-	-	30	
Other Structures - Level 2	3,179		363	27	-	(183)	-	287	-	-	3,673	
Other Structures - Level 3	320		6	-	-	(28)	-	-	-	-	298	
Playgrounds	84,349		2,809	1,862	(332)	(2,555)	-	525	-	-	86,658	
Roads & Kerbs	52		-	-	-	(1)	-	-	-	-	51	
Bridges	410		17	-	(3)	(23)	-	-	-	334	735	
Footways	771		20	-	3	(12)	-	-	-	-	782	
Stormwater Drainage	7,775		42	18	(79)	(266)	-	18	-	-	7,508	
CWMS	5,169		-	1,313	(506)	(599)	-	56	-	-	5,433	
Plant & Equipment	206		31	-	(2)	(50)	-	-	-	-	185	
IT & Office Fittings	2,402		135	-	(12)	(48)	-	53	-	-	2,530	
Marine & River	1,607		22	10	-	(62)	-	-	-	-	1,577	
Open Space	1,092		2,732	-	-	-	-	-	(939)	-	2,885	
WIP	-	11	-	18	-	(10)	-	-	-	-	19	
Right of Use Assets												
<b>Total IPP&amp;E</b>	<b>135,132</b>	<b>11</b>	<b>6,180</b>	<b>3,248</b>	<b>(1,073)</b>	<b>(4,486)</b>	<b>-</b>	<b>939</b>	<b>(939)</b>	<b>334</b>	<b>139,346</b>	
<b>Comparatives</b>	<b>114,293</b>		<b>4,332</b>	<b>2,695</b>	<b>(1,302)</b>	<b>(4,292)</b>	<b>10</b>	<b>1,551</b>	<b>(1,551)</b>	<b>19,396</b>	<b>135,132</b>	

This note continues on the following pages.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (con't)**

**Valuation of Assets**

**General Valuation Principles**

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

**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.

**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 these assets and they 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.

**DISTRICT COUNCIL OF GRANT**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**for the year ended 30 June 2020**

**Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (con't)**

**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.

Plant & Equipment	\$3,000
IT Equipment & Furniture	\$1,000
Buildings	\$10,000
Road construction & reconstruction	\$10,000
Bridges, Paving & footpaths, Kerb & Gutter	\$10,000
Stormwater Drainage	\$3,000
Other Assets	\$3,000

**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	
ICT Equipment	3 to 5 years
Office Furniture	10 years
Vehicles and Road-making Equip	3 to 20 years
Other Plant & Equipment	5 to 15 years
Building & Other Structures	
Buildings (componentised)	20 to 100 years
Playground equipment	25 years
Benches, seats, etc	10 to 20 years
Infrastructure	
Sealed Roads - Surface	25 to 35 years
Sealed Roads - Base	100 to 400 years
Unsealed Roads	25 to 100 years
Bridges	100 years
Kerb & Gutter	80 years
Footways	15 to 50 years
Stormwater Drainage	100 years
CWMS	3 to 200 years
Marine and River	10 to 100 years

Council's data is reviewed on an ongoing basis and adjustments are made to correct any errors identified. With regard to capital renewal expenditure, the useful life is reviewed in line with the new condition rating and the carrying amount is adjusted following the writing back of accumulated depreciation for each asset.

# DISTRICT COUNCIL OF GRANT

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2020

### Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (con't)

#### 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 2018 by Mitch Ekonomopoulos AAPI, of AssetVal Pty Ltd at current replacement cost. Community Land additions are recognised at cost, gifted additions are recognised at Valuer-General valuation.

#### Buildings & Other Structures

Buildings and other structures were revalued as at 1 July 2018 by Mitch Ekonomopoulos AAPI, of AssetVal Pty Ltd.

#### Infrastructure

Sealed Roads, Unsealed Roads & Kerbing was valued using unit rates and condition assessment data as at 1 July 2018, with the methodology verified by Ashay Prabhu MIE(Aust) CPEng, NPER of Assetic Pty Ltd. All acquisitions made after the respective dates of valuation are recorded at cost.

Footways were revalued using unit rates and condition assessment data as at 1 July 2019, with the methodology verified by Ashay Prabhu MIE(Aust) CPEng, NPER of Assetic Pty Ltd. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by Council officers as at 30 June 2019 at depreciated current replacement cost, based on actual costs incurred during the reporting period ended 30 June 2019. All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system infrastructure was valued at depreciated current replacement cost during the reporting period ended 30 June 2018 by HDS Australia Pty Ltd. All acquisitions made after the respective dates of valuation are recorded at cost.

Bridges were added to Council's asset management database in 2012/2013. Condition assessment and revaluation was undertaken by ACEAM Asset Management Practitioners as at 1 July 2016.

#### Plant, Furniture & Equipment

These assets are recognised on the cost basis.

#### Marine & River

These assets are recognised on the cost basis. Consists mainly of assets created/generated since this category was formed.

#### Open Space

These assets are recognised on the cost basis. Consists mainly of assets created/generated since this category was formed.

#### All other assets

These assets are recognised on the cost basis in accordance with our asset accounting policy.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 8 - LIABILITIES**

	Notes	2020		2019	
		Current	Non-current	Current	Non-current
		\$'000	\$'000	\$'000	\$'000
<b>TRADE &amp; OTHER PAYABLES</b>					
Goods & Services		1,414		807	
Payments received in advance		370	-	478	-
Accrued expenses - employee entitlements		189	-	125	-
Accrued expenses - other		61	-	105	-
Deposits, Retentions & Bonds		64	-	93	-
Other Payables		3	-	3	-
		<b>2,101</b>	<b>-</b>	<b>1,611</b>	<b>-</b>
<b>BORROWINGS</b>					
Loans		527	3,094	529	3,621
Leases Liabilities	16	8	11	-	-
		<b>535</b>	<b>3,105</b>	<b>529</b>	<b>3,621</b>
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
<b>PROVISIONS</b>					
Unused Annual Leave		520	-	439	-
Unused Long Service Leave		613	47	526	31
		<b>1,133</b>	<b>47</b>	<b>965</b>	<b>31</b>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 9 - RESERVES**

<b>ASSET REVALUATION RESERVE</b>	1/7/2019	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2020
<b>Notes</b>	\$'000	\$'000	\$'000	\$'000
Land	12,720	-	-	12,720
Buildings	14,924	-	-	14,924
Other Structures	7,078	-	-	7,078
Playgrounds	280	-	-	280
Roads & Kerbs	59,019	-	-	59,019
Bridges	3	-	-	3
Footways	360	334	-	694
Marine & River	-	-	-	-
Stormwater Drainage	232	-	-	232
CWMS	1,944	-	-	1,944
Open Space	-	-	-	-
<b>TOTAL</b>	<b>96,560</b>	<b>334</b>	<b>-</b>	<b>96,894</b>
<b>Comparatives</b>	<b>77,165</b>	<b>19,406</b>	<b>(11)</b>	<b>96,560</b>

<b>OTHER RESERVES</b>	1/7/2019	Transfers to Reserve	Transfers from Reserve	30/6/2020
Disaster Relief	105	1	(10)	96
Grants Unexpended	1	-	-	1
Donovans CWMS Grant	70	3	-	73
Open Space Contributions	132	109	-	241
Community Development	108	1	-	109
Tarpeena Cancer Support Fundraising	21	3	(1)	23
Future Infrastructure	460	4	-	464
Marine Facilities	15	-	-	15
Waste Management	103	-	-	103
<b>TOTAL OTHER RESERVES</b>	<b>1,015</b>	<b>121</b>	<b>(11)</b>	<b>1,125</b>
<b>Comparatives</b>	<b>1,029</b>	<b>23</b>	<b>(37)</b>	<b>1,015</b>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 9 - RESERVES (con't)**

**PURPOSES OF RESERVES**

**Asset Revaluation Reserve**

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

**(Other Reserves)**

**Disaster Relief**

Holding account for profits received from sale of properties, which were donated by the Bond group for housing assistance - Ash Wednesday Fires. Monies to be kept in trust and used for the purpose of relief from the effects, or prevention, of bushfires or other disasters as per the Confirmatory Declaration of Trust Deed.

**Unspent Grants Contributions**

Holding Account for unspent grants and contributions relating to all functions of Council, excluding Road Infrastructure.

**Donovans CWMS Grant**

LGA funding for future CWMS works specific for Dovonans that were recognised at acquittal of this initial project.

**Open Space Contributions**

Monies held from creation of sub-divisions to be used for future open space projects.

**Community Development Reserve**

Money received from Acciona for Allendale Windfarm development. Money held for Community Development Projects.

**Tarpeena Cancer Support Fundraising**

Accounting for monies held for community group with funds held for projects that will benefit this community.

**Future Infrastructure Reserve**

Monies from sale of assets, such as Sutton Court and disused road reserves. Money held for Future Infrastructure Projects.

**Marine Facilities Reserve**

Residual monies (income less expenses) from Port MacDonnell and Blackfellows Caves Boat Ramps and Permits. Funds for future marine development.

**Waste Management Reserve**

Residual monies (income less expenses) from activities relating to MGB collection (Sanitary & Garbage). Funds for future sanitary & garbage renewals.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 10 - RECONCILIATION TO CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

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

	Notes	2020 \$'000	2019 \$'000
Total cash & equivalent assets	5	<u>8,228</u>	<u>6,015</u>
Balances per Cash Flow Statement		<u>8,228</u>	<u>6,015</u>

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

Net Surplus (Deficit)		5,592	1,361
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		4,486	4,272
Net increase (decrease) in unpaid employee benefits		248	121
Non-cash asset acquisitions		(224)	(868)
Grants for capital acquisitions treated as Investing Activity		(5,612)	(575)
Net (Gain) Loss on Disposals		<u>433</u>	<u>576</u>
		4,923	4,887
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		389	(411)
Net (increase) decrease in inventories		(80)	31
Net increase (decrease) in trade & other payables		<u>426</u>	<u>410</u>
<b>Net Cash provided by (or used in) operations</b>		<u>5,658</u>	<u>4,917</u>

**(c) Non-Cash Financing and Investing Activities**

Acquisition of assets by means of:

Physical resources received free of charge	2	<u>224</u>	<u>868</u>
Amounts recognised in Income Statement		<u>224</u>	<u>868</u>
Leases	16	<u>18</u>	<u>-</u>
		<u>242</u>	<u>868</u>

**(d) Financing Arrangements**

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

Corporate Credit Cards	18	17
LGFA Cash Advance Debenture facility	2,000	2,000

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

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

Note 11 - FUNCTIONS

**INCOMES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES**

	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2020	2019	2020	2019
	2020	2019	2020	2019	2020	2019	\$'000	\$'000	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administration	9,561	9,994	2,253	2,447	7,308	7,547	1,389	1,460	13,845	9,872
Public Order & Safety	95	102	390	337	(295)	(235)	-	-	444	421
Health	3	3	202	178	(199)	(175)	-	-	15	16
Social Security & Welfare	3	6	57	101	(54)	(95)	1	2	420	422
Housing & Community Amenities	2,209	2,117	2,993	3,037	(784)	(920)	11	-	10,178	10,485
Protection of the Environment	19	67	96	141	(77)	(74)	-	-	1,926	835
Sport & Recreation	100	96	809	800	(709)	(704)	44	37	9,594	6,768
Agricultural Services	18	12	4	5	14	7	-	-	-	-
Mining, Manufacturing & Const.	59	53	164	161	(105)	(108)	-	-	213	145
Transport & Communication	1,659	1,218	5,553	5,245	(3,894)	(4,027)	912	1,101	96,539	76,301
Economic Affairs	1,417	1,530	1,878	1,857	(461)	(327)	-	-	9,527	10,442
Other Purposes	399	364	954	759	(555)	(395)	70	71	6,055	6,195
<b>TOTALS</b>	<b>15,542</b>	<b>15,562</b>	<b>15,353</b>	<b>15,068</b>	<b>189</b>	<b>494</b>	<b>2,427</b>	<b>2,671</b>	<b>148,756</b>	<b>121,902</b>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 11 (con't) - COMPONENTS OF FUNCTIONS**

The activities relating to Council functions are as follows:

**Administration**

General and office operations not attributable to another specific activity, rates and elected members expenses.

**Public Order and Safety**

Supervision of various by-laws, fire prevention, CFS and animal control.

**Health**

Food control, operation of community health programs and health centre.

**Social Security and Welfare**

Operation of Senior Citizen's centre, aged hostel, other voluntary services.

**Housing and Community Amenities**

Rubbish collection services, operation of a tip, effluent drainage, public toilets, street cleaning and lighting, town planning, stormwater drainage, land development, maintenance of cemeteries and aged housing complex.

**Protection of the Environment NEC**

Foreshore protection, flood prevention.

**Sport and Recreation**

Maintenance of halls, library operations, national estates, parks and gardens, recreation and sporting venues, museum.

**Agricultural Services**

Pest plant services.

**Mining, Manufacturing and Construction**

Building Act requirements, quarry operations.

**Transport and Communications**

Construction and maintenance of roads, bridges, footpaths, parking & signs and airport operations.

**Economic Affairs NEC**

Land development activities, Caravan Park operations, off-street parking, tourism, boat haven and saleyard operations.

**Other Purposes NEC**

Public debt transactions, plant and machinery operations, depot expenses, vandalism costs and private works.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 12 - FINANCIAL INSTRUMENTS**

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

**Accounting Policies - Recognised Financial Instruments**

<b>Bank, Deposits at Call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned</p> <p><b>Terms &amp; conditions:</b> Deposits are returning fixed interest rates between 0.45% and 1.55% (2019: 1.25% and 2.00%). Short term deposits have an average maturity of 24 hours and an average interest rates of 0.69% (2019: 24 hours, 1.48%).</p> <p><b>Carrying amount:</b> approximates fair value due to the short term to maturity.</p>
<b>Receivables - Rates &amp; Associated Charges</b>	<p><b>Accounting Policy:</b> initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method</p> <p><b>Terms &amp; conditions:</b> Secured over the subject land, arrears attract interest of 0.53% (2019: 0.55%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - Fees &amp; other charges</b>	<p><b>Accounting Policy:</b> initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method</p> <p><b>Terms &amp; conditions:</b> Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction of any allowance).</p>
<b>Receivables - other levels of government</b>	<p><b>Accounting Policy:</b> initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p><b>Terms &amp; conditions:</b> 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.</p> <p><b>Carrying amount:</b> approximates fair value.</p>

# DISTRICT COUNCIL OF GRANT

## Notes to and forming part of the Financial Statements

### Note 12 - FINANCIAL INSTRUMENTS (con't)

<b>Liabilities</b> - Creditors and Accruals	<b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.  <b>Terms &amp; conditions:</b> Liabilities are normally settled on 30 day terms.  <b>Carrying amount:</b> approximates fair value.
<b>Liabilities</b> - Interest Bearing Borrowings	<b>Accounting Policy:</b> initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate  <b>Terms &amp; conditions:</b> secured over future revenues, borrowings are repayable with half-yearly instalments with terms ranging from five to fifteen years; interest is charged at fixed rates between 3.60% and 7.12% (2019: 3.60% and 7.12%)  <b>Carrying amount:</b> approximates fair value.
<b>Liabilities</b> - Finance Leases	<b>Accounting Policy:</b> accounted for in accordance with AASB 16 as stated in note 16

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 12 - FINANCIAL INSTRUMENTS (con't)**

**Liquidity Analysis**

<b>2020</b>	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Financial Assets</u></b>					
Cash & Equivalents	8,228			8,228	8,228
Receivables	773	99	51	923	901
Other Financial Assets	-	43	-	43	43
<b>Total</b>	<b>9,001</b>	<b>142</b>	<b>51</b>	<b>9,194</b>	<b>9,172</b>
<b><u>Financial Liabilities</u></b>					
Payables	1,851	-	-	1,851	1,851
Current Borrowings	717	-	-	717	527
Lease Liabilities	8	12	-	20	19
Non-Current Borrowings	-	2,248	1,436	3,684	3,094
<b>Total</b>	<b>2,576</b>	<b>2,260</b>	<b>1,436</b>	<b>6,272</b>	<b>5,491</b>

<b>2019</b>	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Financial Assets</u></b>					
Cash & Equivalents	6,015			6,015	6,015
Receivables	1,151	145	83	1,379	1,307
Other Financial Assets	-	43	-	43	43
<b>Total</b>	<b>7,166</b>	<b>188</b>	<b>83</b>	<b>7,437</b>	<b>7,365</b>
<b><u>Financial Liabilities</u></b>					
Payables	1,381	-	-	1,381	1,381
Current Borrowings	748	-	-	748	529
Non-Current Borrowings	-	2,631	1,745	4,376	3,621
<b>Total</b>	<b>2,129</b>	<b>2,631</b>	<b>1,745</b>	<b>6,505</b>	<b>5,531</b>

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

	30 June 2020		30 June 2019	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Fixed Interest Rates	5.23	3,621	5.473	4,150
		<b>3,621</b>		<b>4,150</b>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 12 - FINANCIAL INSTRUMENTS (con't)**

**Net Fair Value**

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

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.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 13 - COMMITMENTS FOR EXPENDITURE**

	<b>2020</b>	2019
<b>Notes</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Capital Commitments</b>		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Land	619	705
Buildings (Airport Redevelopment)	3,487	5,660
Other Structures	770	411
Roads & Footpaths	-	2,133
Plant & Equipment	18	189
	<b>4,894</b>	<b>9,098</b>
These expenditures are payable:		
Not later than one year	4,509	7,098
Later than one year and not later than 5 years	385	2,000
Later than 5 years	-	-
	<b>4,894</b>	<b>9,098</b>

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 14 - FINANCIAL INDICATORS**

	2020	2019	2018
<b>Operating Surplus Ratio</b>			
<u>Operating Surplus</u>	1.2%	3.1%	0.5%
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>	-14%	-4.0%	-5.0%
Total Operating Income			

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

***Adjustments to Ratios***

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

<b><i>Adjusted Operating Surplus Ratio</i></b>	1.3%	-0.1%	0.3%
<b><i>Adjusted Net Financial Liabilities Ratio</i></b>	-9%	4.4%	-10.0%

**Asset Renewal Funding Ratio**

<u>Net Outlays on Existing Assets</u>	84%	71.7%	59.0%
Net Asset Renewals - IAMP			

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

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 15 - UNIFORM PRESENTATION OF FINANCES**

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

All 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

	<b>2020</b>		<b>2019</b>
	<b>\$'000</b>		<b>\$'000</b>
Income	<b>15,542</b>		15,562
Expenses	<b>(15,353)</b>		(15,068)
<b>Operating Surplus / (Deficit)</b>	<b>189</b>		494
 <b>Net Outlays on Existing Assets</b>			
Capital Expenditure on renewal and replacement of Existing Assets	<b>(2,995)</b>		(2,685)
Add back Depreciation, Amortisation and Impairment	<b>4,486</b>		4,282
Proceeds from Sale of Replaced Assets	<b>600</b>		726
	<b>2,091</b>		2,323
 <b>Net Outlays on New and Upgraded Assets</b>			
Capital Expenditure on New and Upgraded Assets <i>(including investment property &amp; real estate developments)</i>	<b>(6,180)</b>		(3,464)
Amounts received specifically for New and Upgraded Assets	<b>5,612</b>		575
	<b>(568)</b>		(2,889)
<b>Net Lending / (Borrowing) for Financial Year</b>	<b>1,712</b>		(72)

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 16 - OPERATING LEASES**

**Council as a Lessee**

**Right of Use Asset**

*Works Manager's Vehicle & Konica Minolta Photocopiers (x3)*

Set out below are the carrying amounts (written down value) of right of use assets recognised within Infrastructure Property, Plant & Equipment

<b>Carrying Value</b>	<b>Plant &amp; Equipment</b>	<b>Office Equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
At 1 July 2019	11	-	11
Additions	-	18	18
Depreciation Charge	(7)	(3)	(10)
<b>At 30 June 2020</b>	<u>4</u>	<u>15</u>	<u>19</u>

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

	<b>2020</b>
	<b>\$'000</b>
At 1 July 2019	11
Additions	18
Accretion of Interest	-
Payments	(10)
<b>At 30 June 2020</b>	<u>19</u>
Current	8
Non Current	11

The maturity analysis of lease liabilities is included in note 12

Council and its associated entities (the group) had total cash outflows for leases of **\$10,786**

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**  
**Note 16 - OPERATING LEASES (con't)**

The following are amounts recognised on profit or loss:

	<b>2020</b>
	<b>\$'000</b>
Depreciation expense right of use asset	10
Interest expense on lease liabilities	1
Expenses relating to short term leases	-
Expenses relating to leases of low value assets	-
Variable lease payments	-
<b>Total amount recognised in profit and loss</b>	<b>11</b>

***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.

Lessees commitments under all non-cancellable lease agreements, are as follows:

	<b>2020</b>	2019
	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	<b>171</b>	176
Later than one year and not later than 5 years	<b>214</b>	267
Later than 5 years	<b>180</b>	190
	<b>565</b>	633

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**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 2018-19; 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 2018-19) of "superannuation" salary.

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of 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.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 18 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

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

**1. LAND UNDER ROADS**

As reported elsewhere in these 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 these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

At reporting date, Council controlled 1,527 km of road reserves of average width 10 metres.

**2. POTENTIAL INSURANCE LOSSES**

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

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

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

**3. LEGAL EXPENSES**

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 1 appeal against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

**DISTRICT COUNCIL OF GRANT**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

**Note 19 - RELATED PARTY DISCLOSURES**

**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, 25 persons were paid the following total compensation:

	<b>2020</b>	2019
	\$	\$
Salaries, allowances & other short term benefits	1,370,870	1,340,188
Post-employment benefits	-	-
Long term benefits	-	-
Termination benefits	9,379	97,840
<b>TOTAL</b>	<b>1,380,249</b>	<b>1,438,028</b>

Other than amounts paid as ratepayers or residents (e.g. rates, waste disposal fees, etc.), Council received the following amounts in total:

	<b>2020</b>	2019
	\$	\$
Contributions for fringe benefits tax purposes	-	-
Planning and building applications fees	1,323	-
Rentals for Council property	-	-
<b>TOTAL</b>	<b>1,323</b>	<b>-</b>

**PARTIES RELATED TO KEY MANAGEMENT PERSONNEL**

KMP and relatives of KMPs own retail businesses from which various supplies were purchased as required either for cash or on 30 day account. Purchases from none of these individual businesses exceeded \$5,000 during the year.

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

Key management personnel or close family members (including related parties) lodged a total of two planning and building 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.

Eight KMP's are members of various organisations that received Council support in the year. In accordance with the *Local Government Act 1999*, the elected members declare a conflict of interest and leave the meeting environs when any matter affecting their organisation is discussed or voted on. During the year Council contributed \$9,366 towards these organisations via community grant applications and scholarship programs.

## INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of the District Council of Grant

### Opinion

We have audited the accompanying financial report of the District Council of Grant (the Council), which comprises the Statement of Financial Position as at 30 June 2020, Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

### Basis for Opinion

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

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

### Council's Responsibility for the Financial Report

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

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

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

**DEAN NEWBERY & PARTNERS  
CHARTERED ACCOUNTANTS**



**JIM KEOGH  
PARTNER**

Signed on the 12<sup>th</sup> day of November 2020,  
at 214 Melbourne Street, North Adelaide

## INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE DISTRICT COUNCIL OF GRANT

### Opinion

In our opinion, the Council has complied, in all material respects, with Section 129(1)(b) of the *Local Government Act 1999* in relation to the Internal Controls established by the Council relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2019 to 30 June 2020.

### Basis for opinion

We have audited the Internal Controls of the District Council of Grant (the Council) under the requirements of *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2019 to 30 June 2020 have been conducted properly and in accordance with law.

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

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

### The Council's Responsibility for the Internal Controls

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

### Our Independence and Quality Control

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

### Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

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

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

#### **Limitation on Use**

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

#### **Limitations of Controls**

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

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

#### **DEAN NEWBERY & PARTNERS CHARTERED ACCOUNTANTS**



**JIM KEOGH  
PARTNER**

Signed on the 12<sup>th</sup> day of November 2020  
at 214 Melbourne Street, North Adelaide, South Australia, 5006

## **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of the District Council of Grant for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



**JIM KEOGH**

**Partner**

**DEAN NEWBERY & PARTNERS**  
**CHARTERED ACCOUNTANTS**

**Dated this 12<sup>th</sup> day of November 2020**

**DISTRICT COUNCIL OF GRANT**  
**Annual Financial Statements**  
**for the year ended 30 June 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of District Council of Grant for the year ended 30 June 2020, the Council's Auditor, Dean Newbery and Partners, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

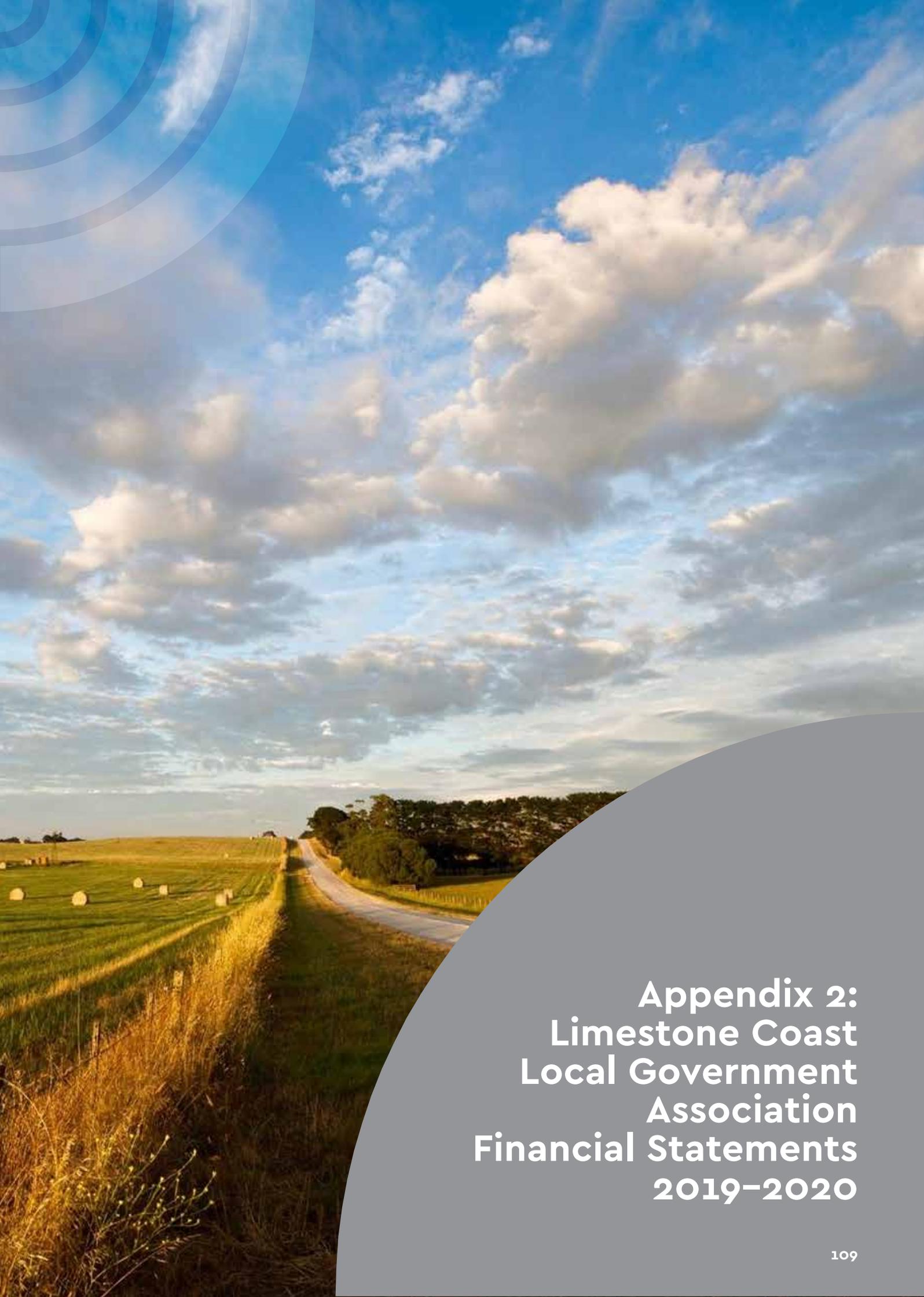


.....  
Darryl Whicker  
**CHIEF EXECUTIVE OFFICER**



.....  
Richard Sage  
**PRESIDING MEMBER**  
**AUDIT COMMITTEE**

Date: 2 November 2020



**Appendix 2:  
Limestone Coast  
Local Government  
Association  
Financial Statements  
2019-2020**

# Limestone Coast Local Government Association

The Limestone Coast Local Government Association is enacted pursuant to Section 43 of the *Local Government Act 1999* as a Regional Subsidiary as prescribed by Schedule 2, subsection 12 of the *Local Government Act 1999*.

The Limestone Coast Local Government Association is a regional subsidiary body established by the seven Constituent Councils in the South East region of South Australia.

The District Council of Grant has no other subsidiaries.





**Limestone Coast Local Government  
Association**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 June 2020**

# Limestone Coast Local Government Association

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**Limestone Coast Local Government Association**

**STATEMENT OF COMPREHENSIVE INCOME  
AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>Income</b>			
Local Government Council Contributions	2	721,402	642,404
Other Contributions	2	314,020	498,859
Other Income	2	158,096	119,141
Project Income	2	295,088	130,069
Unbudgeted Project Income	2	1,761	7,063
<b>Total Income</b>		<b>1,490,367</b>	<b>1,397,536</b>
<b>Expenses</b>			
Operating Expenses	3	(229,201)	(284,088)
Employee Costs	3	(768,221)	(578,040)
Project Expenditure	3	(632,151)	(510,764)
Unbudgeted Project Expenditure	3	(1,761)	(54,459)
<b>Total Expenses</b>		<b>(1,631,334)</b>	<b>(1,427,351)</b>
<b>NET SURPLUS / (DEFICIT)</b>		<b>(140,967)</b>	<b>(29,815)</b>
<b>Other Comprehensive Income</b>			
Transfer to accumulated surplus of prior year unspent project funds	2	-	460,021
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>460,021</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(140,967)</b>	<b>430,206</b>

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

**Limestone Coast Local Government Association**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	4	938,643	869,155
Trade and Other Receivables	4	64,550	109,323
<b>Total Current Assets</b>		<u>1,003,193</u>	<u>978,478</u>
<b>Total Assets</b>		<u>1,003,193</u>	<u>978,478</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	5	58,448	65,047
Provisions	5	48,883	41,632
Other Liabilities	5	244,694	97,455
<b>Total Current Liabilities</b>		<u>352,025</u>	<u>204,134</u>
<b>Non Current Liabilities</b>			
Provisions	5	32,647	14,856
<b>Total Current Liabilities</b>		<u>32,647</u>	<u>14,856</u>
<b>Total Liabilities</b>		<u>384,672</u>	<u>218,990</u>
<b>Net Assets</b>		<u>618,521</u>	<u>759,488</u>
<b>Equity</b>			
Accumulated Surplus		618,521	759,488
<b>Total Equity</b>		<u>618,521</u>	<u>759,488</u>

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

**Limestone Coast Local Government Association**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2020**

	<b>Accumulated Surplus \$</b>	<b>Total Equity \$</b>
<b>2020</b>		
Balance at the beginning of the year	759,488	759,488
Surplus for the year	(140,967)	(140,967)
Other Comprehensive Income	-	-
Balance at the end of year	<u>618,521</u>	<u>618,521</u>
<b>2019</b>		
Balance at the beginning of the year	329,282	329,282
Surplus for the year	(29,815)	(29,815)
Other Comprehensive Income	460,021	460,021
Balance at the end of year	<u>759,488</u>	<u>759,488</u>

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

**Limestone Coast Local Government Association**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 \$	2019 \$
<b>Cash flows from operating activities</b>			
Receipts from members		721,402	642,404
Other receipts		975,487	725,544
Payments to suppliers & employees		(1,627,401)	(1,390,011)
<b>Net cash provided by (or used in) operating activities</b>	<b>6</b>	<b><u>69,488</u></b>	<b><u>(22,063)</u></b>
<b>Cash flows from investing activities</b>			
<b>Net cash provided by (or used in) investing activities</b>		<u>-</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
<b>Net cash provided by (or used in) financing activities</b>		<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash held</b>		69,488	(22,063)
Cash & cash equivalents at beginning of period		869,155	891,218
<b>Cash &amp; cash equivalents at end of period</b>	<b>4</b>	<b><u>938,643</u></b>	<b><u>869,155</u></b>

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

## Limestone Coast Local Government Association

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### Note 1: Statement of Significant Accounting Policies

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

##### **1 Basis of Preparation**

###### **1.1 Compliance with Australian Accounting Standards**

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

###### **1.2 Historical Cost Convention**

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

###### **1.3 Critical Accounting Estimates**

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in apply Limestone Coast LGA accounting policies. The areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this note.

###### **1.4 Rounding**

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

##### **2 The Local Government Reporting Entity**

Limestone Coast LGA is incorporated under the SA Local Government Act 1999 and has its principal place of business at Level 1, 9 Bay Road, Mt Gambier, SA 5290. These financial statements include Limestone Coast LGA direct operations and all entities through which Limestone Coast LGA controls resources to carry on its functions. In the process of reporting on Limestone Coast LGA as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

##### **3 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

##### **4 Income taxes**

The activities of the Association are exempt from taxation under the Income Tax Assessment Act 1997.

##### **5 Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 1: Statement of Significant Accounting Policies (cont)**

**6 Leases**

At inception of a contract, the Association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Association where the Association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

**7 Impairment of assets**

At the end of each reporting period, the Association assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset where it is not possible to estimate the recoverable amount of an individual asset, the Association estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

**8 Revenue**

The Association recognises revenue under *AASB 1058 Income of Not-for-Profit Entities (AASB 1058)* or *AASB 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 Association expects to be entitled on 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 Association to acquire or construct a recognisable non-financial asset that is to be controlled by the Association. In this case, the Association 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.

**9 Trade and other receivables**

These include amounts due from ATO and accrued interest on deposits in financial institutions. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

## Limestone Coast Local Government Association

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### Note 1: Statement of Significant Accounting Policies (cont)

##### **9 Trade and other receivables (cont.)**

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

##### **10 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 oncost) 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 oncost) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

No accrual is made for sick leave as 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 Association does not make payment for untaken sick leave. Sick leave shall be portable from Association to Association. A local government employee shall be entitled to carry sick leave credits from the previous employing Association (or Associations) to the present Association provided the service is continuous as defined by the Local Government Act 1934 but such credits shall not be available until sick leave credits accrued at the employee's employing Association have been exhausted. The employing Association may recover from previous employing Associations a contribution towards the cost of sick leave granted in accordance with this contribution towards the cost of sick leave granted in accordance with this subclause.

##### **11 New and Amended Accounting Polices Adopted**

AASB 16 Leases, which commenced from 1 July 2019, requires that the right of use conveyed by leasing contracts except leases with a maximum term of 12 months and leases for non-material amounts be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2020, the Association has no leases to which this treatment will need to be applied.

The Association had elected to early adopted AASB 1058 (Income of Not for Profit Entities) and AASB 15 (Revenue from Contracts with Customers) effective 30 June 2019 utilising the cumulative effect method. The cumulative effect of transition is shown as an adjustment to retained earnings at the date of initial application and no adjustments were made to comparatives figures

**Limestone Coast Local Government Association**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 2: Income**

	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b><u>Local Government Contributions</u></b>		
City of Mount Gambier	217,695	180,098
District Council of Grant	86,159	78,125
Wattle Range Council	135,999	134,442
Naracoorte Lucindale Council	110,772	90,027
District Council of Robe	44,968	43,453
District Council of Tatiara	83,874	75,842
District Council of Kingston	41,935	40,417
<b>Total</b>	<b><u>721,402</u></b>	<b><u>642,404</u></b>
<b><u>Other Contributions</u></b>		
South Australian Tourism Commission	77,708	49,013
Local Government Association	130,142	248,846
Regional Development Australia	170	30,000
Starclub Funding	106,000	106,000
Road Safety Funding (Motor Accident Commission)	-	65,000
<b>Total</b>	<b><u>314,020</u></b>	<b><u>498,859</u></b>
<b><u>Other Income</u></b>		
Interest Revenue	17,989	15,891
Funds Carried Forward	70,955	37,252
Sundry Income	31,764	65,998
Sponsorship	37,388	-
<b>Total</b>	<b><u>158,096</u></b>	<b><u>119,141</u></b>
<b><u>Project Income</u></b>		
Department of Environment and Water	5,000	58,910
SA Fire & Emergency Services Commission (NDRP)	23,250	6,750
Sports Academy Contribution	10,468	13,182
Participant Fees (Limestone Coast Leadership Program)	15,437	24,091
SA Coastal Councils Alliance	9,000	9,000
Building Better Regions Fund	21,864	18,136
Department of Planning, Transport & Infrastructure	65,000	-
Department of Health	90,069	-
LCLGA Project Contribution	55,000	-
<b>Total</b>	<b><u>295,088</u></b>	<b><u>130,069</u></b>
<b><u>Unbudgeted Project Income</u></b>		
Green Industries SA	-	2,063
SA Fire & Emergency Services Commission	-	5,000
Other	1,761	-
<b>Total</b>	<b><u>1,761</u></b>	<b><u>7,063</u></b>
<b><u>Other Comprehensive Income</u></b>		
Funds Carried Forward	-	173,376
Project Liability Income	-	286,645
<b>Total</b>	<b><u>-</u></b>	<b><u>460,021</u></b>

**Limestone Coast Local Government Association**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 3: Expenses**

	2020	2019
	\$	\$
<b><u>Operating Expenses</u></b>		
Advertising	14,343	15,656
Audit fees	11,378	2,900
Bank Charges	643	498
Chairperson's Allowance	13,105	2,895
Computing	16,197	12,538
Consultancy	9,316	20,352
Governance	-	16,005
Insurance	9,972	7,685
Legal Fees	-	-
Minor Equipment	-	7,403
Motor Vehicle	57,899	53,690
Office Expenses	27,808	22,583
Rent	22,797	25,227
Seminars	5,174	5,118
Trade Shows	15,131	42,082
Training	1,712	6,928
Travel and Accommodation	23,726	42,528
<b>Total</b>	<b><u>229,201</u></b>	<b><u>284,088</u></b>
<b><u>Employee Costs</u></b>		
Salaries and Wages	673,453	500,833
Superannuation	63,327	46,957
Oncosts	6,399	4,809
Leave provision movement	25,042	25,441
<b>Total</b>	<b><u>768,221</u></b>	<b><u>578,040</u></b>
<b><u>Project Expenditure</u></b>		
Coastal Alliance	67,587	37,663
Leadership Program	65,482	81,255
Administration	3,052	-
Red Meat Cluster	15,184	-
SMLC	27,361	-
Heritage Advisor	70,151	62,870
RDA Limestone Coast	102,143	90,781
Brand Development	6,882	9,325
Regional Growth Plan	1,530	6,050
Planning Reform	16,961	13,546
Climate Project	8,924	122,162
Sports Academy	87,416	46,996
Road Safety	10,149	1,307
Star Club	3,072	-
Tourism	110,926	13,871
Rating Equity State Project	1,000	-
Waste	34,331	24,938
<b>Total</b>	<b><u>632,151</u></b>	<b><u>510,764</u></b>

**Limestone Coast Local Government Association**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 3: Expenses (Cont.)**

	2020	2019
	\$	\$
<b><u>Unbudgeted Project Expenditure</u></b>		
Substance Misuse	-	40,000
Waste	-	14,459
Other	1,761	-
	<b>1,761</b>	<b>54,459</b>

**Note 4: Assets**

**Cash and Cash Equivalents**

Petty Cash	250	500
Cash at bank	228,917	176,856
Term Deposit	709,476	691,799
<b>Total</b>	<b>938,643</b>	<b>869,155</b>

**Trade and Other Receivables**

Trade Debtors	64,550	109,323
<b>Total</b>	<b>64,550</b>	<b>109,323</b>

**Note 5: Liabilities**

**Trade and Other Payables**

Goods & Services	26,272	43,233
Accrued Expenses	8,831	12,979
GST Payable	(2,406)	(1,698)
PAYG Payable	24,156	10,533
Other	1,595	-
	<b>58,448</b>	<b>65,047</b>

**Provisions**

	2020		2019	
	Current	Non-Current	Current	Non-Current
	\$		\$	
Employee entitlements (including on-costs)	48,883	32,647	41,632	14,856
	<b>48,883</b>	<b>32,647</b>	<b>41,632</b>	<b>14,856</b>

**Limestone Coast Local Government Association**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 5: Liabilities (Cont.)**

**Other Liabilities**

The unexpended funds reserve represent funds set aside for the future use on projects managed by the Association

	<b>2020</b>	<b>2019</b>
	\$	\$
<b>Tourism</b>		
Balance brought forward	20,000	151,851
Project Contribution (South Australian Tourism Commission)	23,952	20,000
Expenses/Transfer	<u>(20,000)</u>	<u>(151,851)</u>
Project funds not expended at year end	23,952	20,000
 <b>Limestone Coast Leadership</b>		
Balance brought forward	13,000	-
Project Contribution	31,775	13,000
Expenses/Transfer	<u>(6,500)</u>	<u>-</u>
Project funds not expended at year end	38,275	13,000
 <b>SMLC -DOH</b>		
Balance brought forward	9,925	-
Project Contribution	87,000	9,925
Expenses/Transfer	<u>(12,993)</u>	<u>-</u>
Project funds not expended at year end	83,932	9,925
 <b>Regional Coast Alliance</b>		
Balance brought forward	54,530	-
Project Contribution	98,535	54,530
Expenses/Transfer	<u>(54,530)</u>	<u>-</u>
Project funds not expended at year end	98,535	54,530
 <b>Total unspent funds reserves</b>	<u><b>244,694</b></u>	<u><b>97,455</b></u>

**Note 6: Reconciliation of 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 reporting period as shown in the Cash Flow Statement of reconciled to the related Balance Sheet as follows:

Total cash & cash equivalent assets	<b>938,643</b>	869,155
 <b>(b) Reconciliation of Changes in Net Assets to cash from Operating Activities</b>		
Net surplus for the year	<b>(140,967)</b>	430,206
 <i>Changes in assets and liabilities</i>		
(Increase)/decrease in trade and other receivables	<b>44,773</b>	(61,715)
Increase/(decrease) in trade and other payables	<b>(21,817)</b>	40,999
Increase/(decrease) in employee benefits	<b>25,042</b>	25,441
Increase/(decrease) in other liabilities	<u><b>162,457</b></u>	<u>(456,994)</u>
	<u><b>69,488</b></u>	<u>(22,063)</u>

**(c) Financing Arrangements**

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

Corporate Credit Cards	<b>15,000</b>	15,000
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# Limestone Coast Local Government Association

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

### Note 7: Financial Instruments

All financial instruments are categorised as *loans and receivables*

#### Accounting Policies - Recognised Financial Instruments

<b>Bank, Deposits at call, Short Term Deposits</b>	<p><b>Accounting Policy:</b> Carried at lower of cost and net realisable value, interest is recognised when earned.</p> <p><b>Terms &amp; Conditions:</b> Deposits are returning fixed interest rates of 1.3% (2019 2.3%)</p> <p><b>Carrying amount:</b> approximates fair value due to short term to maturity</p>
<b>Receivables:</b> Fees & other charges	<p><b>Accounting Policy:</b> Carried at nominal values less any allowances for doubtful debts. An allowance for doubtful debts is recognised (and reassessed annually) when collection in full is no longer possible</p> <p><b>Terms &amp; Conditions:</b> unsecured, and do not bear interest. Although Association is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Associations boundaries.</p> <p><b>Carrying amount:</b> approximates fair value (after deduction for any allowance)</p>
<b>Receivables:</b> other levels of government	<p><b>Accounting Policy:</b> Carried at nominal value.</p> <p><b>Terms &amp; Conditions:</b> 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.</p> <p><b>Carrying amount:</b> approximates fair value</p>
<b>Liabilities:</b> Creditors & Accruals	<p><b>Accounting Policy:</b> Liabilities are recognised for amounts to be paid in future for goods &amp; services received, whether or not billed to the Association.</p> <p><b>Terms &amp; Conditions:</b> Liabilities are normally settled within 30 days.</p> <p><b>Carrying amount:</b> approximates fair value</p>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020

Note 7: Financial Instruments (cont.)

Liquidity Analysis

	Due < 1 year	Due > 1 Year ≥ 5 years	Due > 5 Years	Total Contractual Cash Flows	Carrying Values
<b>2020</b>					
<b>Financial Assets</b>					
Cash & Equivalents	938,643	-	-	938,643	938,643
Receivables	64,550	-	-	64,550	64,550
<b>Total</b>	<b>1,003,193</b>	<b>-</b>	<b>-</b>	<b>1,003,193</b>	<b>1,003,193</b>
<b>Financial Liabilities</b>					
Payables	26,272	-	-	26,272	26,272
<b>Total</b>	<b>26,272</b>	<b>-</b>	<b>-</b>	<b>26,272</b>	<b>26,272</b>

	Due < 1 year	Due > 1 Year ≥ 5 years	Due > 5 Years	Total Contractual Cash Flows	Carrying Values
<b>2019</b>					
<b>Financial Assets</b>					
Cash & Equivalents	869,155	-	-	869,155	869,155
Receivables	109,323	-	-	109,323	109,323
<b>Total</b>	<b>978,478</b>	<b>-</b>	<b>-</b>	<b>978,478</b>	<b>978,478</b>
<b>Financial Liabilities</b>					
Payables	43,233	-	-	43,233	43,233
<b>Total</b>	<b>43,233</b>	<b>-</b>	<b>-</b>	<b>43,233</b>	<b>43,233</b>

The following interest rates were applicable to Limestone Coast LGA at balance date:

	2020	2019
% Weighted Average Interest rate	1.3%	
Term Deposit		2.3%
	Carrying Value	Carrying Value
	709,476	691,799
	<u>709,476</u>	<u>691,799</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

## Note 7: Financial Instruments (cont)

### **Net Fair Value**

All carrying values approximate fair value for all recognised financial instruments. There is not recognised market for the financial assets of Limestone Coast LGA.

### Risk Exposures:

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. Limestone Coast LGA maximum credit risk on financial assets is the carrying amount, net of any allowances for Limestone Coast LGA doubtful debts. All investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 4 in relation to individual classes of receivables, exposure is concentrated within limestone Coast alga boundaries, and there is no material exposure to any individual debtors.

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

Liquidity risk is the risk that Limestone Coast LGA 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. Limestone Coast LGA has a balance of both fixed and variable rate investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner

## Note 8: Contingent Liabilities and Contingent Assets

At 30 June 2020, the Association is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

## Note 9: Capital Commitments

At 30 June 2020, the Association is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

## Limestone Coast Local Government Association

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

#### Note 10: Events after the end of the reporting period

The entity has and continues to be affected by the current COVID-19 pandemic which has seen some impact on the ability to deliver programs and projects. Some additional grant stimulus has been received.

Subject to the impact from COVID-19 pandemic, the Committee is not aware of any other events which have occurred subsequent to balance date which would materially affect the financial statements prepared for the year ended at 30 June 2020

#### Note 11: Economic Dependence

Limestone Coast Local Government Association is dependent on the Local Councils within its jurisdiction and other funding bodies for the majority of its revenue used to operate the business. At the date of this report, the Committee believe that the Local Councils and other bodies will continue to fund the Association.

#### Note 12: Capital Management

The Committee controls the capital of the entity to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised within tolerable risk parameters. The Committee ensures that the overall risk management strategy is in line with this objective. The committee operates under policies approved by the board. Risk management policies are approved and reviewed by the board on a regular basis. These include credit risk policies and future cash flow requirements. The entity's capital consists of financial liabilities, supported by financial assets. There have been no changes to the strategy adopted by the Committee to control the capital of the entity since the previous year.

#### Note 13: Related Party Disclosure

The total remuneration paid to key management personnel of Limestone Coast Local Government Association Incorporated during the year was as follows;

	<b>2020</b>	2019
	<b>\$</b>	<b>\$</b>
Short term employee benefits incl. Allowances	174,801	110,512
Post employment benefits	15,361	10,223

Key management personnel above includes the executive and Board of Management.

The specific banding of key management personnel and Board of management from the Limestone Coast Local Government Association Incorporated during the year was as follows;

<b>\$</b>	<b>2020</b>	<b>2019</b>
under \$50,000	1	1
\$50,001 to \$100,000	0	0
\$100,001 to \$150,000	0	1
\$150,001 to \$200,000	1	0

**Limestone Coast Local Government Association**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**Note 13: Related Party Disclosure (cont.)**

Other related parties includes close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

There were no transactions with other related parties apart from:

- A relative of a KMP owns a business who contract's there services as required to the Kingston District Council.

	Amounts received from Related Party during the financial year	Amounts outstanding from Related Party at the end of the financial year
Related Party Entity	2020 \$	2020 \$
City of Mount Gambier	217,695	-
District Council of Grant	86,159	-
Wattle Range Council	135,999	-
Naracoorte Lucindale Council	110,772	1,650
District Council of Robe	44,968	-
District Council of Tatiara	83,874	-
District Council of Kingston	41,935	-
Total	<u>721,402</u>	<u>1,650</u>

**Limestone Coast Local Government Association**

**STATEMENT BY MEMBERS OF THE COMMITTEE  
FOR THE YEAR ENDED 30 JUNE 2020**

In the opinion of the committee, the Financial Statements comprising of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements:

1. Presents a true and fair view of the financial position of Limestone Coast Local Government Association as at 30 June 2020 and its performance for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements.
2. At the date of this statement, there are reasonable grounds to believe that Limestone Coast Local Government Association will be able to pay its debts as and when they fall due.

The Committee is responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



**Mayor Erika Vickery**  
President  
Date:



**Tony Wright**  
Executive Officer  
Date:

**Limestone Coast Local Government Association**

**STATEMENT BY MEMBERS OF THE COMMITTEE  
FOR THE YEAR ENDED 30 JUNE 2020**

**CERTIFICATION OF AUDITOR INDEPENDENCE**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Limestone Coast Local Government Association for the year ended 30 June 2020, the Association's Auditor, Dean Newberry has maintained his 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.



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**President  
LC Local Government Association**



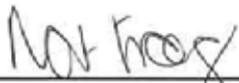
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**Chief Executive Officer  
District Council of Grant**



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**Chief Executive Officer  
City of Mount Gambier**



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**Chief Executive Officer  
Kingston District Council**



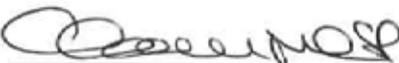
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**Chief Executive Officer  
Naracoorte Lucindale Council**



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**Chief Executive Officer  
District Council of Robe**



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**Chief Executive Officer  
Tatiara District Council**



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**Chief Executive Officer  
Wattle Range Council**

### **Certification of Auditor's Independence**

I confirm that, for the audit of the financial statements of the Limestone Coast Local Government Association for the year ended 30 June 2020, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

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



**Jim Keogh**

**Partner**

**DEAN NEWBERY & PARTNERS**

**CHARTERED ACCOUNTANTS**

**Dated the 7<sup>th</sup> day of October 2020**

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIMESTONE COAST LOCAL GOVERNMENT ASSOCIATION

### Opinion

We have audited the financial report of the Limestone Coast Local Government Association (the Authority), which comprises the Statement of Financial Position as at 30 June 2020, the Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2020, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999*, *Local Government (Financial Management) Regulations 2011* and the Australian Accounting Standards (including Australian Accounting Interpretations).

### Basis for Opinion

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

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

### Other Information other than the Financial Report and Auditor's Report Thereon

The Authority is responsible for the other information. The other information comprises the information included in the Authority's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*. The Authority's responsibility includes establishing and maintaining internal control relevant to preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Report**

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

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

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

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

### **DEAN NEWBERY & PARTNERS CHARTERED ACCOUNTANTS**



**JIM KEOGH  
PARTNER**

Signed on the 15<sup>th</sup> day of October 2020,  
at 214 Melbourne Street, North Adelaide



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