



Annual Report 2018–2019

A Progressive and Caring Council

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Mayoral Report



Richard Sage
MAYOR

I am very humbled to have been re-elected as Mayor of the District Council of Grant in the November elections for a third term to represent you. This twelve months has certainly been very challenging.

I would like to welcome our new Councillors' as they settle into their roles within local government over the next four years.

Council continues to supply the essential services, roads we drive on, footpaths in towns, park lands, playgrounds, library and things that we all take for granted in everyday life. Local Government has 80% of the State's road structures to look after with less than 4% of tax revenue predominantly raised by Council rates. We are aware of your needs and aspirations when we set budgets and undertake the services that are provided; senior days, youth activities and volunteer recognition are only some of the activities that are undertaken through the year as part of our commitment to the community, engagement through township meetings has been a mechanism of connecting with you.

We are at times the conduit between State and Federal Government. Living and working in the community means that we are aware of your concerns and local needs, Council continues to advocate to ensure our State roads are fit for purpose, are safe so that we can retain our current speed limits. Local Government is part of your everyday as we strive to help economic development, tourism, grow the economy through good financial outcomes and economic service delivery.

We are lucky to live in such an economically viable region. We have continued to meet the challenges as we are resilient as we are diverse.

All Councils face some serious challenges financially and as a Council, the Mount Gambier and District Saleyards is a focal point of Council's deliberations. Strong investment in infrastructure and mobile and internet connectivity is required to bring the facility into new age technology. To enable the facility to move forward we need commitment from the farming community to commit to making the investment required to bring the facility to a world class stock exchange a reality and to ensure its viability, and return to Council on their future investment.

The celebration of Australia Day in January 2019 at Mil-Lel was an exceptional event, the community, local school and the hall committee doing an outstanding job. The Australia Day Ambassador, well renowned writer Ms Samela Harris, created a wonderful atmosphere for the District's celebrations with large numbers attending once again.

The Bay Escape held at Port MacDonnell was a new initiative taking over from the Bayside Festival with more a food, wine and music focused festival providing a street party atmosphere which was well received by the community. Congratulations go to the Committee for a job well done.

Mayoral Report

Our Council and community would like to thank our many hundreds of volunteers for their dedication and commitment along with community spirit, selflessly giving their time willingly to support and assist others.

The criteria that defines a volunteer is endless. There are not too many countries in the world that can boast the mateship and generosity through volunteering that is known Australia wide.

Our Council boasts that we have seven schools in our Council area and as part of those schools we see vibrant communities scattered across the District. This brings a real sense of belonging. Lifestyle choice is an indication of how our District is continuing to thrive.

Richard Sage
MAYOR



Acting Chief Executive Officer Report



Jane Fetherstonhaugh
ACTING CHIEF EXECUTIVE OFFICER

2018-2019 saw considerable change at the District Council of Grant, with a change in Council and Chief Executive Officer's over that time.

Local Government elections were held in November 2018, and Council farewelled long serving Deputy Mayor, Brian Collins. We also farewelled Councillors Alan Hill, Greg Saunders and Graham Slarks. New faces on the Council were Councillors Megan Dukalskis, Kylie Boston, Jody Elliott and Brad Mann.

Effective 17 April 2019, Council decided to part company with Chief Executive Officer, Mr David Singe, in line with the terms of his contract. I have been acting in the Chief Executive Officer position since this date, with the Council Chief Executive Officer selection process continuing as at 30 June 2019.

Despite the many changes, Council staff have been "getting on" with the job of achieving Council's strategic priorities with many projects being completed in the last twelve months.

The Port MacDonnell Waterfront project Stage 1 was completed in the early part of the year with a launch at the Port MacDonnell Community Complex on 22 November 2018. Key stakeholders and companies involved in delivering the project came together to celebrate a successful outcome.

The \$1.2M revitalisation of the Port MacDonnell foreshore was co-funded between Council and the Department of Planning, Transport and Infrastructure and includes a plaza, boardwalk, seating and shelters, refurbished public toilet facilities, new public art, foreshore landscaping and improved beach access. Council are currently working on developing the project plan for Stage 2, which will feature a new regional playground adjacent to the redeveloped foreshore area.

Implementation of projects listed in the Port MacDonnell and River and Coastal Master Plans has continued with town entrance signage, new shelter and carpark at Racecourse Bay and a shelter at Nene Valley.

Capital upgrades to Community Wastewater Management Systems in Cape Douglas, Allendale East, Donovans and Tarpeena also occurred during the year.

Council's road construction and renewal program was completed on time and on budget, with over \$2M spent on resealing and re-sheeting of our rural roads and kerbing and channelling of streets in townships.

Major funding for the Mount Gambier Regional Airport Upgrade was received during the year, with \$3.5M from the Australian Government's Building Better Regions Fund, \$4.03M from the South Australian Government through the Department of Planning, Transport and Infrastructure and a contribution of \$500,000 from the City of Mount Gambier. Council will contribute \$1.15M towards this project.

The \$9.2M project consists of an extended runway, new heavy aircraft apron, airfield ground lighting upgrade and a redeveloped terminal. The project is due for completion in December 2020.

The Mount Gambier Regional Airport Upgrade will act as a catalyst to unlock the potential of the Limestone Coast, provide critical air transport infrastructure and promote economic growth through tourism markets.

Acting Chief Executive Officer Report

Council and Regional Express Airlines (REX) worked closely to introduce the REX Community Fare scheme which was implemented in August 2018. The five year partnership between Council and REX includes a reduction in the current standard entry ticket fare from \$177 to \$129 for 25% of all ticket sales outside 30 days and for all unsold seats within one day of departure. REX will also reinstate the five air services between Mount Gambier and Adelaide that were reduced in May 2018, as soon as REX are able to rebuild capacity through pilot numbers.

This will take the weekly flights between Adelaide and Mount Gambier back to a total of 23.

Additionally, Council reduced its head tax, from \$9.50 to \$7.50 as well as raising local awareness of REX and promotion of the Community Fare by both Council and other local stakeholders.

I would like to thank the Elected Members, Council staff, volunteers, ratepayers and residents for their ongoing support as we continue to move to keep the District Council of Grant a great community.

Council and the community can look forward with anticipation and confidence at the many projects and services that will be completed or commenced in 2019-2020.

Jane Fetherstonhaugh
ACTING CHIEF EXECUTIVE OFFICER



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 8,511 (as at 30 June 2018). Our population was 8,203 (as at 2016 census) and covers an area of 1,898 square kilometres.

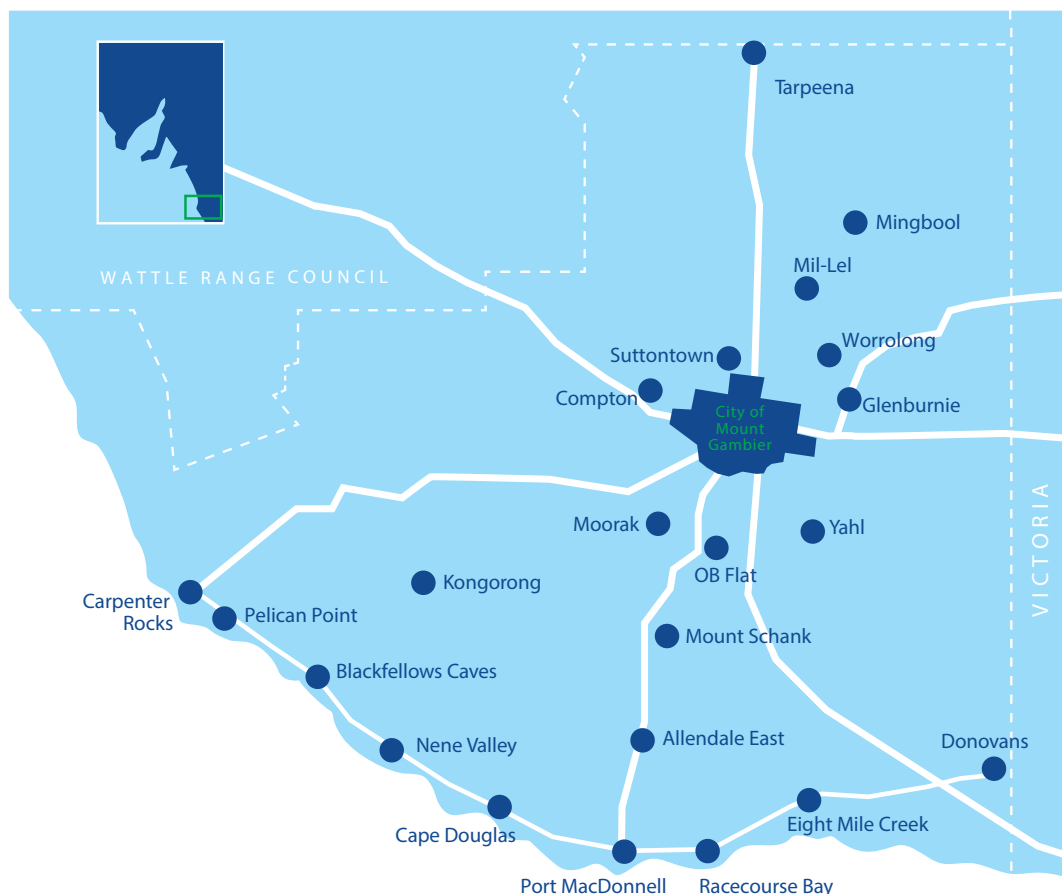
The area contains some of the richest and most productive agricultural land in South Australia. Dairying, beef and sheep production, horticulture, wool, seed and grain production are the predominant agricultural activities. The fishing industry, in particular the southern rock lobster industry is a significant 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

COUNCIL DEMOGRAPHICS

POPULATION
8,511

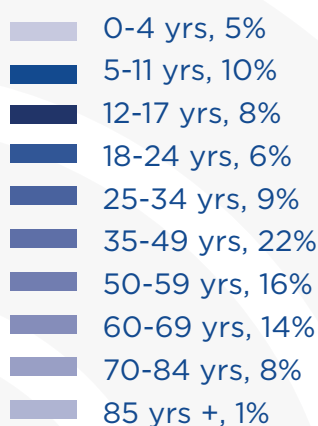
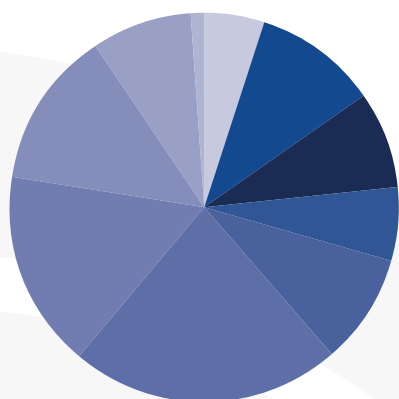


MALE FEMALE
55% 45%

COUPLES WITH
CHILDREN **34%**
LONE PERSON
HOUSEHOLDS **20%**
13% OLDER COUPLES
WITHOUT CHILDREN



POPULATION BREAKDOWN BY AGE



26.5%
RESIDENTS
VOLUNTEER



MEDIAN AGE **43**
7% BORN OVERSEAS
1.6% ABORIGINAL
& TORRES STRAIT
ISLANDERS

11.5%
PROVIDE
UNPAID
ASSISTANCE



TOTAL
HOUSEHOLDS
2,869



166
MEDIAN
RENT
(\$/WEEK)

MEDIAN
HOUSEHOLD
INCOME
(\$/WEEK)
1,383

Council Profile

ECONOMIC DRIVER PROFILE

GROSS REGIONAL
PRODUCT
\$499M

TOTAL OUTPUT
\$775M

832
REGISTERED
BUSINESSES

TOP 3 INDUSTRIES BY OUTPUT

1 AGRICULTURE, FORESTRY & FISHING
\$423.8M (54.7%)

2 MANUFACTURING
\$120M (15.5%)

3 CONSTRUCTION
\$85.4M (11%)

VALUE ADDED BY INDUSTRY - TOP 3

1 AGRICULTURE, FORESTRY & FISHING
\$288.4M (67.6%)

2 MANUFACTURING
\$43.8M (10.3%)

3 CONSTRUCTION
\$22.6M (5.3%)

TOTAL VALUE ADDED
ALL INDUSTRIES
\$426.4M

ESTIMATED NUMBER
OF LOCAL JOBS
2,856

50.6% EMPLOYED IN
AGRICULTURE, FORESTRY & FISHING

(DOMESTIC & INTERNATIONAL)
AGRICULTURE, FORESTRY
AND FISHING 75%
MANUFACTURING 17.7%



\$489.6M
TOTAL EXPORTS

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.



Our Vision & Mission

OUR VISION

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

OUR MISSION

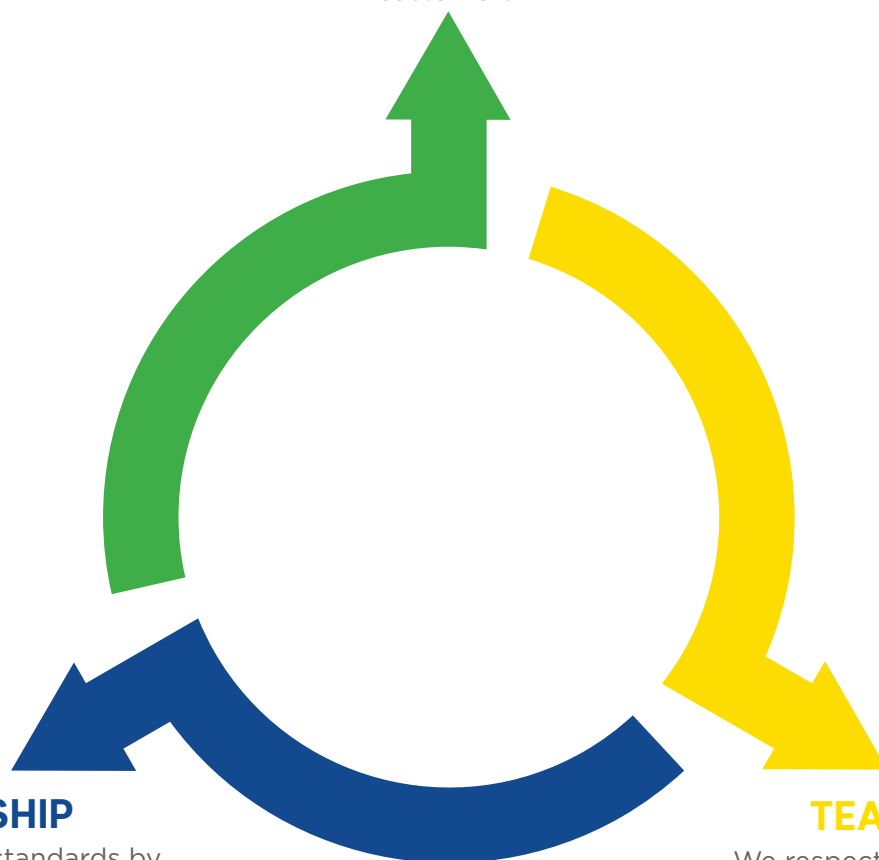
To provide a range of services which meet the environmental, social and economic needs of our community.

OUR VALUES

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

RELATIONSHIPS

We support and value open communication and provide excellent service to all our internal and external customers.



LEADERSHIP

We value our high standards by seeking and sharing knowledge in our work so that we can inspire and encourage others to be empowered to achieve quality outcomes.

TEAM WORK

We respect views of others by working together to provide the best services to our community.
We strive to provide our employees with a healthy work-life balance.

Governance Compliance

COUNCIL DECISION MAKING STRUCTURE

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

COUNCIL COMMITTEES

Key Council Committees are formed under the Local Government Act 1999 and the Development Act 1993 and include:

- Audit Committee
- Works Committee
- Mount Gambier Regional Airport Strategy Committee
- Mount Gambier and District Saleyards Strategy Committee
- Planning and Development Committee
- Council Assessment Panel

Information on the Terms of Reference of the above Committees is available on Council's website or can be obtained on request from Council.

DELEGATIONS TO COUNCIL OFFICERS

Council has delegated responsibilities and powers to the Chief Executive Officer who may then, at any time, sub-delegate to appropriate Council Officers. The schedule of delegations was reviewed and adopted by Council on 18 March 2019, and is available for the public to view at the Council office.

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**
\$38,774 per annum
paid quarterly in advance
- **Deputy Mayor**
\$12,117 per annum
paid quarterly in arrears
- **Other Elected Members**
\$9,796 per annum
paid quarterly in arrears

Council Assessment Panel

- **Presiding Member**
\$250 per Meeting
\$60 per Teleconference Meeting
- **Independent Members**
\$200 per Meeting
\$50 per Teleconference Meeting

Audit Committee

- **Independent Member**
\$200 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.

Governance Compliance

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, with Council provision of 12GB data over 12 months. The Elected Member is responsible for any consumables and extra communication costs associated with this equipment.
- 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:

- Council provide a vehicle (full 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 private use component of the Mayor's vehicle is not to exceed 3,000kms of total annual usage.
- Any private usage that exceeds 3,000kms of total annual usage is to be invoiced to the Mayor for reimbursement, calculated by the number of kilometres exceeding 3,000kms of private use multiplied by the Australian Taxation Office travel reimbursement rate applicable at that time.
- For purposes of annual usage period, this will be a period of twelve months following from adoption of this amended policy, and each subsequent 12 month period.

The Mayor has a corporate fuel card for fuel purchases for the Council owned vehicle, with the Mayor providing all fuel dockets/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 agreement of the Chief Executive Officer.

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

Governance Compliance

- 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.

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 5458 electors.

COUNCIL	ELECTORS	ELECTED MEMBERS (INCL. MAYOR)	REPRESENTATION QUOTA
Northern Areas	3382	9	375
Coorong	3754	9	417
Tatiara	4513	10	451
Wakefield Regional	4765	10	476
Naracoorte Lucindale	5830	11	530
Grant	5458	10	545
Adelaide Plains	5975	10	597
Mid Murray	6442	10	644
Clare & Gilbert Valleys	6687	10	668
Renmark Paringa	6462	9	718

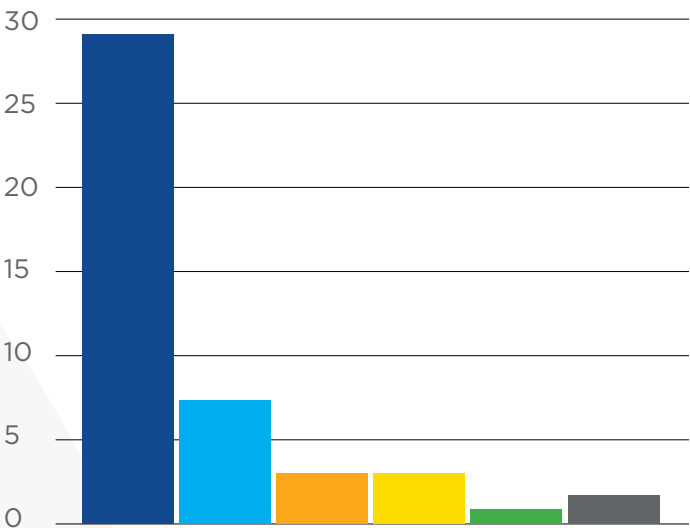
The table above shows a comparison of the elected representation quota for the District Council of Grant compared with similar size and type of Councils in South Australia.

MEETING ATTENDANCE

Elected Members are part of the Council and attend Ordinary Council Meetings. In addition, nominated Elected Members are Members of Council’s Committees.

Meetings held between July 2018 and June 2019:

- Council Meetings (22 Ordinary & 7 Special)
- Council Assessment Panel (7)
- Mount Gambier & District Saleyards Strategy Committee (3)
- Audit Committee (3)
- Mount Gambier Regional Airport Advisory Committee (1)
- Planning & Development Committee (2)



Governance Compliance



MAYOR SAGE

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 27
Audit Committee: 2
Mount Gambier
Regional Airport Strategy
Committee: 1
Mount Gambier & District
Saleyards Strategy
Committee: 2
Planning & Development
Committee: 1



CR BAIN

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 22
Audit Committee: 3
Council Assessment
Panel: 6
Mount Gambier & District
Saleyards Strategy
Committee: 1



CR BOSTON

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 14
Mount Gambier & District
Saleyards Strategy
Committee: 1
(from December)



CR CLAYFIELD

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:***

Council Meetings: 21
Planning & Development
Committee: 1
Mount Gambier Regional
Airport Strategy
Committee: 1



CR COLLINS

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:***

Council Meetings: 7
Mount Gambier & District
Saleyards Strategy
Committee: 2
(July to November)



CR DUKALSKIS

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 16
Audit Committee: 2
(from December)



CRELLIOTT

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 15
Planning & Development
Committee: 1
(from December)



CR HILL

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 10
Planning & Development
Committee: 1
(July to November)

* Reduced number of meetings due to approved leave of absence

Governance Compliance



CR KUHL

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 24
Audit Committee: 1
Council Assessment Panel
(proxy): 1
Mount Gambier & District
Saleyards Strategy
Committee: 3
Planning & Development
Committee: 2



CR LITTLE

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 27
Planning & Development
Committee: 2
Mount Gambier Regional
Airport Strategy
Committee: 1



CR MANN

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 15
Planning & Development
Committee: 2
(from December)



CR REIS

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 24
Mount Gambier & District
Saleyards Strategy
Committee: 2



CR SAUNDERS

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:**

Council Meetings: 7
(July to November)



CR SLARKS

**COUNCIL/COMMITTEE
MEETINGS ATTENDED:***

Council Meetings: 7
Mount Gambier & District
Saleyards Strategy
Committee: 0
(July to November)

* Reduced number of meetings due to approved leave of absence

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 2018-2019:

- South Australian Regional Organisation of Councils
- Local Government Association Roads and Works Conference
- Rural Living and Township Zones and Boundaries Review and Master Plan
- Workshops for New Council
- Economic Development Workshop
- Communication Framework Workshop
- City of Mount Gambier Community & Recreation Hub Workshop
- Elected Members Mandatory Training Modules 1 to 4
- Elected Member Tour of the District Council of Grant

- Overview of Local Government Association Mutual Funds and Work Health Safety Legislation for Elected Members
- Elected Members Mandatory Records Training
- Budget 2019-2020 Workshops
- Cultural Review Workshop
- Local Government Association Annual General Meeting
- Australian Local Government Association National General Assembly Conference
- Various Ministerial Meetings

CONFIDENTIALITY PROVISIONS

Council held 22 ordinary meetings and seven special meetings for the financial year 2018-2019 with a total of 296 items being considered at these meetings.

During 2018-2019, Section 90(2) provisions of the Local Government Act 1999, which enables the exclusion of the public from Council meetings, were invoked on 39 occasions (13% of the total number of items considered). Section 91(7) provisions, which keep minutes confidential, were invoked on 18 occasions.



Governance Compliance

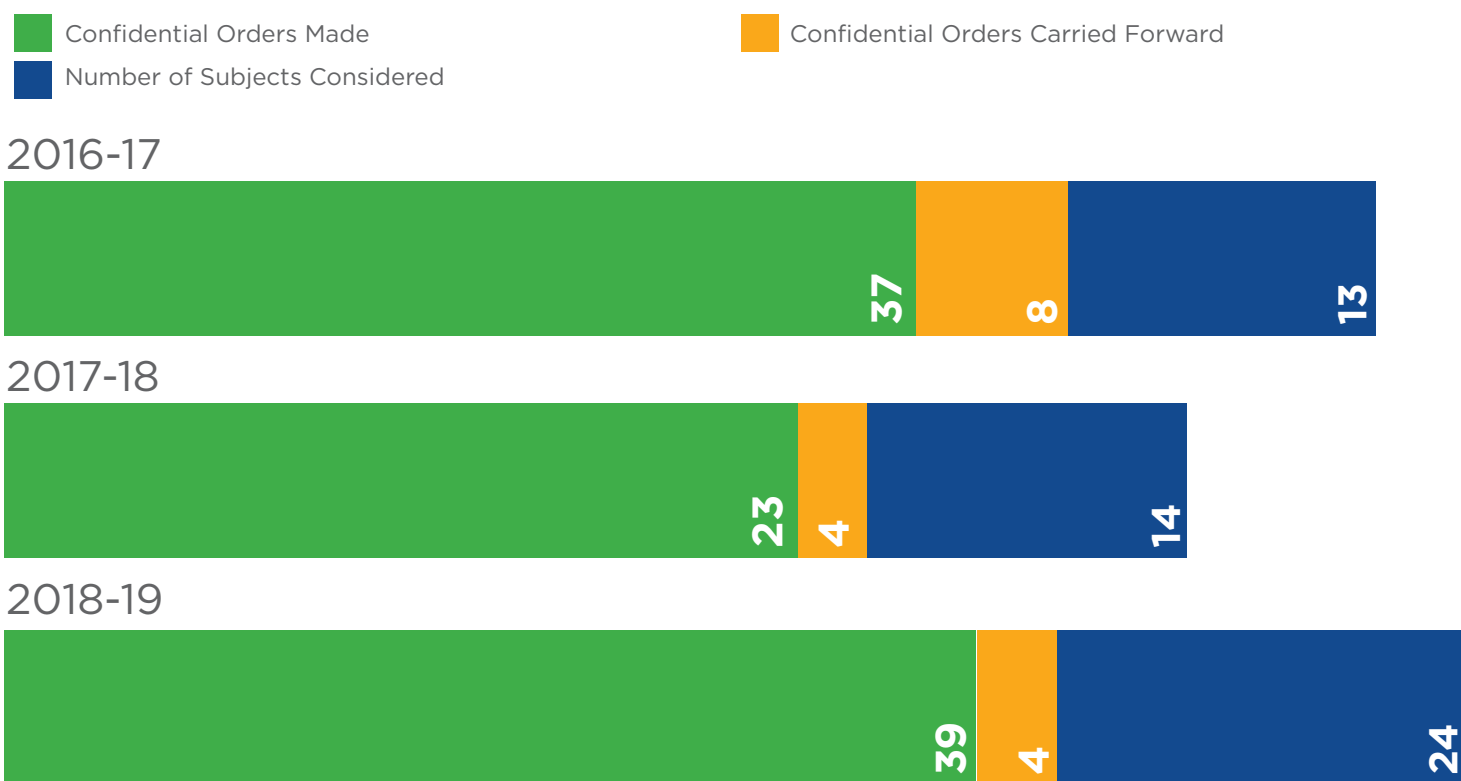
DATE	DESCRIPTION	NATURE OF CONFIDENTIALITY	HELD IN CONFIDENCE
16/7/18	South East Local Health Network	90(3)(a) Personal affairs	No
6/8/18	Rex Partnership Proposal	90(3)(d) Commercial information (not a trade secret)	No
6/8/18	Relocation of Mount Gambier Airport Office	90(3)(b) Commercial advantage	No
6/8/18	Sandyridge Holdings Asbestos Burial	90(3)(h) Legal Advice	Yes
13/8/18	Rex Partnership Proposal	90(3)(d) Commercial information (not a trade secret)	No
20/8/18	Sandyridge Holdings Asbestos Burial	90(3)(h) Legal Advice	Yes
5/11/18	Mount Gambier Airport Terminal Redevelopment – Design Services – Tenders	90(3)(k) Tenders	No
5/12/18	Chief Executive Officer Employment Contract	90(3)(a) Personal Affairs	No
10/12/18	Chief Executive Officer Employment Contract	90(3)(a) Personal affairs	No
17/12/18	Sandyridge Holdings Pty Ltd – Disposal of Asbestos	90(3)(h) Legal Advice	Yes
17/12/18	Nominations for 2018 Australia Day Citizens Awards	90(3)(a) Personal affairs	No
17/12/18	Chief Executive Officer Employment Contract	90(3)(a) Personal Affairs	No
21/1/19	Chief Executive Officer's Key Performance Indicators Update Report	90(3)(a) personal affairs	No
21/1/19	Chief Executive Officer's Key Performance Indicators Update Report	90(3)(a) personal affairs	No
21/1/19	Building Regulatory Matters	90(3)(i) Litigation of Council or Employee	Yes
4/2/19	Legal Advice Concerning Sandyridge Holdings Pty Ltd	90(3)(h) Legal Advice	Yes
4/2/19	Mount Gambier Regional Airport Redevelopment	90(3)(d) Commercial information (not a trade secret)	No
4/2/19	Legal Advice Concerning Land Management Agreement	90(3)(h) Legal Advice	No
4/2/19	Port MacDonnell Foreshore Tourist Park	90(3)(h) Legal Advice	Yes
11/2/19	Port MacDonnell Foreshore Tourist Park	90(3)(b) Commercial advantage	Yes
18/2/19	Sale of Land for Non-Payment of Council Rates and Charges	90(3)(a) Personal Affairs	Yes
18/2/19	Mount Gambier Regional Airport Redevelopment	90(3)(d) Commercial information (not a trade secret)	No

Governance Compliance

DATE	DESCRIPTION	NATURE OF CONFIDENTIALITY	HELD IN CONFIDENCE
4/3/19	Donovans and Dry Creek Boat Ramp Upgrade Project	90(3)(d) Commercial information (not a trade secret)	Yes
4/3/19	Building Regulatory Matter	90(3)(i) Litigation of Council or Employee	Yes
4/3/19	Chief Executive Officer - HR Consultant Selection	90(3)(k) Tenders	No
4/3/19	Mount Gambier and District Saleyards	90(3)(a) Personal Affairs	No
7/3/19	Staff matter	90(3)(a) Personal Affairs	No
18/3/19	Confidential Minutes of the Planning and Development Committee - Meeting Held Tuesday 12 March 2019	90(3)(m) DPA Proposal	Yes
18/3/19	Legal Advice Concerning Sandyridge Holdings Pty Ltd	90(3)(h) Legal Advice	Yes
15/4/19	Mount Gambier and District Saleyards	90(3)(d) Commercial information (not a trade secret)	No
15/4/19	Internal Operations	90(3)(e) Security	No
15/4/19	Internal Affairs	90(3)(j) Information from Crown or Public Authority	Yes
16/4/19	Cultural Review	90(3)(h) Legal Advice	Yes
6/5/19	Litter Abatement Notice - Megaw Road, Compton - Notice of Appeal	90(3)(h) Legal Advice	Yes
6/5/19	Acting Chief Executive Officer	90(3)(a) Personal Affairs	No
6/5/19	Cultural Review Actions	90(3)(e) Security	Yes
20/5/19	Cultural Review	90(3)(e) Security	Yes
20/5/19	Chief Executive Officer Recruitment	90(3)(a) Personal Affairs	Yes
20/5/19	Waste Management Tenders	90(3)(d) Commercial information (not a trade secret)	No
Pre 2017-18 (carried over)			
6/7/15	Port MacDonnell Old Boatyard Land	90(3)(d) Commercial information (not a trade secret)	Yes
6/6/16	Building Regulatory Matters	90(3)(i) Litigation of Council or employee	Yes
5/10/16	Building Regulatory Matters	90(3)(i) Litigation of Council or employee	Yes
7/11/16	Question Without Notice - Building Regulatory Matters	90(3)(i) Litigation of Council or employee	Yes
20/2/17	Question Without Notice - Building Regulatory Matters	90(3)(i) Litigation of Council or employee	Yes

Governance Compliance

NUMBER OF CONFIDENTIAL ORDERS MADE 2015-2019



COUNCIL COMMITTEE	NUMBER OF MEETINGS	NUMBER OF ITEMS	ITEMS CONSIDERED 'IN CONFIDENCE'
Audit Committee	3	15	0
Mount Gambier Airport Advisory Committee	1	4	0
Mount Gambier & District Saleyards Advisory Committee	3	15	0
Planning & Development Committee	2	7	3

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 2018-2019 Council received no requests for an internal review of a decision of Council.

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 of Practice

- 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)
- Order Making Policy
- Public Consultation Policy
- Selection of Road Names Policy
- Elected Members Training and Development Policy
- Elected Member Complaint Handling Policy

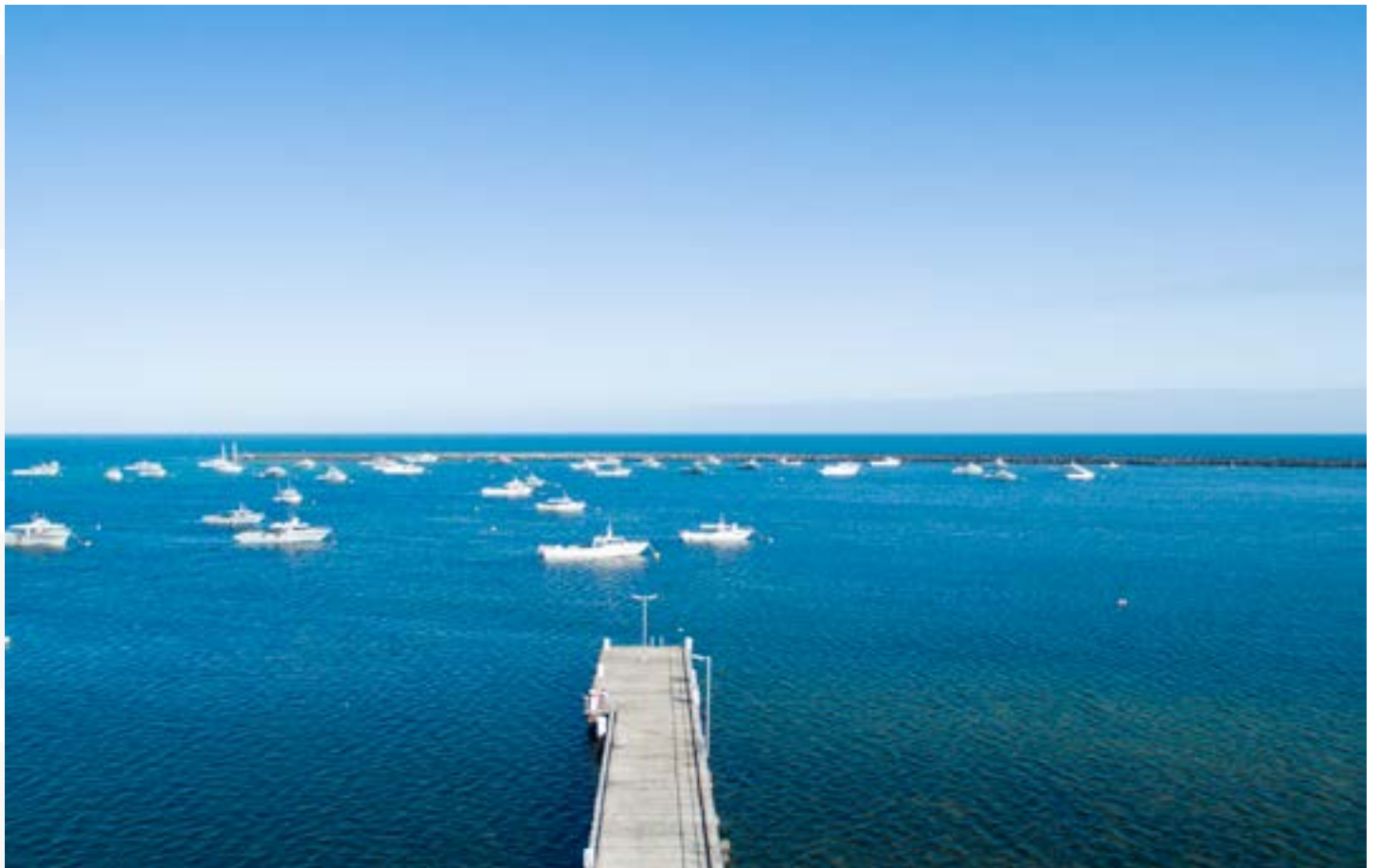
Governance Compliance

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 six (6) Freedom of Information applications during 2018-2019 (compared to two (2) in 2017-2018).

Two applicants were granted full access to the documents that were requested; one applicant was granted partial access to the documents that were requested; one application was withdrawn; and one application yielded no documents. One application is still being dealt with.

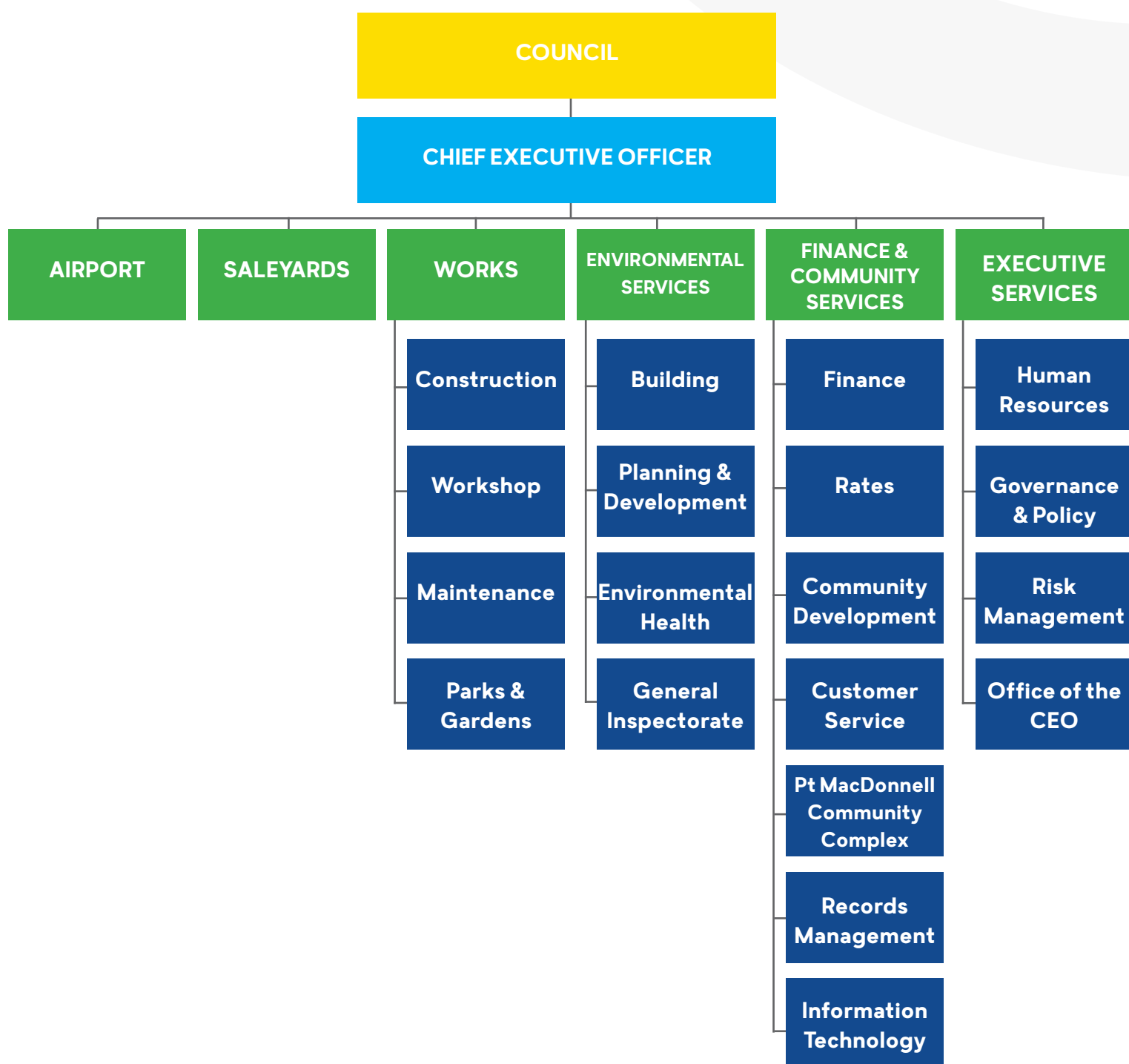


Our Organisation

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

Councils Management and Business Systems

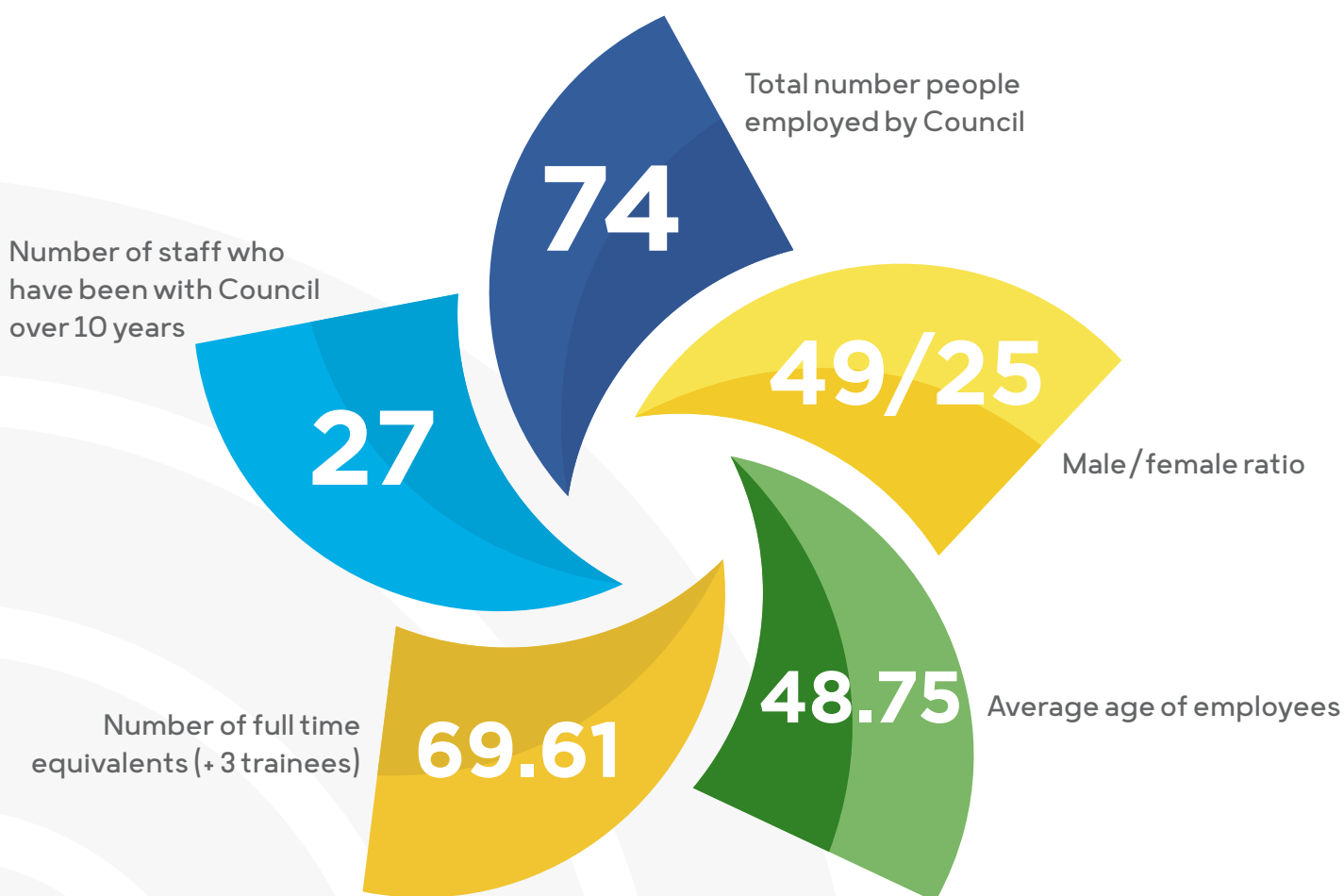
The Human Resource Framework continues to guide the application of sound human resource management principles across Council. Key focus is placed on the streamlining of systems and the further development of a suite of procedures.

The Risk Management Plan and Framework provide an integrated approach to risk management. Within this framework lies Council's Work Health Safety management system which aims to provide an incident and injury free workplace for all employees, Elected Members, contractors, visitors and the public.

During 2018-2019 Council's Work Health Safety systems have been further developing with a continuing emphasis on hazard management, together with 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.

Workforce at a Glance



Services

WORKS AROUND THE DISTRICT

Special Local Roads Program funding was received to undertake the reconstruction of a 1.6km section of Mingbool Road which was completed in December 2018 at a cost of \$400,000. Funding of \$200,000 was received, with the remainder contributed by Council.

In accordance with Council's Infrastructure Asset Management Plan a 90m section of Glenelg Avenue, 600m section of McKay Road, 500m of Buchanan Road and 30m of Preece Road intersection were reconstructed and sealed. Council's Infrastructure Asset Management Plan commits to seal and kerb at least one street per year in our townships. In 2018-2019 Council completed kerbing and water channel construction to a 300m section of Carpenter Rocks Road, 330m of Albinia Terrace West, an 80m section of Pelican Point Road and a 300m section of Hay Terrace.

As part of Council's commitment to maintenance of the unsealed road network, sections of roads within Council's district were re-sheeted during the year. This included Bright Road, Burnda Road, Christians Road, Grundys Lane South, Carney Lake Road, Pannells Road, Schutz Road, Hollis Road, Walsgott Road, Sunnybrae Road, Ponda Road, Gums Road, Sewarts Road, Stock Route Road, Crowes Road, Heaver Road, Three Chain Road, Coola Road and Medhurst Road.



THE WATERFRONT PROJECT

In 2017 Council received 50% funding for the Department of Planning Transport and Infrastructure to undertake Stage 1 of The Waterfront Project at Port MacDonnell funded at a cost of \$1.17M. The project was completed in December 2018.

Oxigen were awarded the tender to undertake the detail design for the project, and Gambier Earth Movers were awarded the tender to undertake the civil works which commenced in April 2018.

Community consultation for this project was sought in 2014 during the development of the Port MacDonnell Masterplan and this was used to design and deliver the Waterfront Project Stage 1. To determine the piece of public art for The Waterfront project, Council made available to the public a selection of works for community vote. A bronze statue was voted the most popular piece, and thus was commissioned to Gillie and Marc.

Services

The Baytown Group donated to the project the cost of installing the water fountain in the plaza and volunteers at the Port MacDonnell Maritime Museum assisted with the history and information for the interpretive signage.

The Waterfront Project Stage 1 was officially opened Thursday 22 November 2018, at the Port MacDonnell Community Complex, with a VIP event which included stakeholders in the project.

MOUNT GAMBIER REGIONAL AIRPORT

Grant funding to the value of \$11,964 from the State Government enabled Council to undertake major repairs to Taxiway “Alpha 1” to facilitate movement of the aircraft between runways and the terminal/hanger areas.

The first stages of the \$9.2M Mount Gambier Regional Airport Upgrade commenced with the installation of new 160kVA generator, and back of house lighting control system to replace the old system which was installed 40 years ago. The remainder of the upgrade projects are scheduled for completion by December 2020.

The generator will power the entire Airport during blackout situations whilst allowing the Airport terminal and Airport tenants to continue with business as normal.

During catastrophic fire situations and potential loss of mains power at the Airport, Council will be able to pump water to allow the firebombing aircraft and ground tankers to access water continuously.

The arrangement with Regional Express Airlines in regards to the Community Fare scheme has been successful and there has been a marked increase in passengers flying into and out of the Limestone Coast.

The Mount Gambier Regional Airport purchased a hanger from De Bruin (formally the old O'Connor Airlines maintenance hanger) to allow the administration office to relocate from the World War II duty pilots office to the building that Gambi Air flying school was occupying. After a conversion from workshops to office and briefing rooms, the flying school was transferred to the hanger which has been a positive move all round by providing:

- More room and accessibility to the public for the airport administration; and
- More space for the flying school to expand into, resulting in a dramatic increase of aircraft now operating from the Airport and a corresponding increase in flying training at the Airport.



Services

MOUNT GAMBIER AND DISTRICT SALEYARDS

The Mount Gambier and District Saleyards is located on the Princes Highway at Glenburnie and operates sale days each Wednesday as well as a monthly Store Sale. The Saleyards offers six selling agents, and is European Union Prime Eligible.

There has been an increase in cattle sales of approximately 23% from 2017-2018, while sheep and lamb sales have decreased 16%. The stock value sold at the Saleyards was almost \$108M for the 2018-2019 financial year. Indirectly the Saleyards assists six 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.

Projects undertaken include replacing rubber matting in 28 selling pens; replacing the large Bobcat loader; upgrading of the security with additional cameras; upgrade to the 3G and 4G mobile service coverage; installation of additional stainless steel benchtop in the canteen; introduction of online Saleyards site induction for users; and further safety improvements to the cattle adjustable ramps.

The Saleyards continues to focus on listening and working cooperatively with all stakeholders of the Saleyards facility to ensure that 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.



Focussing on core strategies from the Strategic Management Plan 2016 to 2020 continues by 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.



80,521 CATTLE
(NOT INCLUDING CALVES)
WERE SOLD AT THE MOUNT
GAMBIER & DISTRICT SALEYARDS
IN 2018-2019

.....

121,596

SHEEP AND LAMBS
WERE SOLD AT THE
MOUNT GAMBIER & DISTRICT
SALEYARDS IN 2018-2019

.....



THE STOCK VALUE SOLD AT THE
SALEYARDS WITHIN THE DISTRICT COUNCIL
OF GRANT WAS ALMOST

\$108M

FOR THE 2018-2019 FINANCIAL YEAR

Economic Development

DAIRY INDUSTRY BUSINESS REVIEW PROJECT

A Dairy Business Review Report based on the findings of a study into the dairy industry jointly commissioned by District Council of Grant and Wattle Range Council and undertaken by SED Regional Advisory was finalised late last year and released publicly earlier this year.

The study was commissioned because of the importance of the dairy industry to both Councils, with the two Councils being home to the majority of dairies in the Limestone Coast region. The study was initiated to undertake an independent review of the dairy industry across both districts, to consider the potential future of the industry, opportunities for growth as well as possible constraints to the industry.

The report identified the need for Councils to continue to work closely with the sector in an advocacy role and both Councils have given a strong commitment to address the report's findings, specifically to identify and support the development of critical infrastructure, such as power, waste water and skills development, as well as suitable road networks, including the potential for cattle underpasses. Both Councils will continue to promote inward investment opportunities for both the dairy farms and milk processors as well as general promotion of the region as an area suitable for dairying.

In support of the industry, Council participated in the Australian Dairy Plan Forum held at OB Flat on 5 June 2019 hosted by Dairy Australia and continued its ongoing sponsorship of both Dairy Innovation Day held in May and Dairy Australia's Cows Create Careers program for students and their teachers. Council also sponsored the International Red Dairy Breed Federation Event held in this region in March.

TIMBERLINK

In August 2018, Timberlink Australia announced the approval by the board of a \$90M investment in its processing facility at Tarpeena, being one of the largest ever investments in softwood timber processing in Australia.

The investment would see the installation of a completely new saw line, stacker and edger, all with the latest leading-edge technology, coupled with additional contraflow and batch kilns for drying timber. Major site infrastructure changes including upgrades to roads and storage facilities would also be undertaken as part of the upgrade.

Timberlink's facility at Tarpeena is the largest processing facility in the Council area and the announcement of the project, which would lead to the creation of approximately 200 jobs during construction and help secure existing jobs at the facility into the future was well received by Council and the Tarpeena community.

The flow on economic benefits to the region as a result of this investment are expected to be significant.

Council has been assisting Timberlink in the planning process, and will continue to provide support for the project wherever possible, during the approval and construction process.



Planning & Development

INDUSTRIAL DEVELOPMENT PLAN AMENDMENT

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.

RURAL LIVING AND TOWNSHIP ZONES AND 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.

- Stage 1 of the project commenced in mid-2018 and included data gathering and the preparation of an issues paper.

- Stage 2 - Stakeholder Consultation Round 1 was undertaken between 17 October 2018 and 7 December 2018, and included two (2) Community Drop In Sessions, a Council Workshop, and the lodgement of submissions and proposals to Council.
- Stage 3 involved the preparation of the initial draft Review and Master Plan, which was considered by the Council's Planning and Development Committee on 12 March 2019, with a further amended version then being considered by the Committee on 19 June 2019. The project is being overseen by the Committee, which then reports to Council.
- A final draft of the Review and Master Plan will be considered by the Planning and Development Committee and Council later in 2019.
- Stage 4 of the project is to involve further Stakeholder Consultation - Round 2. This further consultation should occur in late 2019.

The Review and Master Plan 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.



Planning & Development

GLENELG RIVER SHACKS

Council at its meeting held on 1 April 2019 considered a Report and had a presentation/deputation from the Glenelg River Shack Owners Association about the shacks along the Glenelg River.

The Department for Environment and Water (DEW) visited and met with Council representatives on 3 May 2019 to discuss the shacks and the Preliminary Retaining Shacks Framework. A similar meeting with shack owners and some Council representatives was then held on 4 May 2019.

DEW then released a 'Retaining Shacks for Vibrant Holiday Communities - Preliminary Discussion Paper - June 2019'.

Council at its meeting held on 24 June 2019 resolved to establish a Working Group with the Glenelg River Shack Owners Association to consider the 'Retaining Shacks for Vibrant Holiday Communities - Preliminary Discussion Paper - June 2019; and the possible establishment of a Shack Code (or similar) in relation to the future maintenance, improvement and/or development of the shacks along the Glenelg River.

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).

Council Officers met with land owners within the Northern Gateway Precinct, and/or their representatives, on 10 April 2019, 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. Mr Tony Pasin MP, Member for Barker, and Mr Troy Bell MP, Member for Mount Gambier, also attended the meeting, together with a representative from the City of Mount Gambier.

The meeting was constructive, with some positive outcomes and directions as to how best to move forward. Proposed actions included the two Council's working collaboratively on the project; the need for some further community engagement by both Council's to confirm the level of community support, particularly for the upgrading of the Riddoch Highway into a dual carriageway; some further dealings with the State Government (and potentially the Federal Government) about the project; and the need for some preliminary road design plans and costings.



Planning & Development

At this time Government funding for any major upgrading of the Riddoch Highway should not be anticipated until at least 2021.

An agreed general position from the meeting was as follows (or similar):

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 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 this project will continue during 2019-2020.

REGIONAL JOINT PLANNING BOARD AND REGIONAL ASSESSMENT PANEL

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

The proposal will be further considered by Council during 2019-2020.

DEVELOPMENT SERVICES

Council's Environmental Services Department provide guidance and advice in the areas of planning and building. Development within the Council area can be in relation to building work; a change in the use of land; the sub-division of an allotment; the private construction or alteration of roads, streets or thoroughfares; prescribed mining or earthworks; creation of fortifications; and activities in relation to State and Local Heritage places.

The average processing time for Development Applications has increased during 2018-19. This was largely caused by changing staff resources and other work priorities during the year.

Council will continue to monitor and seek feedback from customers in relation to the processing of Development Applications.



284
DEVELOPMENT
APPLICATIONS

62
NEW DWELLINGS

\$20,585,715 VALUE OF
DEVELOPMENT APPLICATIONS

Planning & Development

GRANT DISTRICT 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.

Meetings of the Assessment Panel are scheduled to be held in the District Council of Grant Council Chambers, 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 22 Development Applications during 2018-2019.



Environmental Services

WASTE MANAGEMENT

Council continues to seek improvements in the reduction of waste destined for landfill. 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 land contamination, particularly in relation to the recyclable streams. Residents continue to receive a financial discount through the voucher system for segregation of waste at the transfer stations.



**OVER 1,820 TONNES
COLLECTED :**

**350.5 TONNES
OF RECYCLING
COLLECTED
KERBSIDE**

**1474.3 TONNES
OF GENERAL
WASTE COLLECTED
KERBSIDE**

**4002 DRUMS
RECYCLED**



**OVER 7,000 CARS
THROUGH THE GATES
AT COUNCIL'S FOUR
WASTE TRANSFER STATIONS**

DRUM MUSTER

The collection of drums through the Drum Muster program continues to be a well utilised service. The May 2019 collection saw approximately 4002 eligible containers picked up, processed and recycled, compared with 2445 containers the previous year. For a rural municipality such as the District Council of Grant, the initiative prevents a significant amount of waste from entering landfill.

FIRE PREVENTION

Council plays a significant role in fire prevention within the district. Staff liaise with the Country Fire Service in relation to curing data, particularly during the Fire Danger Season. A few 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.

UNSIGHTLY PROPERTIES

Council has dealt with several illegal land uses and unsightly properties, which has required thorough investigation, collaboration with other regulatory bodies, and various enforcement actions. On occasions it has involved parties being pursued through the Court. The Development Act, Local Nuisance and Litter Control Act, and South Australian Public Health Act provide legislative tools for Councils to seek satisfactory resolutions to these matters.

Environmental Services

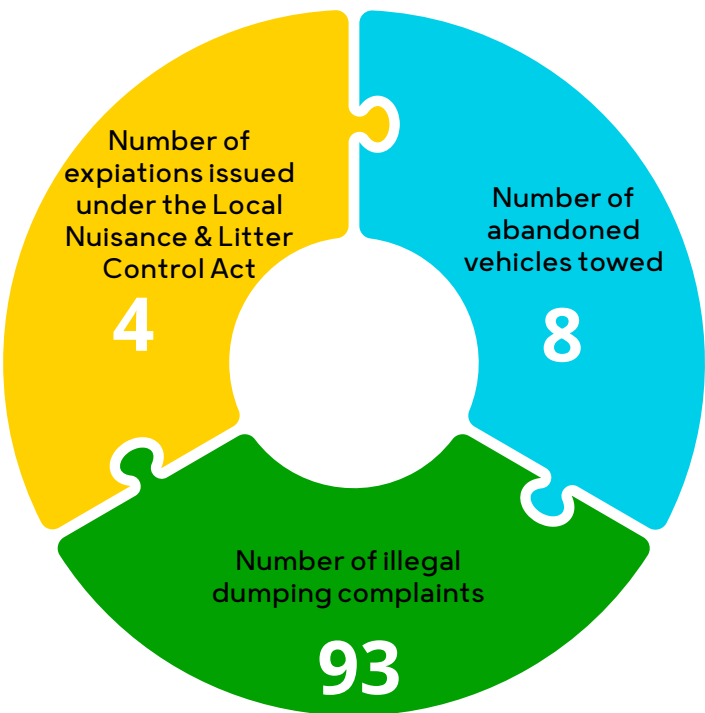
ILLEGAL DUMPING

Illegal dumping continues to be a significant ongoing problem throughout the Council area. The number of illegal dumping complaints has alarmingly increased from 46 in 2017-2018 to 93 in 2018-2019.

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.

FOOD SAFETY

Council facilitated a TAFE SA food safety short course in June 2019. It was designed to assist food handlers from both the paid and volunteer sector. Food safety principles were covered in a succinct format with relatable examples given. The participation rate in the course was excellent.

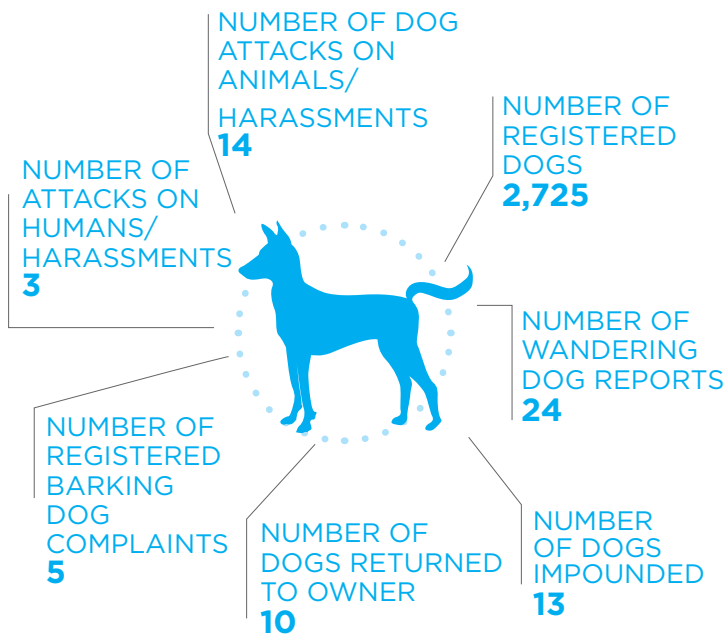


The Limestone Coast Councils are also exploring the merit of formalising an agreement to enable environmental health staff to assist neighbouring Councils where appropriate.

ANIMAL MANAGEMENT

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.

The State Governments new Dogs and Cats Online system, referred to as DACO, went live on 1 July 2018.



Environmental Services

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 113 to 2,725 dogs. The number of dogs impounded and wandering dog reports has decreased compared to the previous year. There has been a slight increase in the incidence of dog attacks on humans and animals / harassment than the previous year.

There has also been an increase in the number of barking dog complaints.

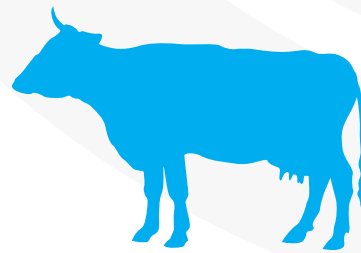
Council continues to combat instances of dogs wandering at large and has continued to conduct frequent township patrols. Instances of dog attacks and dogs wandering at large are responded to as expediently as resources allow.

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.

Although not compulsory, a total of 201 cats were registered in the Council area through DACO.

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.



NUMBER OF STOCK COMPLAINTS
52

NUMBER OF ACCIDENTS
INVOLVING WANDERING STOCK
NIL

NUMBER OF STOCK IMPOUNDED
2

Information at a Glance

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



Information at a Glance

TOTAL ROADS
1,524KM

ROADS SEALED
540KM
ROADS UNSEALED
984KM

TOTAL COUNCIL AREA
189,688HA



8,511
ESTIMATED
POPULATION
(2018 ABS ERP)



5,946
TOTAL
PROPERTIES



\$2,281M
CAPITAL VALUE
OF PROPERTIES
(AS AT 1/7/18)

5,550
RATEABLE
PROPERTIES

396
NON-RATEABLE
PROPERTIES

Community

COMMUNITY PROGRAMS

During October 2018 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 make, and continue to make, to our community. Senior Festival events included lunches and presentations and were held at various locations in the district.

In April the District Council of Grant, City of Mount Gambier and Headspace combined forces to create a fun filled week of events for youth aged from 12 to 25 years of age with the assistance of the Office of Youth and local businesses. Events were held in Mount Gambier, Port MacDonnell and Tarpeena. One of the highlights was a project which was launched when a couple of young Tarpeena skate park users approached Council to revamp and update their well-used skate park. Council approached local artist, Jeremy levins, to run the project. Jeremy has worked with youth on other local projects, and his surfing and skateboarding background put him in good stead for the task.



Photo credit: Kai levins



The project was supported with funding from the Office of Youth as part of Council's SA Youth Week grant funding and Council. Greg Saunders Painter and Decorator supplied the paint and supplies, while Jeremy donated much of his time and labour freely towards the project. The Tarpeena Progress Association raised funds to help finish and protect the project including the addition of an anti-graffiti coating.

During May Council hosted its annual morning tea for National Volunteers Week with over 70 volunteers attending. The event recognises the valuable contribution volunteers make to our community and coincides with National Volunteers' Week. There are a wide section of community volunteers involved in around 140 organisations throughout the District including those involved in sporting, charity, youth, environmental, education, emergency services, history, art, seniors or progress committees. A strong volunteer contingent travelled from Tarpeena with Council providing a courtesy coach for transport.

Community



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.

Youth on Wheels is a learner driver mentor program coordinated and managed by the District Council of Grant. The program has a focus on safe driving with the goal of minimising the risks young drivers face on the roads, whilst assisting young people in obtaining the hours required to obtain their provisional licence.

The program is supported by six dedicated volunteers who combined undertook 300 driving hours over the 2018-2019 financial year.

Council received a donation of \$1,000 towards the program from the South East Classic and Unique Car Club Inc. and will implement a sponsorship program with the committee in the 2019-2020 year.

Council continues to enjoy support for this program from the Barry Maney Group.

COMMUNITY GRANT SCHEME

The Community Grant Scheme is recognised as a significant community building activity undertaken by Council. There are three established grant categories (Halls, Sport and Community) with an allocated annual budget of \$36,000 towards the program.

The 2018-2019 Community Grant Scheme saw an excellent response from sporting clubs, hall committees and community groups in the Council area, with a combined total of 24 applications received across two rounds.

Use of social media, print media, Councils website and emails to the Community Development database, has continued to ensure that community groups in the Council area are informed of the grant process and associated timelines.

DONATIONS AND SPONSORSHIP

During 2018-2019 Council continued to fund a strong and diverse donations and sponsorship program as part of its community development portfolio.

Supporting key events such as Generations in Jazz, the Pedal Prix, the Blue Lake Fun Run, Tour of the Great South Coast and the Bay Escape Festival has contributed to the economic development and diversity of offerings for the district, attracting people to visit the area as well as providing activities for our residents and ratepayers.



Community

Council provided funding towards the inaugural Limestone Coast Leadership Program, a first for the region, along with the annual school scholarship program supporting local students at High School. For the first year as part of a three year agreement, Council provided two \$500 scholarships to local students at the UniSA Mount Gambier Campus.

Council are proud supporters of the many programs and events that are on offer in the district and the Limestone Coast region and provided \$162,500 in funding to support these activities.

ACADEMIC SCHOLARSHIPS

Since 2010 Council has gifted \$500 academic scholarships to year 10 to 12 students who reside in the Council area. Over the past nine years 45 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. The 2019 academic scholarship recipients are Jordan Hutchins of Mount Gambier High School; Jocelyn Patzel of Tenison Woods College; Abby Little of Grant High School; Cayla Willsmore of St Martins Lutheran College; and Caitlyn Millard of Allendale East Area School.

MAGICAL PARK

For the Community to come together and to activate the foreshore area, Council provided a free Magical Park on the Port MacDonnell foreshore for a 12 month period until December 2019. This was launched at a free event including Santa by the Sea and a BBQ in collaboration with the Port MacDonnell Tourism Association.



Community

Described as a digital playground, Magical Park uses augmented reality to project digital experiences onto real environments through electronic devices. The app is geofenced, so it only works within the boundaries that Council set.

Council will continue to look for new and innovative ways to engage youth in the district.

PORT MACDONNELL COMMUNITY COMPLEX

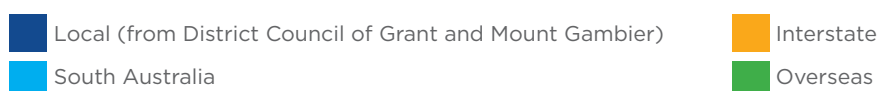
The Port MacDonnell Community Complex provides excellent facilities to support social and business activities for residents and visitors to Port MacDonnell and the area. The Complex incorporates the Council Office, Rural Transaction Centre, Library and the “One Card” network, free WiFi and public use computers, Visitor Information outlet and Souvenirs, Maritime Museum, Art Gallery, Service SA Rural Agency, EzyReg, Human Services, 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.

- Children and Youth Programs - story time and craft held every Tuesday morning
- School holiday programs and a Retro Disco was held with over 60 children attending, ages ranging from 5 to 18.



VISITOR NUMBERS AT THE PORT MACDONNELL COMMUNITY COMPLEX



2018-19



2017-18



2016-17



Community

- Lego Club held after school and Friday nights has proven to be a great hit.
- The “Little Bang Discovery Club” from the National Library Science, Technology, Engineering and Mathematics Initiative, provided preschool aged children to use safe, everyday tools and materials to engage in discovery and investigation while carrying out simple experiments and observations. Still ongoing
- Allendale East Area School held their Graduation for “Youth Opportunities Positive Empowerment Program” within the Complex.
- A qualified language teacher has been teaching locals how to speak Spanish.
- Free hearing tests were available from “Australian Hearing”.
- “Tech Savvy Seniors” funded by Government of SA and SA Libraries is held and run by the staff of the Port MacDonnell Community Complex. To update their digital skills, many local participants including seniors from Donovans, Tarpeena and Carpenter Rocks attended the sessions.
- Exhibitions held within “The Gallery” have included “Surface”, “Coast”, “Patto’s Paintings”, “Submerged”, “Interwoven”, “Twisted Threads”, “Shorelines” and “Attitude for Him”.



Tourism & 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.



Initial implementation of Council’s Tourism Signage Strategy was undertaken in 2018-19. Over 90% of the Council owned signs that were flagged in an audit as being in poor or redundant condition, including a number of interpretive signs, have been updated or removed.

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.

Tourism & Events

EVENTS

GREAT SOUTH COAST CYCLING CLASSIC

Council supported the Tour of the Great South Coast Cycling Classic, a National Road Series event, hosting Stage 3 on Thursday August 16 2018. At the recommendation of Council the course was altered from previous years to start and finish in Port MacDonnell after completion of five x 25km laps passing through the town and Allendale East. This provided more opportunity for community to view and for businesses to be involved.

The prestigious championships attracted interstate and international competitors and promoted our region through social media coverage. Cycling has been recognised as a growing tourism market and health initiative, and Council will continue to support the Tour of the Great South Coast in August 2019.

MIL-LEL AGRICULTURAL AND HORTICULTURAL SHOW

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



2019 AUSTRALIA DAY AWARDS AND CELEBRATION

Over 500 people enjoyed the free family focused lunchtime event, hosted by the Mil-Lel Memorial Park Committee on Saturday 26 January. Entertainment was provided by the Mount Gambier City Band, Mil-Lel Primary School and duet Brianna Scanlon and Jennieva Burn who also sang the National Anthem. As well as Vintage vehicle display, jumping castle and Merry-go-round rides, the Mil-Lel Steam and Engine Club provided mini train rides.



Tourism & Events

Aunty Michelle Jacquelin-Furr performed the Welcome to Country. The Australia Day Awards were presented by Mayor Sage and Australia Day Ambassador, veteran journalist, Ms Samela Harris to Mr Peter Feast and the Carpenter Rocks Progress Association, along with a Certificate of Appreciation to Danny Taylor and Recognition of Nomination certificates to seven other community members.

BAY ESCAPE

2019 saw a refreshed and rebranded Bay Escape festival with Council providing \$5,000 plus in-kind works to support the festival committee in rebranding and reformatting the event program. Held annually along the Port MacDonnell foreshore, the Bay Escape festival is a key event in the District calendar and is proudly supported by Council.

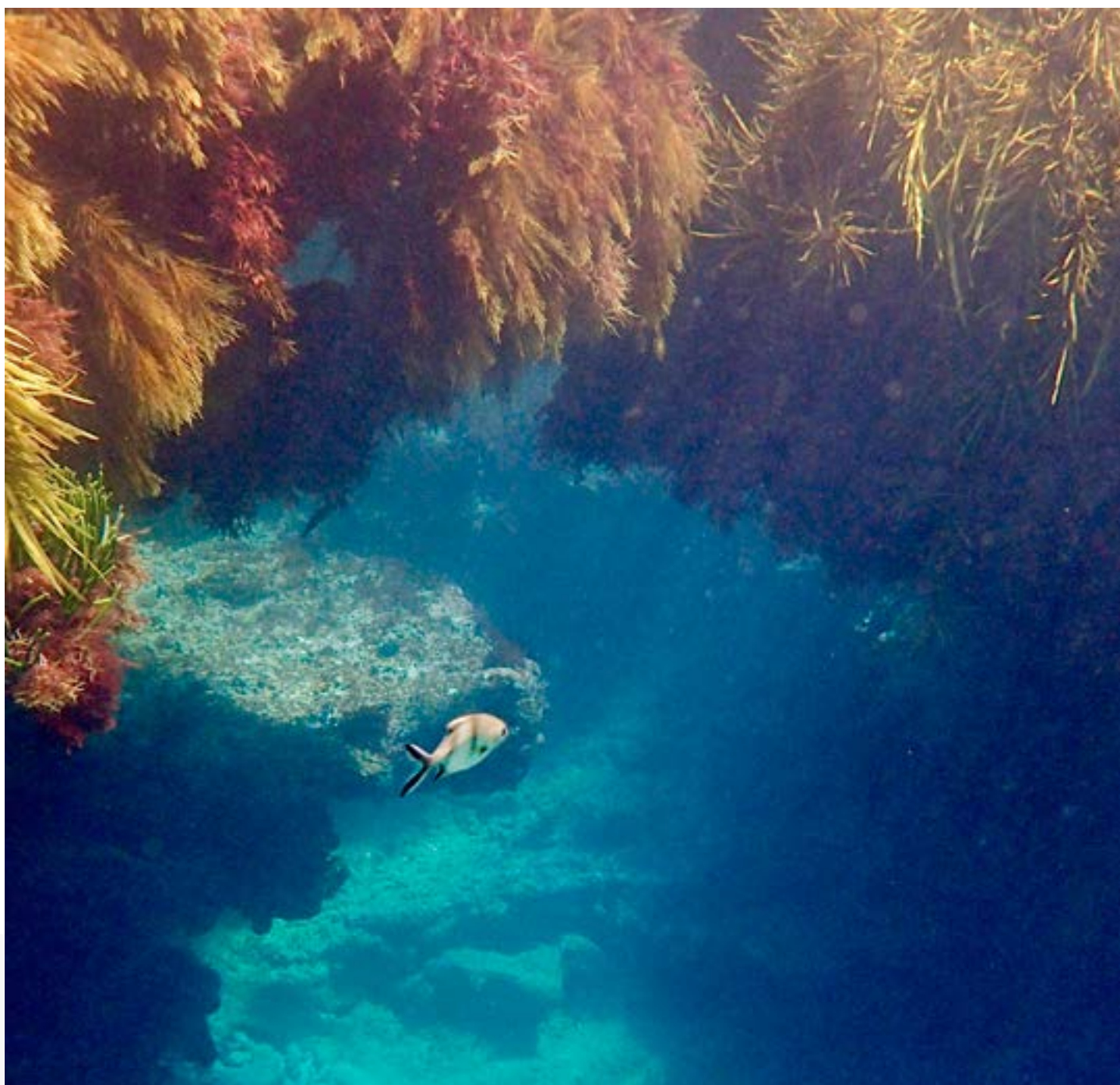
GENERATIONS IN JAZZ

Council provide an ongoing amount of \$4,000 in sponsorship annually towards the running of Generations In Jazz, a successful event held on the Council area at OB Flat.



Generations In Jazz is an annual weekend jazz festival held in May and brings together many young jazz musicians from all over Australia to participate in and compete for awards and scholarships.





Appendix 1

Annual Financial Statements 2018–2019

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **General Purpose Financial Reports** **for the year ended 30 June 2019**

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Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Annual Financial Statements for the year ended 30 June 2019

CERTIFICATION OF FINANCIAL STATEMENTS

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

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



Jane Fetherstonhaugh
ACTING CHIEF EXECUTIVE OFFICER



Richard Sage
MAYOR

Date: 4 November 2019

Annual Financial Statements

DISTRICT COUNCIL OF GRANT Statement of Comprehensive Income for the year ended 30 June 2019

	Notes	2019 \$'000	2018 \$'000
INCOME			
Rates	2	9,659	9,358
Statutory charges	2	256	319
User charges	2	2,335	2,151
Grants, subsidies and contributions	2	2,671	1,906
Investment income	2	112	103
Reimbursements	2	100	248
Other income	2	429	331
Total Income		15,562	14,416
EXPENSES			
Employee costs	3	5,707	5,531
Materials, contracts & other expenses	3	4,837	4,164
Depreciation, amortisation & impairment	3	4,292	4,379
Finance costs	3	242	270
Total Expenses		15,078	14,344
OPERATING SURPLUS / (DEFICIT)		484	72
Asset disposal & fair value adjustments	4	(576)	(765)
Amounts received specifically for new or upgraded assets	2	575	1,398
Physical resources received free of charge	2	868	27
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		1,351	732
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	19,406	154
Total Other Comprehensive Income		19,406	154
TOTAL COMPREHENSIVE INCOME		20,757	886

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

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Statement of Financial Position

as at 30 June 2019

		2019	2018
	Notes	\$'000	\$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	6,015	6,420
Trade & other receivables	5	1,153	755
Inventories	5	158	189
Total Current Assets		7,326	7,364
Non-current Assets			
Financial assets	6	208	245
Infrastructure, property, plant & equipment	7	135,132	114,293
Total Non-current Assets		135,340	114,538
Total Assets		142,666	121,902
LIABILITIES			
Current Liabilities			
Trade & other payables	8	1,611	1,175
Borrowings	8	529	524
Provisions	8	965	853
Total Current Liabilities		3,105	2,552
Non-current Liabilities			
Trade & Other Payables	8	-	-
Borrowings	8	3,621	4,150
Provisions	8	31	48
Total Non-current Liabilities		3,652	4,198
Total Liabilities		6,757	6,750
NET ASSETS		135,909	115,152
EQUITY			
Accumulated Surplus		38,334	36,958
Asset Revaluation Reserves	9	96,560	77,165
Other Reserves	9	1,015	1,029
TOTAL EQUITY		135,909	115,152

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

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

	2019	Notes	Acc'd Surplus \$'000	Asset Rev'n Reserve \$'000	Other Reserves \$'000	Total Council Equity \$'000	TOTAL EQUITY \$'000
Balance at end of previous reporting period			36,958	77,165	1,029	115,152	115,152
Net Surplus / (Deficit) for Year			1,351			1,351	1,351
Other Comprehensive Income							
Gain on revaluation of infrastructure, property, plant & equipment	9			19,406		19,406	19,406
Transfers between reserves	9		25	(11)	(14)	-	-
Balance at end of period			38,334	96,560	1,015	135,909	135,909

	2018	Notes	Acc'd Surplus \$'000	Asset Rev'n Reserve \$'000	Other Reserves \$'000	Total Council Equity \$'000	TOTAL EQUITY \$'000
Balance at end of previous reporting period			35,320	77,011	1,935	114,266	114,266
Restated opening balance			35,320	77,011	1,935	114,266	114,266
Net Surplus / (Deficit) for Year			732			732	732
Other Comprehensive Income							
Changes in revaluation surplus - infrastructure, property, plant & equipment	9			154		154	154
Transfers between reserves	9		906		(906)	-	-
Balance at end of period			36,958	77,165	1,029	115,152	115,152

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

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Statement of Cash Flows

for the year ended 30 June 2019

		2019	2018
	Notes	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
Rates - general & other		9,592	9,343
Fees & other charges		256	344
User charges		2,350	2,429
Investment receipts		119	101
Grants utilised for operating purposes		2,671	2,049
Reimbursements		100	273
Other revenues		435	1,267
<i>Payments:</i>			
Employee costs		(5,586)	(5,629)
Materials, contracts & other expenses		(4,784)	(5,285)
Finance payments		(226)	(265)
Net Cash provided by (or used in) Operating Activities		4,927	4,627
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		575	1,398
Sale of replaced assets		726	685
Repayments of loans by community groups		56	53
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(2,685)	(2,441)
Expenditure on new/upgraded assets		(3,464)	(2,358)
Loans made to community groups		(6)	(60)
Net Cash provided by (or used in) Investing Activities		(4,798)	(2,723)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		-	60
<i>Payments:</i>			
Repayments of borrowings		(524)	(489)
Net Cash provided by (or used in) Financing Activities		(524)	(429)
Net Increase (Decrease) in cash held		(395)	1,475
Cash & cash equivalents at beginning of period	10	6,420	4,945
Cash & cash equivalents at end of period	10	6,025	6,420

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

Annual Financial Statements

DISTRICT COUNCIL OF GRANT Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

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* dated 4 November 2019.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

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

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

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

	Cash Payment Received	Annual Allocation	Difference	
2016/17	\$2,211,743	\$1,459,726	+	\$752,017
2017/18	\$1,661,603	\$1,461,177	+	\$200,426
2018/19	\$2,511,248	\$1,282,141	+	\$1,229,107

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **Notes to and forming part of the Financial Statements** **for the year ended 30 June 2019**

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

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 and Net Liabilities Ratio disclosed in Note 14 have also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

The actual amounts of untied grants received during the reporting periods (including the advance allocations) are disclosed in Note 2.

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

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.

AASB 7 Financial Instruments - Disclosures and AASB 9 Financial Instruments commenced from 1 July 2018 and have the effect that non-contractual receivables (e.g. rates & charges) are now treated as financial instruments. Although the disclosures made in Note 12 Financial Instruments have changed, there are no changes to the amounts disclosed.

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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **Notes to and forming part of the Financial Statements** **for the year ended 30 June 2019**

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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **Notes to and forming part of the Financial Statements** **for the year ended 30 June 2019**

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	1.9% (2018, 2.20%)
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Weighted average settlement period	1 year (2018, 1 year)
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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 16.

10 Leases

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.

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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **Notes to and forming part of the Financial Statements** **for the year ended 30 June 2019**

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

12 Pending Accounting Standards

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

AASB 15	Revenue from Contracts with Customers
AASB 16	Leases
AASB 1058	Income of Not-for-Profit Entities

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

(Standards not affecting local government have been excluded from the above list.)

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

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for non-material amounts - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability.

At 30 June 2019, Council has no leases to which this treatment will need to be applied.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

Note 2 - INCOME

	Notes	2019 \$'000	2018 \$'000
RATES REVENUES			
<u>General Rates</u>		7,846	7,614
Less: Mandatory rebates		(8)	(8)
Less: Discretionary rebates, remissions & write offs		(17)	(17)
		7,821	7,589
<u>Other Rates</u> (including service charges)			
Natural Resource Management levy		582	559
Waste collection		597	581
Community wastewater management systems		678	647
		1,857	1,787
<u>Other Charges</u>			
Penalties for late payment		37	38
		37	38
Less: Discretionary rebates, remissions & write offs		(56)	(56)
		9,659	9,358
STATUTORY CHARGES			
<i>Total amount paid by the State Government on behalf of pensioners</i>			
Development Act fees		84	83
Town planning fees		78	124
Animal registration fees & fines		91	108
Parking fines / expiation fees		3	4
		256	319
USER CHARGES			
Cemetery/crematoria fees		11	4
Airport		834	954
Saleyards		1,304	1,012
Sanitary & Garbage		53	33
Rural Transaction Centre		82	89
Sundry		51	59
		2,335	2,151
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		105	94
Banks & other		1	2
Loans to community groups		6	7
		112	103

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 2 - INCOME (con't)

	Notes	2019 \$'000	2018 \$'000
REIMBURSEMENTS			
- for roadworks		13	125
- for private works		87	123
		100	248
OTHER INCOME			
Insurance & other recoupments - infrastructure, property, plant & equipment		233	175
Sundry		196	156
		429	331
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		575	1,398
Other grants, subsidies and contributions			
Untied - Financial Assistance Grant		1,449	1,301
Roads to Recovery		234	477
Fuel Rebate		58	61
Library & Community Centres		37	39
Sundry		893	28
		2,671	1,906
		3,246	3,304
<i>The functions to which these grants relate are shown in Note 11.</i>			
Sources of grants			
Commonwealth government		356	538
State government		2,614	2,747
Other		276	19
		3,246	3,304
PHYSICAL RESOURCES RECEIVED FREE OF CHARGE			
Land & Improvements		11	-
Roads, Bridges & Footpaths		761	27
Stormwater Drainage		30	-
Community wastewater management systems		66	-
TOTAL PHYSICAL RESOURCES RECEIVED		868	27

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 3 - EXPENSE

	Notes	2019 \$'000	2018 \$'000
EMPLOYEE COSTS			
Salaries and Wages		4,818	4,682
Employee leave expense		629	558
Superannuation - defined contribution plan contributions	16	330	298
Superannuation - defined benefit plan contributions	16	133	156
Workers' Compensation Insurance		153	240
Less: Capitalised and distributed costs		(356)	(403)
Total Operating Employee Costs		5,707	5,531
Total Number of Employees		67	67
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		21	20
Bad and Doubtful Debts		-	6
Elected members' expenses		173	156
Election expenses		20	-
Subtotal - Prescribed Expenses		214	182
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,030	1,114
Energy		345	227
Maintenance		624	491
Legal Expenses		163	76
Levies paid to government			
- NRM Levy		581	557
- Emergency Services Levy		40	39
Materials		339	146
Fuel		331	306
Insurance		232	309
Donations & Grants		185	165
Sundry		753	552
Subtotal - Other Materials, Contracts & Expenses		4,623	3,982
		4,837	4,164

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 3 - EXPENSE con't

	2019	2018
Notes	\$'000	\$'000
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Buildings - Level 2	166	55
Buildings - Level 3	477	441
Other Structures - Level 2	5	4
Other Structures - Level 3	161	250
Playgrounds	30	30
Roads & Kerbs	2,480	2,666
Bridges	1	1
Footways	15	15
Stormwater Drainage	12	11
CWMS	263	262
Plant & Equipment	543	522
IT & Office Fittings	42	43
Marine & River	48	48
Open Space	49	31
	4,292	4,379
FINANCE COSTS		
Interest on Loans	242	270
	242	270

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2019	2018
Notes	\$'000	\$'000
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	726	685
Less: Carrying amount of assets sold	1,302	1,450
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	(576)	(765)

Annual Financial Statements

DISTRICT COUNCIL OF GRANT Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 5 - CURRENT ASSETS

	Notes	2019 \$'000	2018 \$'000
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		176	768
Deposits at Call		5,839	5,652
		6,015	6,420
TRADE & OTHER RECEIVABLES			
Rates - General & Other		466	399
Rates postponed for State Seniors		-	-
Accrued Revenues		12	19
Debtors - general		542	183
GST Recoupment		89	95
Prepayments		11	13
Loans to community organisations		33	46
Total		1,153	755
Less: Allowance for Doubtful Debts		-	-
		1,153	755
INVENTORIES			
Quarry Stock		118	145
Fuel & Lubricant		24	24
Other		16	20
		158	189

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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

Note 6 - NON-CURRENT ASSETS

		2019	2018
FINANCIAL ASSETS	Notes	\$'000	\$'000
Receivables			
Loans to community organisations		165	202
		<u>165</u>	<u>202</u>
Other Financial Assets			
Caveat		43	43
TOTAL FINANCIAL ASSETS		<u>208</u>	<u>245</u>

Annual Financial Statements

DISTRICT COUNCIL OF GRANT
Notes to and forming part of the Financial Statements
for the year ended 30 June 2019
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	Fair Value Level	2018 \$'000				2019 \$'000			
		Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land - Level 2	2	-	-	-	-	1,220	-	-	1,220
Land - Level 3	3	11,131	808	-	11,939	13,684	10	-	13,694
Buildings - Level 2	2	1,610	39	(833)	816	7,215	-	(3,831)	3,384
Buildings - Level 3	3	12,533	6,714	(10,867)	8,380	20,615	435	(11,583)	9,467
Other Structures - Level 2	2	-	-	-	-	126	9	(100)	35
Other Structures - Level 3	3	10,614	251	(5,668)	5,197	4,595	123	(1,539)	3,179
Playgrounds	3	883	11	(544)	350	883	11	(574)	320
Roads & Kerbs	3	93,174	7,647	(31,080)	69,741	112,711	2,725	(31,087)	84,349
Bridges	3	74	-	(21)	53	74	-	(22)	52
Footways	3	500	100	(175)	425	500	100	(190)	410
Stormwater Drainage	3	1,034	121	(406)	749	1,157	32	(418)	771
CWMS	3	12,685	-	(4,855)	7,830	12,518	298	(5,041)	7,775
Plant & Equipment		-	7,854	(2,580)	5,274	-	8,067	(2,898)	5,169
IT & Office Fittings		-	738	(562)	176	-	760	(554)	206
Marine & River WIP	3	2,789	-	(339)	2,450	-	2,789	(387)	2,402
Open Space	3	-	313	-	313	-	1,092	-	1,092
		-	1,013	(413)	600	-	2,035	(428)	1,607
Total IPP&E		147,027	25,609	(58,343)	114,293	175,298	18,486	(58,652)	135,132
Comparatives		144,314	26,245	(55,417)	115,142	147,027	25,609	(58,343)	114,293

This Note continues on the following pages.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT
Notes to and forming part of the Financial Statements
for the year ended 30 June 2019
Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	CARRYING AMOUNT MOVEMENTS DURING YEAR										2019
	\$'000	\$'000									\$'000
		Carrying Amount	Additions		Disposals	Depreciation	Adjustments	Transfers		Net Revaluation	
New / Upgrade	Renewals	In	Out								
Land - Level 2	-	-	-	-	-	-	1,180	-	40	1,220	
Land - Level 3	11,939	10	-	-	-	-	-	(1,180)	2,925	13,694	
Buildings - Level 2	816	-	-	-	(166)	-	-	-	2,734	3,384	
Buildings - Level 3	8,380	172	17	(23)	(477)	-	-	-	1,398	9,467	
Other Structures - Level 2	-	9	-	-	(5)	-	75	-	(44)	35	
Other Structures - Level 3	5,197	125	-	(10)	(161)	-	-	(75)	(1,897)	3,179	
Playgrounds	350	-	-	-	(30)	-	-	-	-	320	
Roads & Kerbs	69,741	2,049	1,285	(482)	(2,480)	-	-	-	14,236	84,349	
Bridges	53	-	-	-	(1)	-	-	-	-	52	
Footways	425	-	-	-	(15)	-	-	-	-	410	
Stormwater Drainage	749	30	-	-	(12)	-	-	-	4	771	
CWMS	7,830	-	297	(89)	(263)	-	-	-	-	7,775	
Plant & Equipment	5,274	99	1,027	(688)	(543)	-	-	-	-	5,169	
IT & Office Fittings	176	3	69	-	(42)	-	-	-	-	206	
Marine & River	2,450	-	-	-	(48)	-	-	-	-	2,402	
WIP	313	1,075	-	-	-	-	-	(296)	-	1,092	
Open Space	600	760	-	(10)	(49)	10	296	-	-	1,607	
Total IPP&E	114,293	4,332	2,695	(1,302)	(4,292)	10	1,551	(1,551)	19,396	135,132	
Comparatives	115,142	2,358	2,468	(1,450)	(4,379)	504	620	(620)	(350)	114,293	

This note continues on the following pages.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

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

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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

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

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.

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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

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

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.

Playgrounds were valued as at 30 June 2011 by Peter Lornie, B.Comm, (VFM) AAPI, Certified Practising Valuer of Southwick Goodyear at current replacement cost. Additions are recognised at cost.

Infrastructure

Sealed Roads, Unsealed Roads, Kerbing, were revalued 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 valued at written down replacement cost by Council officers and verified by ACEAM Asset Management Practitioners at 30 June 2011. Condition ratings and unit rates were adjusted to reflect the actual costs of capital treatment in 2011/2012, resulting in revaluation adjustments. A further assessment was completed in 2013/2014 by an internal unit rate review. 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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 8 - LIABILITIES

	Notes	2019		2018	
		\$'000		\$'000	
TRADE & OTHER PAYABLES		Current	Non-current	Current	Non-current
Goods & Services		807		813	
Payments received in advance		478	-	104	-
Accrued expenses - employee entitlements		125	-	99	-
Accrued expenses - other		105	-	89	-
Deposits, Retentions & Bonds		93	-	70	-
Other		3	-	-	-
		1,611	-	1,175	-
BORROWINGS					
Loans		529	3,621	524	4,150
		529	3,621	524	4,150
PROVISIONS					
Employee entitlements (including oncosts)					
- Annual Leave		439	-	350	-
- Long Service Leave		526	31	503	48
		965	31	853	48

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

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2018	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2019
Notes	\$'000	\$'000	\$'000	\$'000
Land	9,755	2,965	-	12,720
Buildings	10,792	4,132	-	14,924
Other Structures	9,019	(1,941)	-	7,078
Playgrounds	280	-	-	280
Roads & Kerbs	44,783	14,236	-	59,019
Bridges	3	-	-	3
Footways	360	-	-	360
Marine & River	1	-	(1)	-
Stormwater Drainage	228	4	-	232
CWMS	1,944	-	-	1,944
Open Space	-	10	(10)	-
TOTAL	77,165	19,406	(11)	96,560
Comparatives	77,011	154	-	77,165

OTHER RESERVES	1/7/2018	Transfers to Reserve	Transfers from Reserve	30/6/2019
Disaster Relief	135	2	(32)	105
Grants Unexpended	3	-	(2)	1
Donovans CWMS Grant	68	2	-	70
Open Space Contributions	130	2	-	132
Community Development	106	2	-	108
Tarpeena Cancer Support Fundraising	20	4	(3)	21
Future Infrastructure	452	8	-	460
Marine Facilities	14	1	-	15
Waste Management	101	2	-	103
TOTAL OTHER RESERVES	1,029	23	(37)	1,015
Comparatives	1,935	1,006	(1,912)	1,029

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).

Annual Financial Statements

DISTRICT COUNCIL OF GRANT
Notes to and forming part of the Financial Statements
for the year ended 30 June 2019
Note 9 - RESERVES (con't)

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 Donovans 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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 10 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2019 \$'000	2018 \$'000
Total cash & equivalent assets	5	6,015	6,420
Balances per Cash Flow Statement		6,015	6,420

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

Net Surplus (Deficit)	1,351	732
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	4,282	4,379
Net increase (decrease) in unpaid employee benefits	121	(98)
Non-cash asset acquisitions	(868)	(27)
Grants for capital acquisitions treated as Investing Activity	(575)	(1,398)
Net (Gain) Loss on Disposals	576	765
	4,887	4,353
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(411)	565
Net (increase) decrease in inventories	31	18
Net increase (decrease) in trade & other payables	410	(304)
Net Cash provided by (or used in) operations	4,917	4,632

(c) Non-Cash Financing and Investing Activities

Acquisition of assets by means of:

Physical resources received free of charge	2	868	27
		868	27

(d) Financing Arrangements

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

Corporate Credit Cards	17	19
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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Notes to and forming part of the Financial Statements

for the year ended 30 June 2019

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	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administration	9,994	9,066	2,447	2,075	7,547	6,991	1,460	1,310	12,273	9,872
Public Order & Safety	102	121	337	399	(235)	(278)	-	-	455	421
Health	3	4	178	192	(175)	(188)	-	-	20	16
Social Security & Welfare	6	6	101	56	(95)	(50)	2	2	442	422
Planning & Community Amenities	2,117	1,996	3,037	2,898	(920)	(902)	-	-	10,571	10,485
Protection of the Environment	67	12	141	42	(74)	(30)	-	-	1,803	835
Sport & Recreation	96	101	810	837	(714)	(736)	37	40	9,685	6,768
Rural Services	12	11	5	5	7	6	-	-	-	-
Engineering, Manufacturing & Const.	53	57	161	129	(108)	(72)	-	-	118	145
Transport & Communication	1,218	1,593	5,245	5,335	(4,027)	(3,742)	1,101	482	91,760	76,301
Economic Affairs	1,530	1,169	1,857	1,777	(327)	(608)	-	2	9,667	10,442
Other Purposes	364	280	759	599	(395)	(319)	71	70	5,872	6,195
TOTALS	15,562	14,416	15,078	14,344	484	72	2,671	1,906	142,666	121,902

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **Notes to and forming part of the Financial Statements** **for the year ended 30 June 2019**

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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 12 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned. Terms & conditions: Deposits are returning fixed interest rates between 1.25% and 2.00% (2018: 1.95% and 2.00%). Short term deposits have an average maturity of 24 hours and an average interest rates of 1.48% (2018: 24 hours, 1.50%). Carrying amount: approximates fair value due to the short term to maturity.
Receivables - Rates & Associated Charges (including legal & penalties for late payment)	Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. Terms & conditions: Secured over the subject land, arrears attract interest of 0.55% (2018: 0.5625%) Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State. Carrying amount: approximates fair value (after deduction of any allowance).
Receivables - Fees & other charges	Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries. Carrying amount: approximates fair value (after deduction of any allowance).
Receivables - other levels of government	Accounting Policy: Carried at nominal value. Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments. Carrying amount: approximates fair value.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

Notes to and forming part of the Financial Statements

Note 12 - FINANCIAL INSTRUMENTS (con't)

Receivables - Retirement Home Contributions	Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective legislation. Carrying amount: approximates fair value (after deduction of any allowance).
Liabilities - Creditors and Accruals	Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council. Terms & conditions: Liabilities are normally settled on 30 day terms. Carrying amount: approximates fair value.
Liabilities - Retirement Home Contributions	Accounting Policy: To avoid inconvenience when complying with the separate audit requirements imposed by the relevant legislation, amounts are carried at nominal values. Terms & conditions: Pursuant to Commonwealth legislation certain intending residents are required to contribute amounts on an interest free basis. The amounts are subject to certain deductions as prescribed by the legislation, the balance being repaid on termination of tenancy. Carrying amount: approximates fair value for short tenancies; may be non-materially over-stated for longer tenancies.
Liabilities - Interest Bearing Borrowings	Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues. Terms & conditions: secured over future revenues, borrowings are repayable with half-yearly instalments with terms ranging from five to fifteen years; interest is charged at fixed rates between 3.60% and 7.12% (2018: 3.60% and 7.12%) Carrying amount: approximates fair value.
Liabilities - Finance Leases	Accounting Policy: accounted for in accordance with AASB 117.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 12 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2019	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	6,015			6,015	6,015
Receivables	1,142	165	-	1,307	1,307
Other Financial Assets	43	-	-	43	43
Total	7,200	165	-	7,365	7,365
Financial Liabilities					
Payables	1,275	-	-	1,275	1,381
Current Borrowings	748	-	-	748	529
Non-Current Borrowings	-	2,631	1,745	4,376	3,621
Total	2,023	2,631	1,745	6,399	4,150

2018	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets					
Cash & Equivalents	6,420			6,420	6,420
Receivables	356	202	-	558	558
Other Financial Assets	-	43	-	43	43
Total	6,776	245	-	7,021	7,021
Financial Liabilities					
Payables	987	-	-	987	987
Current Borrowings	773	-	-	773	524
Non-Current Borrowings	-	2,861	2,263	5,124	4,150
Total	1,760	2,861	2,263	6,884	5,661

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

	30 June 2019		30 June 2018	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$'000	%	\$'000
Fixed Interest Rates	5.473	4,150	5.943	4,674
		4,150		4,674

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **Notes to and forming part of the Financial Statements** **for the year ended 30 June 2019**

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

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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 13 - COMMITMENTS FOR EXPENDITURE

	2019	2018
Notes	\$'000	\$'000
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Land (Waterfront - Stage 2)	705	805
Buildings (Airport Redevelopment)	5,660	-
Other Structures (Airport Redevelopment)	411	-
Roads & Footpaths (Airport Redevelopment)	2,133	-
Plant & Equipment	189	-
	9,098	805
These expenditures are payable:		
Not later than one year	7,098	805
Later than one year and not later than 5 years	2,000	-
Later than 5 years	-	-
	9,098	805

Annual Financial Statements

DISTRICT COUNCIL OF GRANT Notes to and forming part of the Financial Statements for the year ended 30 June 2019

Note 14 - FINANCIAL INDICATORS

	2019	2018	2017
Operating Surplus Ratio			
<u>Operating Surplus</u>	3.1%	0.5%	1.1%
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>	-4.0%	-5.0%	7.0%
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.

Adjusted Operating Surplus Ratio	-0.1%	0.3%	-4.3%
Adjusted Net Financial Liabilities Ratio	4.4%	-10.0%	2.0%

Asset Renewal Funding Ratio

<u>Net Outlays on Existing Assets</u>	71.7%	59.0%	60.0%
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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT Notes to and forming part of the Financial Statements for the year ended 30 June 2019

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

	2019 \$'000	2018 \$'000
Income	15,562	14,416
Expenses	(15,078)	(14,344)
Operating Surplus / (Deficit)	484	72
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(2,685)	(2,441)
Add back Depreciation, Amortisation and Impairment	4,292	4,379
Proceeds from Sale of Replaced Assets	726	685
	2,333	2,623
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	(3,464)	(2,358)
Amounts received specifically for New and Upgraded Assets	575	1,398
	(2,889)	(960)
Net Lending / (Borrowing) for Financial Year	(72)	1,735

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **Notes to and forming part of the Financial Statements** **for the year ended 30 June 2019**

Note 16 – 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 2017-18) of "superannuation" salary.

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

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

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

Contributions to Other Superannuation Schemes

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

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

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

Note 17 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

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 1,525 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 has not received notice of any appeals 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.

Annual Financial Statements

DISTRICT COUNCIL OF GRANT **Notes to and forming part of the Financial Statements** **for the year ended 30 June 2019**

Note 18 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel (KMP) of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 24 persons were paid the following total compensation:

	2019	2018
	\$	\$
Salaries, allowances & other short term benefits	1,340,188	1,199,800
Post-employment benefits	-	-
Long term benefits	-	-
Termination benefits	97,840	-
TOTAL	1,438,028	1,199,800

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

	2019	2018
	\$	\$
Contributions for fringe benefits tax purposes	-	-
Planning and building applications fees	-	-
Rentals for Council property	-	-
TOTAL	-	-

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.

Two close family members of KMP's 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*.

KMP's or close family members (including related parties) lodged one planning and building application during the year. In accordance with the Local Government Act 1999, this person declared conflicts of interest and took no part in the assessment or approval processes for this application. Total fees for this application (which was paid in full on application) amounted to \$258.

Five 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 \$10,314 towards these organisations via community grant applications and scholarship programs.

Annual Financial Statements



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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 2019, Statement of Comprehensive Income, the Statements of Changes in Equity, the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of Council.

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

Basis for Opinion

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

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

Council's Responsibility for the Financial Report

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

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

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

Annual Financial Statements

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 6th day of November 2019,
at 214 Melbourne Street, North Adelaide

Annual Financial Statements



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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 2018 to 30 June 2019.

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 2018 to 30 June 2019 have been conducted properly and in accordance with law.

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

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

The Council's Responsibility for the Internal Controls

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

Our Independence and Quality Control

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

Assurance Practitioner's Responsibilities

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

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

Annual Financial Statements

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 6th day of November 2019
at 214 Melbourne Street, North Adelaide, South Australia, 5006

Annual Financial Statements

DISTRICT COUNCIL OF GRANT

**Annual Financial Statements
for the year ended 30 June 2019**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the District Council of Grant for the year ended 30 June 2019, 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*.



Jane Fetherstonhaugh
ACTING CHIEF EXECUTIVE OFFICER



Richard Sage
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 4 November 2019

Annual Financial Statements



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

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

A handwritten signature in black ink, appearing to read "J. Keogh".

JIM KEOGH

Partner

DEAN NEWBERY & PARTNERS

CHARTERED ACCOUNTANTS

Dated this 6th day of November 2019



Appendix 2

Limestone Coast Local Government Association Annual Report 2018–2019

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

Limestone Coast Local Government Association

STATEMENT OF COMPREHENSIVE INCOME AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Income			
Local Government Council Contributions	2	642,404	680,629
Other Contributions	2	498,856	422,510
Other Income	2	119,141	(51,102)
Project Income	2	130,069	291,200
Unbudgeted Project Income	2	7,063	86,000
Total Income		1,397,535	1,419,237
Expenses			
Operating Expenses	3	(284,088)	(231,237)
Salaries and Wages	4	(578,040)	(554,842)
Project Expenditure	5	(510,784)	(650,180)
Unbudgeted Project Expenditure	5a	(51,459)	(47,136)
Total Expenses		(1,427,351)	(1,483,395)
OPERATING SURPLUS / (DEFICIT)		(29,815)	(64,158)
Other Comprehensive Income			
Transfer to accumulated surplus of prior year unspent project funds	1(i), 2	400,021	-
Total Other Comprehensive Income		400,021	-
TOTAL COMPREHENSIVE INCOME		430,206	(64,158)

Limestone Coast Local Government Association

Limestone Coast Local Government Association

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Assets			
Current Assets			
Cash and Cash Equivalents	6	859,155	891,218
Trade and other receivables	7	109,323	47,508
Total Current Assets		<u>978,478</u>	<u>938,826</u>
Total Assets		<u>978,478</u>	<u>938,826</u>
Liabilities			
Current Liabilities			
Trade and other payables	8	65,047	24,905
Staff Benefits	9	41,632	31,047
Other Liabilities	10	97,455	553,892
Total Current Liabilities		<u>204,134</u>	<u>609,544</u>
Non Current Liabilities			
Staff Benefits	9	14,856	-
Total Current Liabilities		<u>14,856</u>	<u>-</u>
Total Liabilities		<u>218,990</u>	<u>609,544</u>
Net Assets		<u>759,488</u>	<u>329,282</u>
Member's Funds			
Accumulated surplus		759,488	329,282
Total Members Funds		<u>759,488</u>	<u>329,282</u>

Limestone Coast Local Government Association

Limestone Coast Local Government Association

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2019

	Accumulated Surplus \$
2019	
Balance at the beginning of the year	329,262
Surplus for the year	(29,815)
Other Comprehensive Income	460,021
Balance at the end of year	<u>759,468</u>
2018	
Balance at the beginning of the year	393,440
Surplus for the year	(64,158)
Balance at the end of year	<u>329,282</u>

Limestone Coast Local Government Association

Limestone Coast Local Government Association

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Cash from operating activities			
Receipts from members		642,404	680,642
Other receipts		726,544	738,608
Payments to suppliers		(1,390,011)	(1,392,063)
Net cash provided from operating activities	11	<u>(22,063)</u>	<u>27,187</u>
Net increase in cash held		(22,063)	27,187
Cash at beginning of financial year		891,218	864,031
Cash at end of financial year	6	<u>869,155</u>	<u>891,218</u>

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 1. Statement of Significant Accounting Policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Local Government Act (1999). The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on by the members of the committee.

(a) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(b) 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.

(c) Income taxes

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

(d) 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.

(e) Leases

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.

(f) 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 as 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 which 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.

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 1: Statement of Significant Accounting Policies (cont)

(f) Impairment of assets (cont)

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.

(g) Revenue

Grant Revenue

Non-reciprocal grant revenue is recognised in the statement of comprehensive income when the association obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the association and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are met. When grant revenue is received whereby the association incurs an obligation to deliver economic value already back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor. Otherwise the grant is recognised as income on receipt.

Revenue from membership subscriptions are recognised as income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is determined by reference to the membership year.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

Current Liabilities

Amounts received in relation to contracts with sufficiently specific performance obligations are only recognised as the obligations are fulfilled.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

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

(h) Trade and other payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The liability is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) Trade and other receivables

These include amounts due from ATO and various 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.

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

(j) 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 related 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 related 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.

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 1: Statement of Significant Accounting Policies (cont)

(j) Salaries, Wages & Compensated Absences (cont)

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. Council does not make payment for untaken sick leave. Sick leave shall be payable from Council to Council. A local government employee shall be entitled to carry sick leave credits from the previous employing Council (or Councils) to the present Council provided the service is continuous as defined by the Local Government Act 1994 but such credits shall not be available until sick leave credits accrued at the employee's employing Council have been exhausted. The employing Council may recover from previous employing Councils a contribution towards the cost of sick leave granted in accordance with this contribution towards the cost of sick leave granted in accordance with its subclause.

(k) Critical Accounting Estimates and Judgments

Key estimates

(i) Impairment - general

The association assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate suitably assumptions.

(ii) New and Amended Accounting Policies Adopted

The association have elected to early adopt AASB 1058 (Income of Not for Profit Entities) and AASB 15 (Revenue from Contracts with Customers) effective 30 June 2019 using 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 are made to comparative figures.

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

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 2: Revenue	2019 \$	2018 \$
Local Government Contributions		
City of Mount Gambier	180,098	190,243
District Council of Grant	78,125	83,083
Wattle Range Council	134,402	142,573
Naracoorte Limestone Coast Council	90,027	95,581
District Council of Rebe	43,453	45,644
District Council of Tatiara	75,842	80,634
District Council of Kingston	40,417	42,894
Total	642,404	680,829
Other Contributions		
South Australian Tourism Commission	49,013	88,747
Local Government Association	248,846	154,777
Regional Development Australia	30,000	37,986
Stardub Funding	106,030	75,060
Road Safety Funding (Motor Accident Commission)	85,000	85,000
Total	498,859	422,510
Other Income		
Interest Revenue	15,601	22,483
Funds Carried Forward	37,252	(90,085)
Sundry Income	66,933	6,508
Total	119,741	(61,102)
Project Income		
Department of Environment and Water	58,910	68,030
Federal Grants	8,750	223,200
Sports Academy Contribution	13,182	-
Participant Fees (Limestone Coast Leadership Program)	24,091	-
SA Coastal Councils Alliance	9,300	-
Building Better Regions Fund	18,136	-
Total	130,069	291,230
Unbudgeted Project Income		
Univ South Australia	-	5,000
NDRP Funding LiQAR Mapping	-	45,000
RD Limestone Coast	-	30,000
SATC Signage	-	5,000
Green Industries SA	2,063	-
SA Fire & Emergency Services Commission	5,000	-
Total	7,063	85,000
Other Comprehensive Income		
Funds Carried Forward	173,378	-
Project Liability Income	786,645	-
Total	460,021	-
Total Income	1,857,557	1,419,237

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 3: Other Operating Expenses	2018	2018
	\$	\$
Advertising	15,656	5,028
Audit fees	2,800	2,807
Bank Charges	499	1,204
Chairperson's Allowance	2,895	8,060
Computing	12,538	8,597
Consultancy	20,352	-
Governance	18,905	8,161
Insurance	7,685	13,502
Legal Fees	-	407
Minor Equipment	7,403	11,085
Motor Vehicle	53,890	53,740
Office Expenses	22,582	18,852
Rent	25,277	27,412
Seminars	5,118	3,160
Trade Shows	42,082	29,427
Training	6,928	5,491
Travel and Accommodation	42,528	33,364
Total	284,088	231,237

Note 4: Salaries and Wages

Salaries and Wages	500,833	485,946
Superannuation	46,957	46,221
Oncosts	4,609	6,434
Leave provision movement	25,441	6,241
Total	578,040	554,842

Note 5: Project Expenditure

Coastal Alliance	17,063	-
Leadership Program	81,255	-
Drug Action	-	40,000
Coastwatchers	-	217,200
Heritage Advisor	62,870	62,870
RQA Limestone Coast	90,781	89,740
Brand Development	9,325	15,600
Regional Growth Plan	6,050	81,086
Planning Reform	13,546	7,431
Climate Project	122,162	60,207
Sports Academy	46,986	28,681
Road Safety	1,307	7,965
Star Club	-	7,750
Tourism	13,871	23,773
Waste	24,928	7,877
Total	510,764	450,180

Limestone Coast Local Government Association

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 5a: Unbudgeted Project Expenditure	2019	2018
	\$	\$
Substance Misuse	40,000	-
Waste	14,459	-
Rating Equity State Project	-	600
Special Local Roads Program	-	6,536
Mixed Dozen	-	5,000
Regional Infrastructure Audit	-	5,000
Red Meat Cluster	-	30,000
	<u>64,459</u>	<u>47,136</u>

Note 6 Cash and cash equivalents

Petty Cash	500	250
Cash at bank	178,856	212,738
Term Deposit	691,799	678,230
Total	<u>869,155</u>	<u>891,218</u>

Note 7: Trade and other receivables

Trade and Other Receivables	108,323	47,608
Total	<u>108,323</u>	<u>47,608</u>

Note 8: Trade and other Payables

Trade and other payables	43,233	44,313
Accrued Expenses	12,979	-
GST Payable	(1,098)	(30,798)
PAYG Payable	10,533	11,090
Total	<u>65,647</u>	<u>24,605</u>

Note 9: Staff Benefits

Current		
Annual Leave Provision	41,632	31,047
	<u>41,632</u>	<u>31,047</u>
Non Current		
Long Service Leave Provision	14,856	-
	<u>14,856</u>	<u>-</u>
Total	<u>56,488</u>	<u>31,047</u>

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 10: Unspent Project Funds

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

	2019	2018
Star Club Field Officer	\$	\$
Balance brought forward	38,453	42,453
Expenses/Transfer	(38,453)	(4,000)
Project funds not expended at year end	-	38,453
Regional Waste Management		
Balance brought forward	27,186	50,124
Funding Contributions	-	7,087
Expenses/Transfer	(27,186)	(25,000)
Project funds not expended at year end	-	27,186
Planning		
Balance brought forward	57,204	65,004
Expenses/Transfer	(57,204)	(7,800)
Project funds not expended at year end	-	57,204
Tourism		
Balance brought forward	151,851	182,080
Project Contribution (South Australian Tourism Commission)	20,000	-
Expenses/Transfer	(151,851)	(30,228)
Project funds not expended at year end	20,000	151,851
Procurement		
Balance brought forward	10,000	7,000
Project Contribution	-	3,000
Expenses/Transfer	(10,000)	-
Project funds not expended at year end	-	10,000
Training		
Balance brought forward	-	3,000
Expenses/Transfer	-	(3,000)
Project funds not expended at year end	-	-

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 10: Unspent Project Funds (cont)

	2019 \$	2018 \$
Attraction & Retention		
Balance brought forward	-	25,000
Expenses/Transfer	-	(25,000)
Project funds not expended at year end	-	-
Rubble Royalty		
Balance brought forward	102,310	45,894
Project Contribution	81,063	101,416
Expenses/Transfer	(183,363)	(45,000)
Project funds not expended at year end	-	102,310
Climate Change Project		
Balance Brought forward	115,112	100,986
Project Contribution	-	115,111
Expenses/Transfer	(115,112)	(100,986)
Project funds not expended at year end	-	115,112
Limestone Coast Collaborative		
Balance Brought forward	-	5,000
Expenses/Transfer	-	(5,000)
Project funds not expended at year end	-	-
Limestone Coast Sports Academy		
Balance brought forward	16,319	-
Project Contribution	35,692	16,319
Expenses	(52,011)	-
Project funds not expended at year end	-	16,319
Regional Signage Partnership		
Balance brought forward	10,457	-
Project Contribution	-	10,457
Expenses/Transfer	(10,457)	-
Project funds not expended at year end	-	10,457

Limestone Coast Local Government Association

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 10: Unspent Project Funds (cont)

	2019	2018
Waste Infrastructure Plan	\$	\$
Balance brought forward	25,000	-
Project Contribution	-	25,000
Expenses/Transfer	(25,000)	-
Project funds not expended at year end	-	25,000
Limestone Coast Leadership		
Project Contribution	13,000	-
Project funds not expended at year end	13,000	-
ADFIcohol & Drug Foundation		
Project Contribution	9,925	-
Project funds not expended at year end	9,925	-
Regional Coastal Alliance		
Project Contribution	54,530	-
Project funds not expended at year end	54,530	-
Total unspent funds reserves	97,455	553,892

Note 11: Reconciliation of cash flow from operations with surplus for year

Net surplus for the year	430,208	(54,158)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(61,715)	65,583
Increase/(decrease) in trade and other payables	40,899	(7,843)
Increase/(decrease) in staff benefits	25,441	6,241
Increase/(decrease) in other liabilities	(458,994)	27,364
	(22,063)	27,187

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 12: Financial Instruments

Details of the significant accounting policies and methods adopted including the criteria for the recognition, the basis of measurement and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 Summary of Significant Account Policies.

Categorisation of Financial Instruments

	Note	2019		2018	
		Due < 1 Year	Due > 1 Year	Due < 1 Year	Due > 1 Year
Financial Liabilities		\$	\$	\$	\$
Trade and other Payables	8	43,233	-	44,313	-
Total Financial liabilities		43,233	-	44,313	-
Financial Assets					
Cash and cash equivalents	6	691,799	-	678,230	-
Total Financial Assets		691,799	-	678,230	-

Receivable and payable amounts disclosed exclude amounts relating to statutory receivables and payables.

The fair values disclosed in the table above have been based on cash and cash equivalents, trade and other receivables and trade and other payables short term instruments in a nature whose carrying value is equal to fair value.

i. Credit Risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligation that could lead to a financial loss to the association.

Credit risk is managed through maintaining procedures to regularly monitor the financial stability of customers and counterparties and by investing surplus funds in financial institutions that maintain a high credit rating.

There is no collateral held by the association securing trade and other receivables.

ii. Liquidity Risk

Liquidity risk arises from the possibility that the association might accounting difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The association manages this risk by preparing and monitoring budgets, only investing surplus cash with major financial institutions and proactively monitoring the recovery of unpaid debts.

No assets have been pledged as security for any liabilities.

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 12: Financial Instruments (cont)

iii. Market Risk

Exposure to interest rate risk arises on financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows.

The following table illustrates sensitivities to the association's exposure to changes in interest rates.

	2019		2018	
	% Weighted Average Interest rate	Carrying Value	% Weighted Average Interest rate	Carrying Value
Financial liabilities:	\$	\$	\$	\$
Trade and other Payables	0.0%	43 233	0%	44 313
Financial Assets				
Term Deposit	2.3%	691 799	2.5%	678 230

Note 13: Contingent Liabilities and Contingent Assets

At 30 June 2019, the association is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report.

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 14: Capital Commitments

At 30 June 2019, the association is unaware of any capital or leasing commitments which have not already been recorded elsewhere in this financial report.

Note 15: Events after the end of the reporting period

Since the reporting date, there have been no events that would materially impact on the contents of this report.

Note 16: 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 17: 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.

Limestone Coast Local Government Association

Limestone Coast Local Government Association

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

Note 18: Related Party Transactions

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

	2019
	\$
Short term employee benefits incl. Allowance	110,512
Post employment benefits	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:

\$	2019	2018
under \$50,000	1	1
\$50,000 to \$100,000	0	0
\$100,000 to \$150,000	1	1

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.

Note 19: Association Details

The registered office of the association and principal place of business is:

Limestone Coast Local Government Association
Level 1, 9 Bay Road
Mount Gambier SA 5290

Limestone Coast Local Government Association

Limestone Coast Local Government Association

STATEMENT BY MEMBERS OF THE COMMITTEE FOR THE YEAR ENDED 30 JUNE 2019

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 2019 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: 14 10 19

Tony Wright
Executive Officer
Date: 14 10 19

Limestone Coast Local Government Association

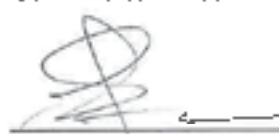
Limestone Coast Local Government Association

STATEMENT BY MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 JUNE 2019

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Limestone Coast Local Government Association for the year ended 30 June 2019, the Association's Auditor, Tim Muthingusler, 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.

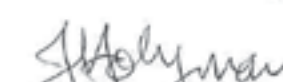


President
LC Local Government Association

Chief Executive Officer
District Council of Grant

Chief Executive Officer
City of Mount Gambier

Chief Executive Officer
Kingston District Council

Chief Executive Officer
Naracoorte-Lucindale Council

Chief Executive Officer
District Council of Robe

Chief Executive Officer
Tatiara District Council

Chief Executive Officer
Wattle Range Council



DISTRICT COUNCIL OF GRANT

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