

DISTRICT COUNCIL of PETERBOROUGH



Amalgamated 1997

ANNUAL REPORT

Incorporating the Audited Financial Statements 2019/2020

2019 / 2020

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The content of Council's 2019 - 2020 Annual Report
is as required under Section 131 of the Local Government Act, 1999.
Progress on Council activities is reported monthly
in *The Informer*, which is circulated throughout the Peterborough district.

*** VISION***

A community which is vibrant, attractive and growing and values its heritage and environment and promotes a sustainable local economy.

KEY RESULT AREA

- KRA** Economic sustainability
- KRA** Infrastructure
- KRA** Community wellbeing
- KRA** The environment
- KRA** Representative and accountable local government

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FROM THE MAYOR : 2019/2020 :

On a good note – we have finally had some wonderful rains in the Mid North and North East of the State. Peterborough sits on top of the Mid North and at the bottom of the North East – so we have been blessed with a lot of rain for this area and this time of the year. Finally, farmers and graziers are daring to smile and to perhaps, plan for the future with some hope.

Council has had a busy year. We were lucky enough to gain 2 x \$1million grants for Drought Funding and have been hard at it fulfilling the terms of the grant contracts. Thank you to the Federal Government and in particular our Member for Grey Rowan Ramsey for supporting our bid to gain the funding when we had been excluded because of the way the numbers were calculated in the beginning. Rowan took up our cause and we were extremely lucky to be included in both rounds.

Our CWMS has been completed and ratepayers are now connecting to the scheme. The angst that spending money of this calibre – by Council and individual ratepayers - is still a topic of concern but most have now settled to the inevitable and connections are happening regularly. Council does have hardship provisions built into the request to connect and the CEO is willing to discuss measures to assist ratepayers experiencing concern.

Soon we will be able to use the treated water on our parks, gardens, oval and golf course and the financial benefit will be good for our budget – thus enabling Council to consider other projects and complete roads and footpaths that need upgrading.

Not all Councillors have settled to the exacting nature of Local Government. It has been a costly year for the ratepayers – with legal bills, enquiries and reports to ICAC, Office of Public Integrity and the Ombudsman to deal with. Councillors have found themselves in Court and in the newspaper and this has not done our image as ‘stable government’ any good. Further training is required so that councillors understand just how serious this level of government is and the binding nature of ‘Democracy’. As previously discussed in another report, the Code of Conduct is merely a framework for those willing to abide by it. When Councillors choose to ignore the code there is very little that can be done and we have found this out to our cost this year.

I thank Peter McGuinness for his dedication to Peterborough and District, for his insight into the Local Government Act and the Policies and Procedures and above all his grant-seeking ability.

Tourism has been one of our mainstays throughout the year. Covid-19 has been a curse and a blessing. The closed borders have encouraged South Australians to travel within the state and we have reaped the benefit of extra travellers to our part of the state. Covid-19 itself has caused the cancellation of many events so far with many more to come – particularly during the coming Festive Season. Hands have never been so clean, social distancing practised so rigorously and hand sanitiser purchased by the gallon. We have not lost any businesses due to Covid-19. Some have reduced staff and opening days and times but all are hanging in there, thankfully.

Our Works Programme is huge and the budgeted money never seems to allow us to complete everything but the work done is appreciated in all quarters of our Town and District. Our ‘Green Slips’ – consumer requests – build up and we have to have concerted efforts to try to clear them and to keep the town and district up to the standard required by law and ratepayers.

Council Staff from the Administration, Works, Steamtown/Tourism, Library, Rural Transaction Centre, Gardening and Cleaning, Health and Building, WHS, Town Hall, Community Development, Youth Centre – permanent, part time and casual have all worked extremely hard to maintain all services throughout the year. They all give value for money and treat ratepayers and residents with the respect due. I thank each and every one of them.

I mention Peter, Chris and Sally in particular. It is the CEO, Acting CEO and the Personal Assistant who manage the organisation, field all the phone calls and emails, manage social media, deal with the Acts under which we operate and the legal parts of our work. They are the people to whom I as Mayor and Councillors go to for advice and assistance.

I would like to mention ratepayers and residents who sit on our Section 41 committees alongside elected members and staff. It is good to see various sections of the community working together in Peterborough and Yongala ensuring that the people they represent get value for money and the ideas that they have get a good airing. Lots of good things come from Section 41 committees – thank you everyone who sits or has sat on one.

I thank both Rowan Ramsey, Federal Member for Grey and Dan Van Holst Pellekaan State MP for Stuart for their continuing service and interest in Peterborough and District. I would also like to thank State Independent Member for Frome Geoff Brock – who has always shown great empathy for us and given us help and assistance in conjunction with our sitting Members many, many times.

I thank the Legatus Group of 15 Councils, an organisation we are a member of, for their combined effort and energy on behalf of us all and the Local Government Association who lobbies, protects and leads us through the ‘dance’ called Local Government. Both organisations have been of great assistance to us this year.

As the year concludes I thank the Federal and State Government for keeping us so safe during the on-going pandemic and the resulting financial crisis. In Australia and South Australia we have been particularly lucky that both sides of the political arena have worked so well together.

Early wishes for a safe and healthy Festive Season and an especially healthy New Year in 2021.



Ruth Whittle OAM
Mayor
District Council Peterborough

REPORT FROM THE CHIEF EXECUTIVE OFFICER : 2019/2020 :

2019-2020 year has been a year of change for the District Council of Peterborough. Whilst the latter half of 2019 was business as normal, the first half of 2020 was the complete opposite! The Covid-19 pandemic emergency hit us in March 2020 and life as we knew it changed. Council was forced to close many of its operations for 3 months and, whilst most have now resumed, there are still restrictions on our operations (social distancing and specific hygiene requirements).

A list of projects that have commenced or been completed:

- Drought funding projects – Round 1 Completed
- Drought funding projects – Round 2 signed off in June 2020

Council staff have continued to be dedicated to their work which was again undertaken to a high standard despite the restrictions imposed by the Covid-19 pandemic. I would like to thank all of the staff for their contribution this year and their adaptation to the new rules under Covid-19 Emergency Declarations.

Tourism remains a focus of council. Visitor numbers were severely impacted by the Covid-19 pandemic and the resulting restrictions on travel in the latter half of the year, which impacted the local economy and will take some time to recover. The only mitigating factor has been the return of winter rains which has helped those farmers impacted by drought.

Council participated in Shared Services with other Councils to increase efficiency and reduce costs:

- Regional Development Assessment Panel
- Shared employment of the Environmental Health Officer & WHS/Risk Officer
- Northern Passenger Transport Network
- Mid North StarClub Field Officer
- Shared Auditor

Council continues to participate in the Legatus Group activities with 14 other councils.

I would like to thank Mayor Ruth Whittle and Councillors for their deliberations during the year and their adaptation to the new requirements under Covid-19 restrictions (the use of video meetings and recording of meetings).

Stephen Rufus
Chief Executive Officer

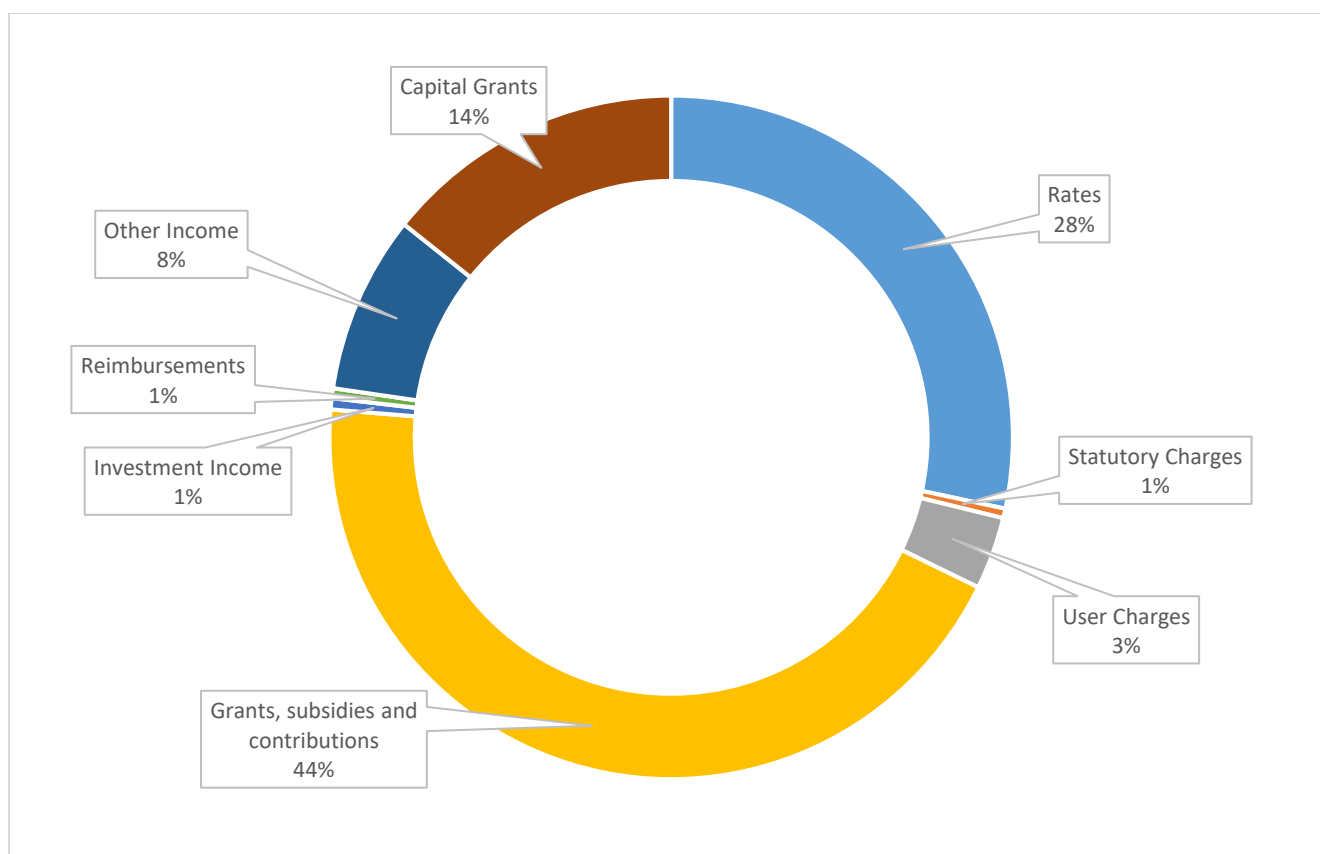
REPORT OF FINANCE AND ADMINISTRATION : 2019/2020 :

The Financial Statements for the District Council of Peterborough for the 2019-2020 financial year form part of this Annual Report.

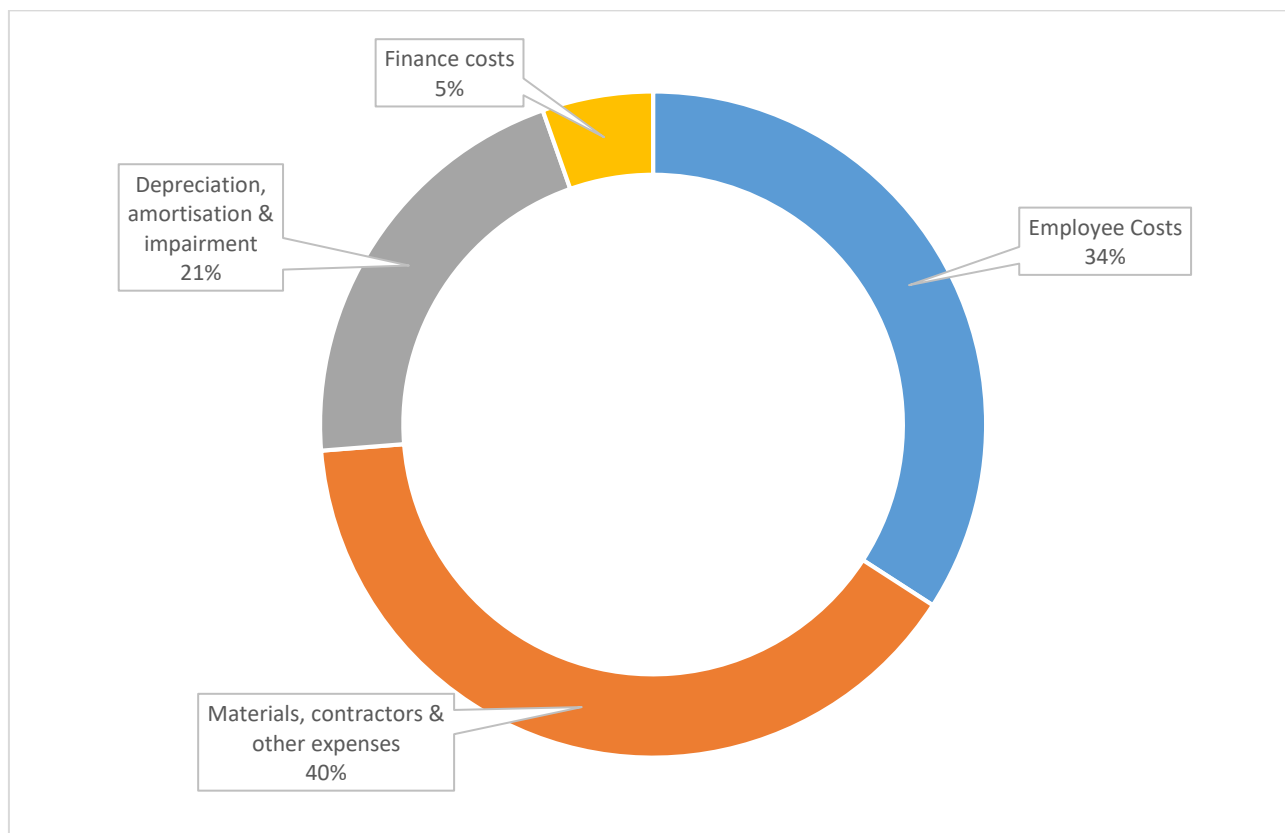
It should be noted that the Annual Financial Statements are subject to a Basis of Qualified Opinion from Councils External Auditor associated with accuracy and valuation of infrastructure, property, plant and equipment asset additions; completeness and existence of accounts payable reconciliation; and occurrence and accuracy of other income.

The overall operating position recorded an operating surplus of \$161,578 as compared to a deficit in the 2018/19 year of \$1,528,231. In comparison, the overall surplus, after capital revenues, was recorded at \$1,146,233 compared to 2018/19 being \$3,708,876. This recording of the surplus is attributed to the receipt of grant funding for various projects, including drought funded projects. With this stated, Council needs to review its capacity to achieve a core based operating surplus to ensure all operating costs and depreciation, and therefore asset replacement, can be maintained and thus achieve ongoing financial sustainability.

The following graph summarises the Operating and Capital Revenue for 2019-2020:



The following graph summarises the Operating Expenditure for 2019-2020:



Stephen Rufus
Chief Executive Officer



REPORT FROM THE WORKS MANAGER : 2019/2020 :

There have been many small projects and routine maintenance works performed on an ongoing basis, which have not been mentioned in this report as they are too numerous to mention in detail, but the works include all the routine maintenance of the Parks, Reserves, Swimming Pool, Cemeteries, Main Street, Patrol Grading, Sign Maintenance, Footpath Maintenance, Pre-fire season Slashing, Drainage Maintenance, Tree trimming/felling and removal & Transfer Station operations.

This year, just like most others, has had its challenges and isn't always easy, but everyone has worked hard to achieve our outcomes. I would like to pass on my thanks to the Depot Supervisor, Depot staff, the CEO, Town Hall staff, the Mayor and all the other Elected Members.

Below I make reference to the more significant works achieved in this financial year.

PETERBOROUGH AERODROME

Council was successful in obtaining a one million dollar Government grant to construct a 1.5km long sealed runway.

Having a sealed runway enables all weather access to emergency services such as the Royal Flying Doctor, Specialist Doctors that fly in, Epic Energy maintenance crews and recreational aviation.

The construction works including construction survey was done using Council's own workforce. The only works not performed by Council staff was the sealing and line marking of the runway.

DROUGHT FUNDING PROJECTS ROUND 1

Concrete Channel from Orroroo Rd to Reservoir
Access Ramp into Main Town Hall Foyer
New Main Street Toilet Block
New Toilet Block in Victoria Park
New Rotary Park Toilet Block
New Tennis Club Toilet Block
New Toilet block for Yongala Recreation Centre
Resealing previously sealed footpaths in Yongala

ROADS TO RECOVERY PROGRAM 2014 TO 2019

The 2014-2019 RTR program is ongoing on various streets within the township of Peterborough as well as various roads within the DC of Peterborough.

The following Peterborough Township road segments were completed in this financial year:-
Wright Street, Buckingham Street to King Street
Wright Street, King Street to George Street

PARKS / RESERVES / RECREATION

Routine ongoing maintenance to all Parks and Reserves has been occurring throughout the year.



WASTE MANAGEMENT

Free Disposal at Transfer Station

Council in its ongoing commitment to improving the amenity of the town for the 2019-2020 financial year, provided FREE waste disposal for District Council of Peterborough residents from July 2019 until March 2020, until the site adopted restricted hours on Sunday's only, due to the COVID-19 pandemic restrictions. Asbestos disposal was excluded from free dumping.

The extension of the initial one year trial was very well received by residents and businesses alike.

Pensioner Pickup

In addition to the one year FREE dumping trial, Council again provided its FREE Pensioner Pickup Service in October which was also well received and appreciated.

DISTRICT ROADS

ROADS PATROL GRADED:

ROAD NAME	CLASS	PATROL GRADING 2019-2020	KM
Parnaroo Rd	2	Patrol grade from CH0- Ch 20.1Kms	20.1
Crocker Rd	2	Patrol grade from CH0- CH7.5kms	7.5
Crocker Rd	2	Patrol grade from CH7.5km- CH23Kms	15.5
Erskine Rd	2	Patrol grade from CH0- Ch6km	6
Lang Rd	2	Patrol grade from CH0- CH5.3kms	5.3
Yatina Rd	1	Patrol grade from CH1.5km- CH9.4kms council boundary	7.9
Dawson Rd	1	Patrol grade from CH3.2km- CH23.5km	20.3
Hope Gully Rd	2	Patrol grade from CH0- CH8.3Kms to padlocked gate	8.3
Woodcutters Rd	2	Patrol Grade from CH5.1km Barrier Highway- CH11.3	6.2
Arscott Rd	3	Patrol grade from CH0- CH 13kms	13
Belalie Rd	1	Patrol grade from CH1.2kms- CH9.4kms	8.2
Canowie Belt Rd	2	Patrol grade from CH0- CH5.2kms	5.7
Earle Rd	1	Patrol grade from CH0- CH10.1 kms	10.1
Booborowie Rd	1	Patrol grade from CH940- CH12.2kms	11.3
Tarcowie Rd	2	Patrol grade from CH0- CH5.2km council boundary	5.2
Yatina Rd	1	Patrol grade from CH1.5km- CH9.3 km council boundary	7.8
Lang Rd	2	Patrol grade from CH0- CH5.2kms Yatina/ Lang crossroads	5.2
Erskine Rd	2	Patrol grade from CH0- CH9.7kms old orroroo/ Erskine crossroads	9.7
McCoys Well Rd	2	Patrol grade from CH0-m CH3.2kms	3.2
Orroroo/Paratoo Rd	2	Patrol grade from Ch44km- CH0	44
Old WhyDown Rd	2	Patrol grade from CH0- CH10km	10

Nackara Rd	2	Patrol grade from CH)- CH2.2km	2.2
Morgan East Rd	3	Patrol grade from CH0- CH1.85kms	1.85
Paradise Rd	2	Patrol grade from CH0- CH5.8kms	5.8
McKeough Rd	2	Patrol grade from CH0- CH820m	0.82
Dawson Rd	1	Patrol grade from CH0- CH5.4kms	5.4
Booborowie Rd	1	Patrol grade from CH 940m- CH2.5kms	1.6
Yongala Vale Rd	2	Patrol grade from CH0- CH 13.9kms	13.9
Malycha Rd	2	Patrol grade from CH 0- CH 6.8 kms	6.8
Hurlstone St Ext	2	Patrol grade from CH900m- CH2 kms	1.1
Olive Grove Rd	2	Patrol grade from CH0- CH1.5kms	1.5
Old Orroroo Rd	2	Patrol grade from CH0- CH3 kms	3
Staircase Rd	2	Patrol grade from CH0- CH 3.9 kms	3.9
Total Length Patrol Graded			278.37

ROADS RE-SHEETED:

ROAD NAME	CLASS	Road Resheeting	KMS
Earle Rd	1	Resheet from CH385- Ch500	0.12
Earle Rd	1	Resheet from CH2.37km- Ch2.052km	0.15
Booborowie Rd	1	Resheet from Ch940m- CH1.14km	0.2
Chomel St	2	Resheet from Ch0- CH490m	0.49
Symes Rd	2	Resheet from CH0- CH650m	0.65
Cradock Rd	2	Re sheet from CH0- CH480m	0.48
Bridges St	2	Resheet from CH 640- CH1060m	0.42
Philps Rd	2	Resheet from CH0- CH9.3kms	9.3
Gumbowie Reservoir Rd	2	Flood damage fix up from CH8km- CH0	8.0
Total Length Resheeted			19.81

District Rd Summary

The Works Department completed 19.81km of re-sheeting during this financial year as well as approx 278.37km of Patrol Grading.



Chris Thomson
Works Manager

REPORT FROM THE DEVELOPMENT & REGULATORY SERVICES OFFICER/FIRE PREVENTION OFFICER : 2019/2020 :

FIRE PREVENTION

Drier than average seasonal conditions have been experienced over most Southern Australia, days have been warmer than average for most of Australia including the Flinders Bush Fire District. The drier and warmer than average conditions have resulted in an intensification of the existing drought conditions across our region. The lack of rain and reduced subsoil moisture has reduced the available fuel loads this season. This in turn has reduced the impact of grass fire in our district.

Property inspections were completed as per the requirements of the Fire and Emergency Services Act 2005 (Section 105F). As previously stated fuel loads are reduced this season due to climactic conditions. With this said twenty (49) Compliance Requests were sent and (0) Compliance notices were issued this season. General notices were placed in local news print and Council's Informer publication. As with previous years, property owners and residents are becoming more aware of their obligations under the Fire and Emergency Services Act.

Council's obligations under the Fire and Emergency Services Act 2005 were met as per section 105G. Council has again reduced fuel loads, installed fire breaks where required and trimmed trees as needed. The ongoing co-operation of the works department has made this process seamless.

D.P.T.I PROPERTIES AND LAND

Council has been contracted to clean-up and reduce fuel loads within the rail precinct and land within their portfolio. The rail platform and Station are also encapsulated in these works as per normal.

GENERAL COMPLIANCE

Council's general compliance requirements are contained in its By-Laws, Local Government Act 1999, Local Nuisance and Litter Control Act 2016, Road Traffic Act 1961 and Environmental Protection Act 1993. Most property owners and other residents are generally aware of their ongoing obligations as per the current legislation. The majority of breaches are minor and unintentional; once the legislation is explained and clarified a resolution for the issue is normally reached. Educating the public is a large part of ensuring compliance.

DOG AND CAT MANAGEMENT

The Dog and Cat Management (miscellaneous) Amendment Bill and Dog and Cat (DACO) have been in place for some time. The transition was rocky and time consuming. The DACO system is now being used by most pet owners without much fuss. Dog and Cat breeders still pose some problems. Council staff are now using the online system without any major problems.

The new Laws include:

- Mandatory microchipping of dogs and cats
- Desexing of dogs and cats born after 1st July 2018
- New rules for breeders who sell dogs and cats
- Introduction of a state wide database, called Dog and Cat online (DACO)

CORE RESPONSIBILITIES

*Fire Prevention

*Legislative Compliance

DELEGATIONS/AUTHORISATIONS

- * PDI Regulations 2016
- * Local Government Act 1999
- * Impounding Act 1920
- * Road Traffic Act 1961
- * Expiation of Offences Act 1996
- * Unclaimed Goods Act 1987
- * Planning Development and Infrastructure Act 2016
- * Fire and Emergency Services Act 2005
- * Local Nuisance and Litter Control Act 2016
- * Dog and Cat Management Act 1995
- * Environmental Protection Act 1993
- * Tobacco Products Regulation Act 1997

COUNCIL REPRESENTATIVE / COMMITTEE

- * Bushfire Management Committee Flinders Mid North Yorke
- * Authorised Persons Association
- * StarClub Finance Management Committee
- * Building Fire Safety Committee



Lawrence Heath
Development and Regulatory Services Officer

REPORT FROM THE WHS/RISK CO-ORDINATOR : 2019/2020 :

The District Council of Peterborough is committed to providing a safe and healthy workplace and environment for employees, contractors, volunteers, residents and visitors. Everyone, including the elected members of Council, CEO, managers, employees, contractors, volunteers, residents and visitors have a responsibility for the health and safety of everyone, including themselves. This is a national legislative obligation.

Hazard identification, risk assessment and risk reduction activities are actively promoted and encouraged at all levels of our workplace within the Senior Leadership Team, Health and Safety Committee meetings to workgroup and toolbox meetings. Managers and employees, including volunteers, are strongly encouraged to report all near misses and injuries including minor injuries which do not require medical attention. Workers are actively reporting near misses which is a positive safety initiative and results in workplace hazards being addressed before they cause an injury.

Emergency management has been a key focus over the past 12 months. At the start of this financial year the Council rejuvenated its Emergency Planning Committee. This committee now meets quarterly and provides advice and feedback to the Health and Safety Committee. In addition to this, the Business Continuity Plan was reviewed and updated in November 2019 and again in June 2020 to include lessons learnt during Council's response to the Covid-19 pandemic. The Council concentrated on actively following State and Federal pandemic response requirements whilst helping to protect Council staff, our community, and maintaining essential Council services.

Council has reviewed and updated its Event Management processes for activities and events held within our boundaries. We are working with community groups and event organisers to comply with State Covid-safe plan requirements, streamline the event application and risk assessment processes, and provide adequate time frames for the application process to be carried out.

All of Council's key WHS activities, including the ones highlighted in this report are used in the WHS review process which was implemented in November 2019 and is being planned on an annual basis. This provides our Leadership Team with valuable information on our safety performance and assists with planning development for the future.

Overall, there have been improvements and positive outcomes achieved within the risk and WHS areas for Council employees and also our community.



Jennie Window
WHS/Risk Co-ordinator

REPORT FROM THE DEVELOPMENT OFFICER : 2019/2020 :

In the 2019-2020 financial year there was a total of 28 Development Applications processed, with a total monetary value of \$446,823.00

These included:

- Out buildings (18)
- Solar Panels (1)
- Commercial/Solar Farms (3)
- Additions Extensions (1)
- Change of Use (1)
- Demolitions (3)
- Pool (1)

Development Application submissions are down on last year's numbers, and overall value is lower.

Building Fire Safety Inspections have focused on accommodation in the form of Bed & Breakfast establishments. All major public Buildings and Hotel/Motel accommodations have been inspected and meet current standards. Samex meat works inspections are on-going.

There have been major changes due to the transition from the Development Act & Regulations 1993, to the new Planning, Development and Infrastructure Act 2016 and Regulations (PDI Act). The District Council of Peterborough has been part of the stage 2 go-live initiative, this incorporated the new PDI Act and ePlanning portal going live. The new planning system will take time to become as familiar as the old system was.

The new application online system is proving to be a challenge to those applicants who are not technically or computer minded.



*Lawrence Heath
Development & Regulatory Services Officer*

**REPORT FROM THE RURAL TRANSACTION CENTRE : 2019/2020 :****OPENING HOURS:** 9am x 1.00pm / 2.00pm x 3.30pm**Staff:** Di. Harris Monday, Tuesday & Wednesday
Mary Martin Thursday & Friday**Relief Staff:** Sue Pickering & Nicole Mercer

The Rural Transaction Centre is open 6 hours a day, Monday to Friday. It is the district Agency for both Services Australia (ie Centrelink) and Service SA, the nearest Customer Service Centre being Port Pirie.

Services Australia (which **Centrelink** is part of) clients are serviced from 9am to 1pm with Services Australia providing two telephones, access to a Computer, Photo-copier, Faxing and Scanning facility for their customers.

Service SA offers assistance/gateway to State Government departments. As a Rural Agent for Service SA we offer Learner Driver's Theory Examinations and Boat Licence Theory Tests, these are arranged by appointment. As well as a Rural Agent for Service SA we are now a Service Agent also, which entails extra services being available from this office, for the general public, through the Ezyreg program.

The Rural Transaction Centre core activities also include:

'The Informer' which is a free, monthly publication by the Council, delivered to residents of Peterborough and district keeping them up to date with information submitted by Council, service and sporting clubs, organisations etc. It is edited and printed at the Rural Transaction Centre – then compiled by a willing band of Volunteers at the Community & School Library. Thank You to those willing folk.

'Welcome Kit' containing a wealth of local information for new residents (e.g. recycling/rubbish arrangements; emergency contacts; hospital contacts and information – in fact, most things a 'newcomer' would need to have at hand) from Council, which is also printed and compiled at the Centre.

Services available for a small fee are :

Secretarial Services
Photo-copying
Offices for hire

Laminating
Binding

Scanning / Emailing
Faxing

In the 2019/20 year our statistics were affected by COVID-19 and the fact that the RTC office was temporary closed. It was relocated to the main Council office for a period of approximately 11 weeks, with only limited services available to our clients.

Statistics from 1st July 2019 until 30th June 2020 include:-

NAME OF ORGANISATION	ANNUAL TRANSACTIONS	Average Number. of TRANSACTIONS per WEEK
Centrelink	1587	31.7
Service SA - Non - Financial	739	14.8
Service SA - Financial	362	7.2
Photo-Copying, Faxing, Typing, Laminating, Binding, Scanning Emailing etc	270	5.4
Hire Of Office	22	0.4
The Informer	345	6.9

*Di Harris & Mary Martin
Rural Transaction Centre*



**REPORT FROM PETERBOROUGH SCHOOL AND COMMUNITY LIBRARY : 2019/2020 :**

Peterborough is a unique facility where the Local Council Community Library and Peterborough High School Library share a building and resources but run autonomous units ie: staff, budget and equipment.

Council Staff:	Christine Malycha	Senior Library Assistant – level 3
	Michelle Travaille	Library Assistant – level 2
Relief Staff:	Emma Limburg	Library Assistant – level 1
	Lawrie Tyas	Library Assistant – level 1
High School Staff:	Amanda Tuckwell	ESO

One Card Network: Peterborough through the “One Card” network is connected to all other Public Libraries throughout South Australia. One local borrowing card gives patrons access to all loanable resources throughout the network (over 130 libraries) either in person or via the Internet.

Registered Users: 706 patrons

Loans for 2019–2020: 18,232 items *{equates to 26 loans per patron per year}*

Services:	Books for all ages	Family history research support
	CD's - DVD's	Children's zone area
	State wide Interlibrary loans	Computer facilities
	Large print books	Magazines – Newspapers
	EBooks	Audio Book services
	Local history collection	Free internet usage + Wireless Network

Ongoing Programmes: Children's book week promotions: Involving all surrounding schools
Premier's reading challenge
School holiday activities for 4-12 year olds
Family history research
Short term house bound services

Significant Events

COVID 19: The Public Libraries upon direction from the Federal Government closed to the public from March 26th to 11th May 2020. This impacted on our community as they were unable to access our facility and we were directed not to offer a Click and Collect service during this time. All Interlibrary loan services were suspended from March 26th to June 1st 2020.

Staff Changes: December 2019 saw the retirement of Kath Giles after 34 years of service to the High School. Amanda Tuckwell took up the position as School Library and Student Services Administration Officer January 2020.

Student services: To utilise the facility the High school has relocated its Student Services Hub to the Library as a central access point for all student related administration.



*Christine Malycha & Michelle Travaille
School and Community Library*





GEOGRAPHICS:



DISTRICT COUNCIL of PETERBOROUGH

Area :	2,995 km ²
Population :	1687
Sealed Roads :	43.40 km
Unsealed Roads :	1274 km
Number of Assessments :	1,977
Number of Billable Assessments:	1,828
Rate Revenue :	\$1,954,722
Income :	\$6,903,673
Total Expenditure :	\$6,080,935

Local Industries : Primary production, Abattoir, Engineering, Tourism





COUNCIL MEMBERS:

<u>Mayor:</u>	(Mrs) I.R. (Ruth) Whittle O.A.M.	1983 - 1991 → as Mayor
<u>Deputy Mayor:</u>	Cr C Chambers	2010 - Nov 2018 → as Deputy Mayor
<u>Councillors:</u>	(No Wards)	Eight (8) elected members

CONTACT DETAILS

**Her Worship the Mayor
Ruth WHITTLE OAM**

54 Main Street, PETERBOROUGH, SA 5422

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Council Members (November 2018 – current)

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YONGALA SA 5493
PH : 8651 4218, Mob : 0428 514 218
email : cr.miller@peterborough.sa.gov.au

Graham MERCER

PO Box 5
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Russell SLEEP

94 Railway Tce
PETERBOROUGH SA 5422
Mob : 0428 3769 141
email : cr.sleep@peterborough.sa.gov.au

Belinda SPOONER

59 Kitchener Street
PETERBOROUGH SA 5422
PH: 8651 2810, Mob : 0429 031 403
email : cr.sleep@peterborough.sa.gov.au

STAFF OF COUNCIL : 2019 - 2020

Chief Executive Officer / Acting Chief Executive Officer :

Peter McGuinness / Chris Thomson

Postal Address:

PO Box 121
PETERBOROUGH SA 5422

E-mail:

council@peterborough.sa.gov.au

Telephone Number:

(08) 8651 3566

Facsimile Number:

(08) 8651 3066





Auditor:

Galpins Accountants, Auditors and Business Consultants

Bankers:

Bank SA

Local Government Finance Authority (LGFA) – Investments

Insurance Brokers:

Local Government Risk Services

Administrative Staff

Peter McGuinness	Chief Executive Officer
Peter McGuinness	Finance Manager
Nadene Whittenbury	Admin Manager/Finance Officer/Creditors/Expiations
Chris Thomson	Works Manager/Acting Chief Executive Officer
Lyne Kelly	Payroll Officer/Debtors/Rates
Nicole Mercer/Sue Pickering	Reception/Debtors/Development, Cemetery & Dog Registers
Sally Kent	Council support/Executive Assistant
Lawrence Heath	Development & Regulatory Services Officer
Mark Smith	Environmental Health
Jennie Window	WHS Risk Coordinator
-	Peterborough Tourism & Steamtown Manager

Works Staff

Anthony Casey	Depot Supervisor
Russell Hill	Robert Lillywhite
Greg Madex	Alan Gray
Troy Madex	Andrew Fitzsimmons
Bruce Woods	Garry Lock
Robin Mangnoson	

Peterborough and Community Library

Christine Malycha	Library Assistant
Michelle Travaille	Library Assistant
Emma Limburg	Relief Library Assistant
Lawrie Tyas	Relief Library Assistant

Human Services Department

Dianne Harris	Rural Transaction Centre Manager
Mary Martin	Customer Service Officer R.T.C.

Peterborough Swimming Pool

Janet Fielding & Amanda Dodd	Supervisors
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Peterborough Town Hall

Greg Duggan	Caretaker
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COUNCIL INFORMATION:

This information is published under Section 9 of the Freedom of Information Act 1991 as amended, and applying from 1st July 2002. Council welcomes enquiries regarding the legislation. An updated information Statement is to be published at least every 12 months.

Structure & Functions of Council

Full Council, consisting of eight Councillors and the Mayor, is the decision making body on all policy matters. Ordinary meetings of Council are held on the third Monday of every month, in the Council Chamber, 108 Main Street Peterborough, commencing at 7.30pm.

Members of the public are welcome to attend meetings.

Council Committees – Local Government Act 1999

Committees can be formed on an ad-hoc basis, or can be “standing” committees. These Committees meet and unless otherwise authorised, only make recommendations to Council on whatever matter the Committee was formed, e.g. Peterborough Tourism Management Committee, Peterborough & Districts Cemeteries Advisory Committee, Youth Action Committee, Audit Committee, Christmas Pageant Committee.

Agendas & Minutes

Agendas of all full Council and Council Committee meetings are placed on public display no less than three days prior to those meetings.

Minutes are placed on display at the office within five days of that meeting, and are also available on Council's website: www.peterborough.sa.gov.au

Delegations

The Chief Executive Officer and other Officers have been delegated authority from Council to make decisions on a number of specified administrative and policy matters. These delegations are listed and are reviewed annually, and otherwise as required, by Council.

Council makes decisions which direct and/or determine its activities and functions.

Such decisions include the approval of works and services to be undertaken, and the resources which are to be made available to undertake such works and services.

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

Auditor Independence

Council's Auditor is Galpins Accountants, Auditors and Business Consultants. They were appointed in 2016 for a 3 year term contract, with an annual remuneration of \$19,900.

Policy Documents

The following policies have been adopted in the reporting year adding to Council's wide range of policies already used. All Council policies and By-Laws are available for viewing on the Council website and/or at the main office on Main Street, Peterborough :-





<u>Policy Name</u>	<u>Adoption Date</u>	<u>Motion No.</u>
Code of Practice – Access to Meetings, Committees and Documents	20/04/20	19/20
Fraud, Corruption, Misconduct & Maladministration Policy	18/05/20	32/20
Informal Gatherings Policy	20/04/20	19/20
Media Policy	19/18/19	113/19
Public Interest Policy	18/05/20	32/20
Recording of Council Meetings Policy	18/05/20	34/20

Services for the Community 2019 – 2020

Full Council makes decisions on policy issues relating to services that are provided for members of the public. These currently include :-

Dog Control	Street Tree Planting	War Memorials
Traffic Control Devices	Tourism	Street Lighting
Fire Prevention/Protection	Litter Control	Car Parks
Environmental Health Inspection	Storm Water Drainage	Public Seating
Immunisation Program	Library	Parking Controls
Recreational/Sporting Facilities	Community Halls	Museums
Planning Controls	Parking Bays	CWMS
Street Closures	Garbage Collection/Disposal	Parks & Reserves
Street Sweeping	Playground Equipment	Litter Bins
Cemeteries	Swimming Pool	Clean Air Controls
Roads/Footpaths/Kerbing	Building Controls	Public Toilets

Council's Service Directory (Welcome Kit) – a listing of all services and contact details, is regularly updated at the Rural Transaction Centre and distributed to new residents.

"The Informer" – a free, monthly publication sponsored by Council – edited and printed by the Rural Transaction Centre and compiled at the Community/School Library by a dedicated group of volunteers – is distributed throughout the township and district via post boxes.

The Mayor and Chief Executive Officer keep the community informed of Council activities/projects and events through this newsletter.

Council representation on various organisations/committees:

Section 41 Committee	Appointee
Audit	Mayor Whittle & Cr Hotchin & Cr Pickering
Sports Complex	Mayor Whittle & Cr Chambers
Christmas Pageant	3 x Crs Hotchin & Mercer
Cemeteries Advisory	Cr Burford & Cr Spooner & Works Manager
Tourism Management	Mayor Whittle, Cr Mercer, CEO & Tourism Manager
Youth Action	Cr Chambers



Other Committee/Organisation	Appointee / Representative
Peterborough Building Fire Safety	Council's Fire Prevention Officer
State Bushfire Co-ordination	Council's Fire Prevention Officer
FMN&Y Bushfire Management Ctte	Council's Fire Prevention Officer
Local Gov Assoc of SA	Mayor Whittle, proxy Cr Chambers
Legatus	Mayor Whittle, proxy Cr Chambers
Local Gov Finance Authority	Mayor Whittle, proxy Cr Chambers
Peterborough Community Library	Cr Spooner & Administration Manager
Peterborough High School Governing Council	Cr Sleep
Northern Passenger Transport Network	Cr Hotchin
The Informer	Mayor Whittle, Cr Burford, CEO, Manager of RTC
Plant Replacement Advisory Ctte	Crs Burford & Miller, Works Manager, MoF&A
Town Hall/Grove St Hse/YMCA/ Snr Citz Hall Advisory Ctte	Mayor Whittle, Crs Chambers & Pickering

Mid-Nth be Active Field Officer Management	CEO, proxy Development & Regulatory Services Officer
Australia Day Council of SA	CEO & Deputy Mayor to assist Mayor as required
Murray Darling Assoc – Reg 8	Mayor Whittle & Cr Sleep
Executive Community Action Group	Mayor Whittle & Cr Hotchin
Shared Services	Mayor Whittle, proxy Cr Chambers & CEO
Health and Wellbeing Ctte	Development & Regulatory Services Officer

Public Participation:

Council Meetings

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

Deputations

With the permission of the Mayor, a member of the public can address the Council personally, either as an individual or on behalf of a group of residents, on any issue relevant to Council.

Petitions

Written petitions can be addressed to Council on any issue within the Council's jurisdiction.

Written Requests

A member of the public can write to the Council on any Council policy, activity or service.

Elected Members

Members of the public can contact any elected member of Council to discuss any issue relevant to Council.

Council Consultation

The Council consults with local residents on particular issues that affect their neighbourhood. A Public Consultation policy was adopted in December 2000 (reviewed annually) and is available for inspection at the Council office and on the Council web-site.

Access to Council Documents

The following documents are available for public inspection at the Council office and copies are available for a small charge.

- ❖ Agenda and Minutes
- ❖ Budget Statement
- ❖ Policy Manual, inc:
 - ❖ Members Code of Conduct
 - ❖ Code of Practice for Access to Meetings and Documents
 - ❖ Employees Code of Conduct
- ❖ Annual Report
- ❖ Annual Financial Statement
- ❖ Development Plan
- ❖ Development Application Register
- ❖ Assessment Book
- ❖ Register of Members Allowances and Benefits
- ❖ Register of Members Interests and Register of Officers Interests
- ❖ Register of Employee Salaries, Wages and Benefits
- ❖ Strategic Plan
- ❖ Council's By-Laws
- ❖ Register of Fees and Charges

**LOCAL GOVERNMENT ACT, 1999 – Section 131 & Schedule 4****1 (a) Audited Financial Statements**

A copy of the audited Financial Statement is attached - see Attachment I

(b) Registers

The following is a list of Council registers as required by the Local Government Act 1999 or the Local Government (Elections) Act 1999: -

Members Register of Interests
Members Register of Allowances and Benefits
Officers Register of Salaries
Officer Register of Interests
Fees and Charges
Community Land
Public Roads
By-Laws

OTHER REGISTERS ALSO HELD BY COUNCIL:

Cemetery Register
Dog Registration Register
Mobile Garbage Bin Register
Deeds Register
Lease and Contracts Register
Assessment Book
Development Applications Register

(c) Codes of Conduct

- Council adopted its Code of Conduct – Elected Members as required under Sections 63 of the Local Government Act, 1999 on 22nd April 2003 and was amended on 19th August 2013.
- Council adopted its Code of Conduct – Employees as required under Sections 110 of the Local Government Act, 1999 on 18th March 2013.
- Council adopted its Code of Conduct – Volunteers on 20th May 2019.
- Council adopted its Code of Practice – Access to Meetings, Committees and Documents as required under Section 92 of the Local Government Act, 1999 on 3rd November 2003 and was updated on 20th April 2020.

(d) Allowances

Information on allowances paid to members of Council : -

Mayor :	(Mrs) I (Ruth) Whittle OAM	\$26,690
Deputy Mayor :	Cr Cassandra Chambers	\$ 8,341
Councillors :	Cr Michael Burford	\$ 6,673
	Cr Ray Hotchin	\$ 6,673
	Cr Graham Mercer	\$ 6,673
	Cr Kim Miller	\$ 6,673
	Cr Michael Pickering	\$ 6,673
	Cr Russell Sleep	\$ 6,673
	Cr Belinda Spooner	\$ 6,673



(e) **Senior Executive Officers**

Information on the number of senior executive officers, allowances, bonuses and benefits is as follows: -

Chief Executive Officer

Salary, Contract, Motor Vehicle - Business and private use, Telephone Subsidy - \$300 per annum

Works Manager

Salary, Contract, Motor Vehicle - Business and private use

(f) **Confidential Minutes**

Council and Committees excluded the public from the meetings on 11 occasions in 2019/2020 under section 90(2). These were as follows:

	Date	Section	Subject	Conf Doc/Report	Revoked
1.	1 st July 2019	(d)	Quotes	Yes	Yes
2.	8 th July 2019	(e)	Suggestion	No	Yes
3.	15 th July 2019	(a)	Complaint	Yes	No
4.	15 th July 2019	(a)	Complaint	Yes	Yes
5.	19 th August 2019	(d)	Funding	Yes	Yes
6.	21 st October 2019	(a)	Discussion	No	Yes
7.	17 th February 2020	(a)	Discussion	No	Yes
8.	2 nd March 2020	(d)	Funding	Yes	No
9.	18 th May 2020	(a)	Appraisal	No	Yes
10.	15 th June 2020	(h)	Councillor	Yes	No
11.	15 th June 2020	(h)	Councillor	Yes	No

Council, pursuant to section 91(7) of the Act, ordered seven (7) reports be kept confidential. Three (3) of these orders were revoked and four (4) remain operative during 2019/20. All previous orders have been revoked.

(g) **Freedom of Information**

An Information Statement is published by the District Council of Peterborough in accordance with the requirements of the Freedom of Information Act 1991 on Council's website.

Statistics:

One (1) application under the Freedom of Information Act was received by Council for the 12 months to 30th June 2020. One (1) was completed and none were refused.

(h) **Representation Quota**

The last Representation Review as prescribed in Section 12(4) Local Government Act, 1999 was completed in 2017. The next Representation Review date as determined by the Minister for State/Local Government Relations, will appear as a Gazettal Notice.

- There are no wards within the District Council of Peterborough.
- The Representation Quota for this Council is 1/134 Electors : 1,214
- Councillors were elected for a four (4) year term - the next election is November 2022.

Council is cognisant of the provisions of Chapter 3 of the Local Government Act, 1999 for electors to make submissions on representation under the Act, and the community was advised of the opportunity to make submissions at that time.

Representation Quota Comparison :

District Council of Mount Remarkable	1 : 306	Electors	2,145
District Council of Orreroo/Carrieton	1 : 111	Electors	670
The Flinders Ranges Council	1 : 134	Electors	1,209
Northern Areas Council	1 : 377	Electors	3,399
District Council of Barunga West	1 : 220	Electors	1,986
District Council of Cleve	1 : 175	Electors	1,227

(Source: Local Government Assoc.of S.A.)

(i) Internal Review of Council Decision

Nil (0) applications for review were received under Section 270 (8) of the Local Government Act, 1999.

(j) Ombudsman Act 1972

Number	Complainant	Date Received	Title	Outcome
2019/09964	Belinda Spooner	05/12/2019	Unreasonable conduct to conspire to have Cr Spooner removed from council and other alleged misconduct	Declined / investigation unnecessary or unjustifiable
2019/07953	Kim Miller	30/08/2019	Failure of council to release documents re misconduct	Referred back to DCP
2019/09886	Belinda Spooner	02/12/2019	Failure to adequately address complaints	Referred back to DCP
2020/01019	Bruce Wilkinson	28/02/2020	Unreasonable delay in communication	Referred back to DCP
2020/02552	Jannette Roads-Stevens	16/06/2020	Unreasonable expiation notice	Referred back to DCP
2020/02742	Mark Illingworth	25/06/2020	Unreasonable display of confidential information	Resolved with DCP co-operation

(k) Regional Subsidiaries

Council is a member of Legatus (previously known as the Central Local Government Region of South Australia Incorporated), a Regional Subsidiary created under the provisions of Section 43 of the Local Government Act 1999.

The annual financial report of the Regional Subsidiary is incorporated in the Annual Report as required by Clause 28 of Schedule 2 to the Local Government Act 1999. The full report is available at the Legatus office, Clare.

Council is a “*relevant Council*” of the Flinders Regional Assessment Panel pursuant to Section 34(3) and Schedule 29 of the Development Act 1993. The Annual Report of the Flinders Regional Assessment Panel is incorporated in the Annual Report.

2 (a) Strategic Management Plan 2018 - 2022 Vibrant, Attractive, Growing Community

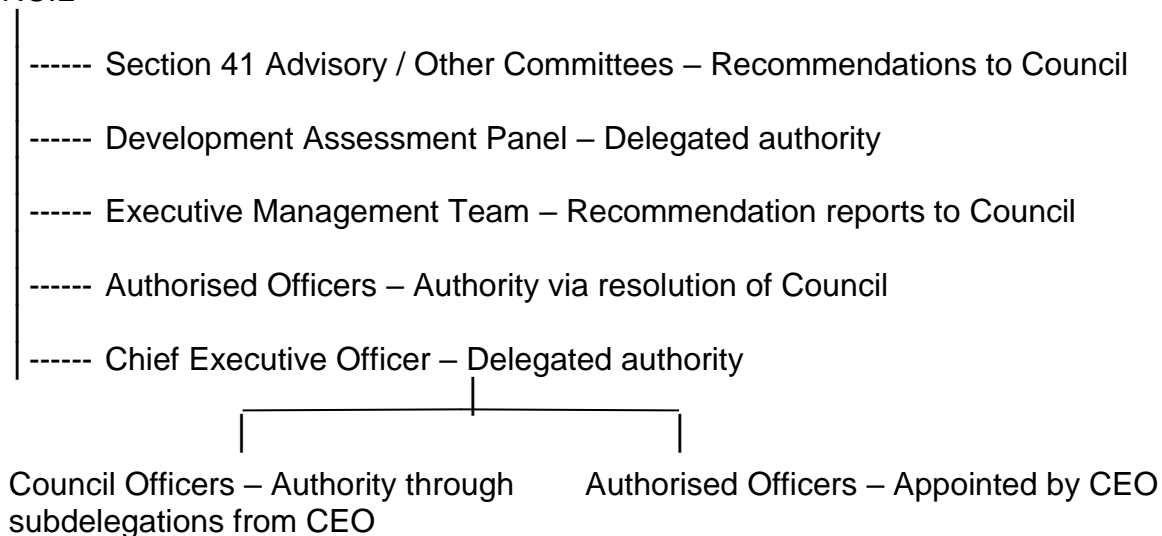
Council adopted the Strategic Plan 2018-2022 with Resolution 127/09/18.

(b) Competitive Tendering

Council is mindful of its obligations in this regard and has prepared a Procurement Policy in accordance with section 49 of the Local Government Act, 1999. Council formally adopted this policy on 17th March 2014. (Reviewed annually)

(c) Decision Making Structure

Council makes decision that may directly or indirectly affect its community, stakeholders or other interested parties due to servicing of relevant projects, programs, goods and services. The following mechanisms contribute to Council decision making.

COUNCIL**(d) Equal Opportunity Programme and Human Resource Management**

Council is supportive of, and adheres to, equal opportunity processes. It also takes part in the Work for the Dole Scheme.

Training is provided to staff to ensure a more efficient workforce.

Examples of training provided to Administration and Depot staff members include: -

Senior First Aid
Risk Assessments
Evacuation Drills

Environmental Health (Food Safety Awareness)
ChemTraining
WorkZone Traffic Management

(e) Management Plan for Community Land

Council's Management Plan for Community Land, prepared by Maloney Field Services, was adopted at the meeting held 5th October 2004 as per the requirement in accordance with the Local Government Act 1999 Section 196. Additions were made on 20th August 2007 and 20th April 2020.

3. Government Business Enterprises Act (Competition) Act 1996:

In accordance with Clause 7 Statement 2002 of the above Act, Council is required to review its business activities in order to determine whether Council is involved in any "significant business activities" that should be subject to that Act.



The following activities were identified :

- * Steamtown Heritage Rail Centre
- * Private works

Having identified these activities, it has been established that they are not significant, and therefore cannot be classed as category 1 or 2 under the Government Business Enterprises (Competition) Act, 1996.

LOCAL NUISANCE AND LITTER CONTROL ACT, 2016 – Section 8

23 complaints under the Local Nuisance and Litter Control Act were received during 2019/20. With:

		Number	Nature
i)	Offences under the Act that were expiated	<i>Nil</i>	
ii)	Offences under the Act that were prosecuted	<i>Nil</i>	
iii)	Nuisance abatement notices or litter abatement notices issued	<i>Nil</i>	
iv)	Civil penalties negotiated under Section 34 of the Act	<i>Nil</i>	
v)	Applications by the Council for orders for civil penalties under Section 34 of the Act and the number of orders made by the Court on those applications	<i>Nil</i>	

No other functions were performed under the Act.

Council adopted this Annual Report at the Ordinary meeting held on 21st June 2021.

Resolution : 27/06/21

.....
(Mrs) I R (Ruth) Whittle O.A.M.
Mayor
District Council of Peterborough



DISTRICT COUNCIL of PETERBOROUGH

Financial Report

For The Period Ending
30 June 2020

District Council of Peterborough

General Purpose Financial Reports

for the year ended 30 June 2020

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District Council of Peterborough
Annual Financial Statements
for the year ended 30 June 2020

CERTIFICATION OF FINANCIAL STATEMENTS

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

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards.
- the financial statements present a true and fair view of the Council's financial position at 30 June 2020 and the results of its operations and cash flows for the financial year, subject to the Basis for Qualified Opinion provided by Councils Auditor.
- 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., subject to the Basis for Qualified Opinion provided by Councils Auditor.
- the financial statements accurately reflect the Council's accounting and other records, subject to the Basis for Qualified Opinion provided by Councils Auditor.


.....
Stephen Rufus
CHIEF EXECUTIVE OFFICER


.....
Irene Ruth Whittle
MAYOR/COUNCILLOR

Date: 21 JUNE 2021

District Council of Peterborough
Statement of Comprehensive Income
for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
INCOME			
Rates	2	1,954,184	1,971,177
Statutory charges	2	30,975	29,781
User charges	2	236,782	331,009
Grants, subsidies and contributions	2	3,037,787	2,157,109
Investment income	2	36,591	37,219
Reimbursements	2	31,913	33,121
Other income	2	580,285	136,178
Total Income		5,908,517	4,695,594
EXPENSES			
Employee costs	3	1,961,287	2,229,427
Materials, contracts & other expenses	3	2,277,041	2,553,493
Depreciation, amortisation & impairment	3	1,199,545	1,120,008
Finance costs	3	309,066	320,897
Total Expenses		5,746,939	6,223,825
OPERATING SURPLUS / (DEFICIT)		161,578	(1,528,231)
Asset disposal & fair value adjustments	4	-	(22,893)
Amounts received specifically for new or upgraded assets	2	984,655	5,260,000
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		1,146,233	3,708,876
Other Comprehensive Income			
<i>Amounts which will not be reclassified subsequently to operating result</i>			
Changes in revaluation surplus - infrastructure, property, plant & equipment	9	-	6,477,741
Total Other Comprehensive Income		-	6,477,741
TOTAL COMPREHENSIVE INCOME		1,146,233	10,186,617

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

District Council of Peterborough
Statement of Financial Position
as at 30 June 2020

		2020	2019
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	2,770,778	3,632,618
Trade & other receivables	5	374,138	356,594
Inventories	5	7,204	6,991
Total Current Assets		3,152,120	3,996,203
Non-current Assets			
Infrastructure, property, plant & equipment	7	41,030,172	23,109,765
Other non-current assets	6	1,341,182	17,484,031
Total Non-current Assets		42,371,354	40,593,796
Total Assets		45,523,474	44,589,999
LIABILITIES			
Current Liabilities			
Trade & other payables	8	946,874	875,856
Borrowings	8	395,909	310,034
Provisions	8	425,013	516,591
Total Current Liabilities		1,767,796	1,702,481
Non-current Liabilities			
Borrowings	8	5,902,062	6,180,135
Provisions	8	117,836	117,836
Total Non-current Liabilities		6,019,898	6,297,971
Total Liabilities		7,787,694	8,000,452
NET ASSETS		37,735,780	36,589,547
EQUITY		\$	\$
Accumulated Surplus		6,175,249	5,029,016
Asset Revaluation Reserves	9	31,560,531	31,560,531
TOTAL EQUITY		37,735,780	36,589,547

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

District Council of Peterborough
Statement of Changes in Equity
for the year ended 30 June 2020

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	Total Council Equity	Minority Interest Equity	TOTAL EQUITY
2020	Notes	\$	\$	\$	\$	\$	\$
Balance at end of previous reporting period		5,029,016	31,560,531	-	36,589,547	-	36,589,547
Net Surplus / (Deficit) for Year		1,146,233	-	-	1,146,233	-	1,146,233
Balance at end of period	9	6,175,249	31,560,531	-	37,735,780	-	37,735,780

		Acc'd Surplus	Asset Rev'n Reserve	Other Reserves	Total Council Equity	Minority Interest Equity	TOTAL EQUITY
2019	Notes	\$	\$	\$	\$	\$	\$
Balance at end of previous reporting period		1,320,140	25,082,790	-	26,402,930	-	26,402,930
Net Surplus / (Deficit) for Year		3,708,876	-	-	3,708,876	-	3,708,876
Other Comprehensive Income							
Changes in revaluation surplus - infrastructure, property, plant & equipment		-	6,477,741	-	6,477,741	-	6,477,741
Balance at end of period	9	5,029,016	31,560,531	-	36,589,547	-	36,589,547

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

District Council of Peterborough
Statement of Cash Flows
for the year ended 30 June 2020

		2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
<i>Receipts:</i>			
Rates - general & other		1,926,480	1,849,485
Fees & other charges		31,595	30,377
User charges		221,291	378,447
Investment receipts		35,580	52,785
Grants utilised for operating purposes		3,037,787	2,157,109
Reimbursements		31,913	33,121
Other revenues		1,127,472	(141,254)
<i>Payments:</i>			
Employee costs		(2,042,852)	(2,157,741)
Materials, contracts & other expenses		(2,211,729)	(3,648,980)
Finance payments		(422,883)	(209,504)
Net Cash provided by (or used in) Operating Activities		1,734,654	(1,656,155)
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		984,655	5,260,000
Sale of replaced assets		-	36,055
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		(755,461)	(425,596)
Expenditure on new/upgraded assets		(2,633,490)	(6,155,224)
Net Cash provided by (or used in) Investing Activities		(2,404,296)	(1,284,765)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		-	320,000
<i>Payments:</i>			
Repayments of borrowings		(192,198)	(287,245)
Net Cash provided by (or used in) Financing Activities		(192,198)	32,755
Net Increase (Decrease) in cash held		(861,840)	(2,908,165)
Cash & cash equivalents at beginning of period	10	3,632,618	6,540,783
Cash & cash equivalents at end of period	10	2,770,778	3,632,618

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

District Council of Peterborough
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020
Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

2 The Local Government Reporting Entity

District Council of Peterborough is incorporated under the SA Local Government Act 1999 and has its principal place of business at 108 Main Street Peterborough SA 5422. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

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

3 Income recognition

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

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

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

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

	Cash Payment Received	Annual Allocation	Difference	
2016-17	\$2,364,251	\$1,560,893	+ / -	\$803,358
2017-18	\$1,681,623	\$1,544,570	+ / -	\$137,053
2018-19	\$1,759,048	\$1,534,788	+ / -	\$224,260
2019-20	\$1,593,689	\$1,593,689	+ / -	\$-

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

The Operating Surplus Ratio disclosed in Note 13 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

3.1 Construction Contracts

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

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

4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

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.

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.

6.7 Borrowing Costs

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

7 Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

Amounts 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". Employee Benefits

8.1 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.

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.

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 15.

9 Leases

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

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

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

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

Accounting policy applicable from 01 July 2019:

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

Council as a lessee

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

10 GST Implications

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

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

11 New and amended standards and interpretations

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

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

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

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

Note 2 - INCOME

	2020	2019
Notes	\$	\$
RATES REVENUES		
<u>General Rates</u>	1,436,011	1,450,738
Less: Mandatory rebates	-	-
Less: Discretionary rebates, remissions & write offs	(329,957)	(334,658)
	1,106,054	1,116,080
<u>Other Rates</u> (including service charges)		
Natural Resource Management levy	34,289	36,119
Waste collection	220,844	220,572
CWMS Service Charge	572,128	578,070
	827,261	834,761
<u>Other Charges</u>		
Penalties for late payment	20,869	20,336
	20,869	20,336
Less: Discretionary rebates, remissions & write offs	-	-
	1,954,184	1,971,177
STATUTORY CHARGES		
Development Act fees	4,435	4,453
Town planning fees	4,985	1,231
Animal registration fees & fines	18,612	24,097
Other licences, fees, & fines	2,943	-
	30,975	29,781
USER CHARGES		
Cemetery/Crematoria Fees	11,884	12,079
Rural Transaction Centre	4,766	7,095
Informer	4,836	5,793
Council House Rent	7,800	7,391
Sport & Recreation Reserves	-	1,960
Dump	13,738	2,815
Swimming Pool Charges	27,761	7,556
Other User Charges	4,870	(928)
Hall & Equipment Hire	1,575	2,653
Steamtown	157,942	281,386
Other Commercial Activities	1,610	3,209
	236,782	331,009

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

Note 2 - INCOME (cont.)

		2020	2019
	Notes	\$	\$
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		36,425	36,625
Banks & other		166	594
		<u>36,591</u>	<u>37,219</u>
REIMBURSEMENTS			
- for private works		11,267	20,804
- by joint undertakings		-	(259)
- other		20,646	12,576
		<u>31,913</u>	<u>33,121</u>
OTHER INCOME			
Fines & Costs Recovered		-	(248)
Sundry Income		580,285	136,426
Sundry		-	-
		<u>580,285</u>	<u>136,178</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		984,655	5,260,000
Other grants, subsidies and contributions			
Untied - Financial Assistance Grant		1,593,689	1,759,048
Roads to Recovery		372,181	271,019
Drought Communities		1,001,650	-
Library & Communications		7,268	7,042
Sundry		62,999	120,000
		<u>3,037,787</u>	<u>2,157,109</u>
		<u>4,022,442</u>	<u>7,417,109</u>
<i>The functions to which these grants relate are shown in Note 11.</i>			
Sources of grants			
Commonwealth government		1,876,770	271,019
State government		2,145,672	7,146,090
		<u>4,022,442</u>	<u>7,417,109</u>

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

Note 3 - EXPENSE

	Notes	2020 \$	2019 \$
EMPLOYEE COSTS			
Salaries and Wages		1,585,337	1,772,905
Employee leave expense		51,952	198,227
Superannuation - defined contribution plan contributions	15	137,067	142,022
Superannuation - defined benefit plan contributions	15	37,691	34,326
Workers' Compensation Insurance		149,240	81,947
Less: Capitalised and distributed costs			
Total Operating Employee Costs		1,961,287	2,229,427
Total Number of Employees		26	26
<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		2,768	28,000
Bad and Doubtful Debts		-	-
Elected members' expenses			
Election expenses		-	11,714
Service Contracts		82,559	100,425
<i>Subtotal - Prescribed Expenses</i>		85,327	140,139
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,085,870	1,010,182
Fuel & Lubricants		77,385	114,278
NRM Levy		34,265	36,119
Insurance		226,690	146,671
Legal expenses		62,122	49,441
Maintenance		389,092	373,604
Subscriptions		39,554	35,694
Sundry		103,504	135,651
Waste Collection & Disposal		85,252	320,343
Water		87,980	191,371
<i>Subtotal - Other Materials, Contracts & Expenses</i>		2,191,714	2,413,354
Total Materials, Contracts & Expenses		2,277,041	2,553,493

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

Note 3 - EXPENSE (cont.)

	2020	2019
Notes	\$	\$
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Buildings & Other Structures	114,391	103,992
Plant, Machinery & Equipment	256,258	272,151
Furniture & Fittings	191,004	196,432
Steamtown	49,918	118,914
Infrastructure:	-	428,519
- Roads - Improvement	77,913	-
- Roads - Infrastructure	226,724	-
- Street Furniture	404	-
- Storm Drains	15,677	-
- Reserve - Infrastructure	46,438	-
- Other Structures	17,494	-
CWMS	203,324	-
	1,199,545	1,120,008
FINANCE COSTS		
Interest on Loans	309,066	320,897
	309,066	320,897

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

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2020	2019
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	-	36,055
Less: Carrying amount of assets sold	-	(58,948)
Gain (Loss) on disposal	<u>-</u>	<u>(22,893)</u>
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	<u>-</u>	<u>(22,893)</u>

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

Note 5 - CURRENT ASSETS

	Notes	2020 \$	2019 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		243,099	(13,540)
Deposits at Call		2,527,679	3,646,158
		<u>2,770,778</u>	<u>3,632,618</u>
TRADE & OTHER RECEIVABLES			
Rates - General & Other		327,484	299,780
Accrued Revenues		1,011	-
Debtors - general		45,643	21,806
GST Recoupment		-	33,765
Sundry		-	1,243
		<u>374,138</u>	<u>356,594</u>
INVENTORIES			
Stores & Materials		7,204	6,991
		<u>7,204</u>	<u>6,991</u>

Note 6 - NON-CURRENT ASSETS

	Notes	2020 \$	2019 \$
OTHER NON-CURRENT ASSETS			
Inventories			
Capital Works-in-Progress		1,341,182	17,484,031
		<u>1,341,182</u>	<u>17,484,031</u>

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

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

		2019				2020			
		\$				\$			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land	2	414,124	-	-	414,124	414,124	-	-	414,124
Land	3	353,800	-	-	353,800	353,800	-	-	353,800
Buildings & Other Structures	2	7,554,400	-	(1,223,104)	6,331,296	7,554,400	-	(1,223,104)	6,331,296
Buildings & Other Structures	3	4,049,500	-	(3,568,084)	481,416	4,049,500	499,595	(3,682,475)	866,620
Plant, Machinery & Equipment		-	7,075,828	(3,226,032)	3,849,796	-	5,269,248	(3,482,290)	1,786,958
Furniture & Fittings		-	2,070,538	(1,373,752)	696,786	-	2,070,538	(1,564,756)	505,782
Steamtown		-	1,934,560	(1,883,061)	51,499	-	1,934,560	(1,932,979)	1,581
Infrastructure:									
- Roads - Improvement	3	9,262,034	-	(6,687,440)	2,574,594	9,262,034	-	(6,765,353)	2,496,681
- Roads - Infrastructure	3	10,412,053	-	(4,307,744)	6,104,309	10,412,053	-	(4,534,468)	5,877,585
- Street Furniture	3	78,915	-	(68,787)	10,128	78,915	-	(69,191)	9,724
- Storm Drains	3	1,721,405	-	(1,516,860)	204,545	1,721,405	-	(1,532,537)	188,868
- Reserve - Infrastructure	3	2,848,000	-	(1,180,928)	1,667,072	2,848,000	-	(1,227,366)	1,620,634
- Other Structures	3	706,400	-	(336,000)	370,400	706,400	-	(353,494)	352,906
CWMS		-	-	-	-	-	20,426,937	(203,324)	20,223,613
	0	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	-	-	-	-	-	-
Reinstatement costs		-	-	-	-	-	-	-	-
Total IPP&E		37,400,631	11,080,926	(25,371,792)	23,109,765	37,400,631	30,200,878	(26,571,337)	41,030,172
Comparatives		58,977,359	4,572,674	(46,164,649)	17,385,384	37,400,631	11,080,926	(25,371,792)	23,109,765

This Note continues on the following pages.

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

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (cont.)

	2019	CARRYING AMOUNT MOVEMENTS DURING YEAR									2020
	\$	\$									\$
	Carrying Amount	Net Adjust	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
	AASB 16	New / Upgrade	Renewals	In				Out			
Land	414,124	-	-	-	-	-	-	-	-	-	414,124
Land	353,800	-	-	-	-	-	-	-	-	-	353,800
Buildings & Other Structures	6,331,296	-	-	-	-	-	-	-	-	-	6,331,296
Buildings & Other Structures	481,416	-	499,595	-	-	(114,391)	-	-	-	-	866,620
Plant, Machinery & Equipment	3,849,796	-	102,834	343,613	-	(256,258)	-	-	(2,253,027)	-	1,786,958
Furniture & Fittings	696,786	-	-	-	-	(191,004)	-	-	-	-	505,782
Steamtown	51,499	-	-	-	-	(49,918)	-	-	-	-	1,581
Infrastructure:		-									
- Roads - Improvement	2,574,594	-	-	-	-	(77,913)	-	-	-	-	2,496,681
- Roads - Infrastructure	6,104,309	-	-	-	-	(226,724)	-	-	-	-	5,877,585
- Street Furniture	10,128	-	-	-	-	(404)	-	-	-	-	9,724
- Storm Drains	204,545	-	-	-	-	(15,677)	-	-	-	-	188,868
- Reserve - Infrastructure	1,667,072	-	-	-	-	(46,438)	-	-	-	-	1,620,634
- Other Structures	370,400	-	-	-	-	(17,494)	-	-	-	-	352,906
CWMS	-		18,173,910	-	-	(203,324)	-	2,253,027	-	-	20,223,613
Total IPP&E	23,109,765	-	18,776,339	343,613	-	(1,199,545)	-	2,253,027	(2,253,027)	-	41,030,172
Comparatives	17,385,384	-	-	425,596	(58,948)	(1,120,008)	-	-	-	6,477,741	23,109,765

This note continues on the following pages.

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

Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (cont.)

Valuation of Assets

General Valuation Principles

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

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

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

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

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

Fair value hierarchy level 2 valuations: Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

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

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

The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.

The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

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

District Council of Peterborough

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2020

Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (cont.)

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.

Infrastructure	\$5,000
Land	\$2,000
Buildings	\$5,000
Furniture & Equipment	\$2,000
Plant & Equipment	\$2,000
Other	\$2,000

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	5 to 10 years
Building & Other Structures	25 to 100 years
Infrastructure	
Sealed Roads – Surface	30 years
Sealed Roads – Structure	100 years
Unsealed Roads	10 to 20 years
Bridges – Concrete	80 years
Paving & Footpaths, Kerb & Gutter	10 to 60 years
Kerb & Gutter	80 years
Drains	20 to 100 years
Culverts	80 years
Furniture	10 to 50 years
Other	10 to 100 years

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.

Valuations of Land as at 1st July 2018 were at fair value as determined by Richard Gayler of Gayler Professional Engineering.

Additions are recognised at cost.

Buildings & Other Structures

Buildings and other structures were revalued as at 1st July 2018 by Richard Gayler of Gayler Professional Engineering.

Infrastructure

Valuations of infrastructure as at 1st July 2016 were at fair value as determined by Richard Gayler of Gayler Professional Engineering.

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

All other assets

These assets are recognised on the cost basis.

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

Note 8 - LIABILITIES

		2020		2019	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		762,077	-	582,688	-
Accrued expenses - employee entitlements		40,516	-	30,503	-
Accrued expenses - other		62,165	-	175,982	-
Deposits, Retentions & Bonds		82,116	-	86,683	-
		946,874	-	875,856	-
BORROWINGS					
Loans		395,909	5,902,062	310,034	6,180,135
		395,909	5,902,062	310,034	6,180,135
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>					
PROVISIONS					
Employee entitlements (including oncosts)		425,013	117,836	516,591	117,836
		425,013	117,836	516,591	117,836

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

Note 9 - RESERVES

ASSET REVALUATION RESERVE	1/7/2019	Net Increments/ (Decrements)	Transfers, Impairments	30/6/2020
Notes	\$	\$	\$	\$
Land	590,893	-	-	590,893
Buildings & Other Structures	9,981,581	-	-	9,981,581
Infrastructure	20,170,574	-	-	20,170,574
Furniture & Fittings	731,046	-	-	731,046
Steamtown	86,437	-	-	86,437
TOTAL	31,560,531	-	-	31,560,531
Comparatives	25,082,790	6,477,741	-	31,560,531

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).

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

Note 10 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2020 \$	2019 \$
Total cash & equivalent assets	5	2,770,778	3,632,618
Balances per Cash Flow Statement		<u>2,770,778</u>	<u>3,632,618</u>

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

Net Surplus (Deficit)	1,146,233	3,708,876
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	1,199,545	1,120,008
Net increase (decrease) in unpaid employee benefits	(81,565)	71,686
Grants for capital acquisitions treated as Investing Activity	(984,655)	(5,260,000)
Net (Gain) Loss on Disposals	-	22,893
	<u>1,279,558</u>	<u>(336,537)</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(17,544)	(102,383)
Net (increase) decrease in inventories	(213)	(2,332)
Net increase (decrease) in trade & other payables	472,853	(1,214,903)
Net Cash provided by (or used in) operations	<u>1,734,654</u>	<u>(1,656,155)</u>

(c) Financing Arrangements

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

Corporate Credit Cards	5,000	5,000
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The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

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

Note 11 - FUNCTIONS

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

	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL				
	2020 \$	2019 \$	2020 \$	2019 \$	2020 \$	2019 \$				
Administration	5,614,976	2,908,805	1,857,859	1,310,018	3,757,117	1,598,787	2,949,626	1,759,048	-	-
Public Order & Safety	-	-	9,762	12,878	(9,762)	(12,878)	-	-	-	-
Health	-	(259)	3,891	1,769	(3,891)	(2,028)	-	-	-	-
Welfare	-	123,500	-	126,155	-	(2,655)	-	70,000	-	-
Community Support	46,484	831,819	518,753	1,290,339	(472,269)	(458,520)	66,957	-	-	-
Recreation	34,714	19,350	538,823	425,447	(504,109)	(406,097)	-	7,042	-	-
Agricultural Services	15,141	36,119	60,142	34,213	(45,001)	1,906	-	-	-	-
Regulatory Services	27,970	28,318	153,922	155,879	(125,952)	(127,561)	-	-	-	-
Transport & Communication	-	271,019	1,111,177	1,997,218	(1,111,177)	(1,726,199)	-	271,019	-	-
Economic Development	169,232	293,167	506,649	635,526	(337,417)	(342,359)	4,209	-	-	-
Other NEC	-	183,756	6,080	429,666	(6,080)	(245,910)	1,001,650	5,310,000	-	-
Inter Function	-	-	979,881	(195,283)	(979,881)	195,283	-	-	45,523,474	44,589,999
TOTALS	5,908,517	4,695,594	5,746,939	6,223,825	161,578	(1,528,231)	4,022,442	7,417,109	45,523,474	44,589,999

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

Note 11 - COMPONENTS OF FUNCTIONS (cont.)

The activities relating to Council functions are as follows:

Business Undertakings

Abattoirs, Caravan Parks, Electricity Supply, Gravel Pits/Quarries, Development of Land for Resale, Marinas/Boat Havens, Markets/Saleyards, Off-street Car Parks – fee paying, Private Works, Property Portfolio, Sewerage/CWMS, Water Supply – Domestic, Town Bus Service, and Other – please specify.

Community Services

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

Culture

Library Services, Mobile Libraries and Housebound Services, Static Libraries, Other Library Services, Cultural Services, Cultural Venues, Heritage, Museums and Art Galleries, and Other Cultural Services.

Economic Development

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

Environment

Agricultural Services, Agricultural Water, Animal/Plant Boards, Landcare, Other Agricultural Services, Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, Waste Disposal Facility, Other Waste Management, Other Environment, Coastal Protection, Stormwater and Drainage, Street Cleaning, Street Lighting, Streetscaping, Natural Resource Management Levy, and Other Environment.

Recreation

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

Regulatory Services

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

Transport

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

Plant Hire & Depot

Unclassified Activities

Council Administration

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

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

Note 12 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned</p> <p>Terms & conditions: Deposits are returning fixed interest rates 1% (2019: 1.25%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Rates & Associated Charges	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method</p> <p>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 in the State.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - Fees & other charges	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method</p> <p>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.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</p>
Receivables - other levels of government	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>

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

Note 12 - FINANCIAL INSTRUMENTS (cont.)

Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable; interest is charged at fixed or variable rates between 4.15% and 4.90% (2019: 4% and 5%)</p> <p>Carrying amount: approximates fair value.</p>

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

Note 12 - FINANCIAL INSTRUMENTS (cont.)

Liquidity Analysis

2020	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash & Equivalents	2,770,778	-	-	2,770,778	2,770,778
Receivables	374,138	-	-	374,138	374,138
Total	3,144,916	-	-	3,144,916	3,144,916
<u>Financial Liabilities</u>					
Payables	844,193	-	-	844,193	844,193
Current Borrowings	395,909	-	-	395,909	395,909
Non-Current Borrowings	-	5,902,062	-	5,902,062	5,902,062
Total	1,240,102	5,902,062	-	7,142,164	7,142,164

2019	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash & Equivalents	3,632,618	-	-	3,632,618	3,632,618
Receivables	356,595	-	-	356,595	356,594
Total	3,989,213	-	-	3,989,213	3,989,212
<u>Financial Liabilities</u>					
Payables	668,874	-	-	668,874	669,371
Current Borrowings	622,410	-	-	622,410	310,034
Non-Current Borrowings	-	2,788,974	6,301,553	9,090,527	6,180,135
Total	1,291,284	2,788,974	6,301,553	10,381,811	7,159,540

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

	30 June 2020		30 June 2019	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	1	3,632,618	1.25	3,749,189
		<u>3,632,618</u>		<u>3,749,189</u>

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

Note 12 - FINANCIAL INSTRUMENTS (cont.)

Net Fair Value

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

Risk Exposures:

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

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

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

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

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

Note 13 - FINANCIAL INDICATORS

	2020	2019	2018
Operating Surplus Ratio			
<u>Operating Surplus</u>	2.7%	(32.5)%	(26.4)%
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>	79%	85%	57%
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.

<i>Adjusted Operating Surplus Ratio</i>	6.3%	(35.1)%	(26.7)%
<i>Adjusted Net Financial Liabilities Ratio</i>	95%	147%	39%

Asset Renewal Funding Ratio

<u>Net Outlays on Existing Assets</u>	63%	44%	1401%
Net Asset Renewals - IAMP			

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

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

Note 14 - 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

	2020	2019
	\$	\$
Income	5,908,517	4,695,594
Expenses	(5,746,939)	(6,223,825)
Operating Surplus / (Deficit)	161,578	(1,528,231)
 Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(755,461)	(425,596)
Add back Depreciation, Amortisation and Impairment	1,199,545	1,120,008
Proceeds from Sale of Replaced Assets	-	36,055
	444,084	730,467
 Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(2,633,490)	(6,155,224)
Amounts received specifically for New and Upgraded Assets	984,655	5,260,000
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-	-
	(1,648,835)	(895,224)
Net Lending / (Borrowing) for Financial Year	(1,043,173)	(1,692,988)

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

Note 15 – SUPERANNUATION

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

Accumulation only Members

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

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2018-19) of "superannuation" salary.

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

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

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

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

Note 16 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled 2,265 km of road reserves of average width 6 metres.

2. POTENTIAL INSURANCE LOSSES

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

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

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

3. LEGAL EXPENSES

Council is the planning consent authority for its area under the Development Act 1993 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of nil 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.

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

Note 17 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 11 persons were paid the following total compensation:

	2020	2019
	\$	\$
Salaries, allowances & other short term benefits	287,376	327,822
Post-employment benefits	-	-
Long term benefits	-	-
Termination benefits	-	-
TOTAL	287,376	327,822

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

	2020	2019
	\$	\$
Contributions for fringe benefits tax purposes	-	-
Planning and building applications fees	-	-
Rentals for Council property	-	-
TOTAL	-	-

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renae Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
Luke Williams CA, CPA
Daniel Moon CA



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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of the District Council of Peterborough

Report on the financial report

Qualified Opinion

We have audited the accompanying financial report of the District Council of Peterborough, which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of the District Council of Peterborough.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section, the financial report presents fairly, in all material respects, the statement of financial position of the District Council of Peterborough as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended in accordance with Australian Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

Basis for Qualified Opinion

Accuracy and valuation of infrastructure, property, plant and equipment asset additions

Fixed asset additions, including additions to Buildings & Other Structures of \$499,595 and Plant Machinery & Equipment of \$446,447, were not itemised in the asset register, and no depreciation was charged for these new assets. In addition, there is evidence that the capitalised value of CWMS infrastructure additions may be overstated by an estimated \$1.5million. As a result, this is a limitation of our scope as we were unable to obtain sufficient appropriate audit evidence to demonstrate that asset additions were capitalised correctly and measured at cost in accordance with AASB 116 in the statement of financial position at 30 June 2020, or determine the impact on the statement of comprehensive income for the year ended 30 June 2020.

Occurrence and accuracy of other income

Council recorded a total amount of \$580,285 as 'other income' in the statement of comprehensive income. Council was unable to provide sufficient evidence to support the occurrence and accuracy of financial transactions recorded as other income. As a result, this is a limitation of our scope as we were unable to obtain sufficient appropriate audit evidence to demonstrate that the total amount recorded as 'other income' were appropriately measured and that this total amount related to transactions that have occurred and pertains to Council, or determine the impact on the statement of comprehensive income for the year ended 30 June 2020.

Completeness and existence of accounts payable

As disclosed in note 8 – Liabilities, Council recorded \$762,077 within ‘goods and services’ under ‘trades and other payables’ in the statement of financial position at 30 June 2020. Council implemented a new accounting system during the 2019/20 financial year and was unable to generate appropriate records from its subsidiary ledgers demonstrating a detailed accounts payable listing supporting the amount recorded within ‘goods and services’. Consequently, Council was unable to provide sufficient evidence to support the completeness and existence of the financial transactions recorded as ‘goods and services’. As a result, this is a limitation of our scope as we were unable to obtain sufficient appropriate audit evidence to demonstrate that the total amount recorded as ‘goods and services’ were related to financial transactions that existed and represented a complete list of liabilities that should have been recorded in the statement of financial position at 30 June 2020, or determine the impact on the statement of comprehensive income for the year ended 30 June 2020.

Independence

We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110: *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code.

Council’s Responsibility for the Financial Report

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 and for such internal control as Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Council is responsible for assessing the Council’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council’s financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

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

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

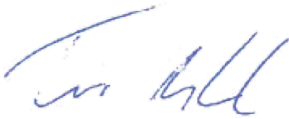
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a 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 of the financial report 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 management.
- Conclude on the appropriateness of 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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA Registered Company Auditor
Partner

25/ 06 / 2021

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renae Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
Luke Williams CA, CPA
Daniel Moon CA



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INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL CONTROLS

To the Members of the District Council of Peterborough

Qualified opinion

We have audited the compliance of the District Council of Peterborough (the Council) with the requirements of Section 125 of the Local Government Act 1999 in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2019 to 30 June 2020 have been conducted properly and in accordance with law.

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

Basis for Qualified Opinion

There were a number of purchases for which evidence of procurement procedures undertaken could not be located at the time of audit. As a result, we were unable to obtain sufficient appropriate evidence to determine whether the Council complied with its procurement policy and with section 125 of the *Local Government Act (1999)* in relation to its purchasing and procurement procedures.

Council implemented a new accounting system during the 2019/20 financial year and was unable to generate appropriate reports from its subsidiary ledgers demonstrating a detailed accounts payable listing supporting the financial transactions recorded in the accounts payable general ledger. As a result, we were unable to determine whether the Council complied with section 125 of the *Local Government Act (1999)* in relation to its accounts payable processes.

The Council had no mechanisms to ensure that a complete list of IT users' access rights to a number of finance system modules are reviewed by management. Furthermore, audit trails of changes to master files of those modules were not reviewed. As a result, there was a risk that unauthorised changes to these master files could be made and not be detected, potentially compromising the integrity of data systems and records.

Manual journal entries were not formally authorised and independently reviewed.

Following the introduction of the new finance system, the bank reconciliation as at 30 June 2020 was unable to be performed in a timely manner, and remained unreconciled until March 2021. The underlying system issue had not yet been resolved at the time of our final audit.

The Council's Responsibility for 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, 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 apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Auditor's responsibility

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

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 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.

Limitation of Use

This report has been prepared for the members of the Council in Accordance with Section 129 of the Local Government Act 1999 in relation to 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.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Partner


25 / 06 / 2021

District Council of Peterborough
Annual Financial Statements
for the year ended 30 June 2020

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of District Council of Peterborough for the year ended 30 June 2020, the Council's Auditor, Galpins Accountants, Auditors & Business Consultants, 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*.



.....
Stephen Rufus
CHIEF EXECUTIVE OFFICER



.....
Richard Perkins
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 18 JUNE 2021

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renae Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
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District Council of Peterborough

GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2020

Statement by Auditor

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

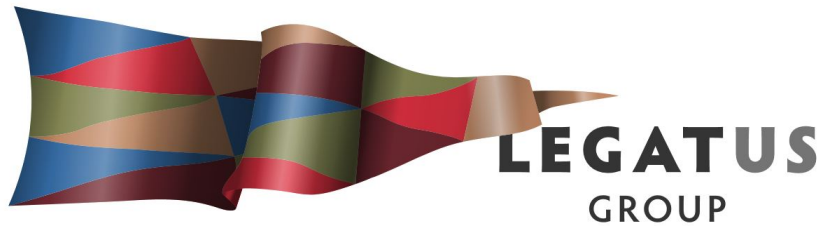
This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulation 2011*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor

Partner

25 June 2021



2019/2020 ANNUAL REPORT

The Legatus Group AGM held on Friday 4 September 2019 adopted the annual report.

The Legatus Group Charter requires that the AGM receive the Legatus Group's Annual Report which may incorporate reports from committees and any representatives reports from other organisations.

2019/2020 ANNUAL REPORT

The Legatus Group Charter clause 6.3 Annual Report

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

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

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

The Legatus Group is a regional subsidiary of:

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

The Central Local Government Region was established in 1998 under Section 200 of the Local Government Act 1934 as a controlling authority. It now continues in existence as a regional subsidiary of its member Councils under Part 2 of Schedule 2 of the Local Government Act 1999 by the provisions of Section 25 of the Local Government (Implementation) Act 1999. In 2016 the

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

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

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

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

Legatus Group Board of Management: The Board consists of all principal members (Mayors) of the Constituent Councils which for 2019/2020 were:

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

Regional Council of Goyder	Mayor Peter Matthey OAM
The Barossa Council	Mayor Bim Lange OAM
The Flinders Ranges Council	Mayor Peter Slattery
Wakefield Regional Council	Mayor Rodney Reid
Yorke Peninsula Council	Mayor Darren Braund

Office Bearers for 2019/20

Chairman:	Mayor Peter Matthey OAM
Deputy Chairs:	Mayor Kathie Bowman Mayor Bill O'Brien
South Australian Regional Organisation of Councils	Mayor Peter Matthey Mayor Bill O'Brien
Chief Executive Officer:	Mr Simon Millcock
Auditor:	Dean Newbery and Associates

Chairman's Report

It has been my pleasure to serve as Chairman in 2019/20 and take this opportunity to report on some highlights of the past year.

The Legatus Group provides a pivotal role in supporting member councils and advocating state-wide in the areas of Rating Equity for major energy producers, Community Wastewater Management Schemes, regional roads and coastal management. It is also taking a leadership role in the Regional Waste Management Strategy for the South Australian Regional Organisation of Councils (SAROC).

The organisation assisted all member councils in their successful efforts to access the Drought Communities Programme. The commitment by the Legatus Group on issues such as wellbeing, were a contributing factor for the State Government increasing resources to the Family and Business Support program, where two extra positions were made available. The drought continues to have a significant impact to regional SA, and our advocacy around inconsistencies re needs, assistance and funding are continued to be raised as appropriate.

The impacts of COVID-19 have been wide reaching, and I wish to recognise all councils in their efforts to support their communities. The disruptions to local government and Legatus will have an ongoing impact. Future implications are yet to be known, however as an organisation, strategic planning will assist in developing a way forward. As a broader region we escaped the devastating impact of bush fires in the summer of 2020. However, we acknowledge that there were significant impacts on the Yorke Peninsula, where member councils played a pivotal role in supporting communities.

Local government have been operating under the new LGA structure and this has meant a heavy load on our resources, for example, the new Planning and Design Code and consultation on the Local Government Reform Bill.

Announcements made by the state and federal government regarding funding for both the Horrocks and Barrier Highways are yet to result in any tangible results. The Road and Transport Infrastructure Advisory Committee have been active this year, and resulted in the renewed Deficiency Action Plan, a robust assessment of this year's Special Local Roads Program funding applications; and the release of the 2030 Industry Engagement report on the Legatus Group Regional Transport Plan. The Legatus Group 2019 Road and Transport Forum held in early July 2019 represented a very successful outcome by the committee, and future events are planned.

The region has been proactive in supporting the challenges and changing environment through the management of the Sector Agreement for the Climate Change Adaptation Plan, the release of a second report on a Regional Sustainability Hub, and the commencement of the Sustainability Hub Concept Plan (a Legatus Group funded project). The Legatus Group also managed the Yorke Mid North Coastal Management Action Plan which was released in early 2020 and have commenced (through funding from the Landscape Board) the implementation of the plan. In line with these initiatives the Legatus Group delivered a Regional Climate Ready webinar series throughout June due to COVID-19 restrictions.

We continue to encourage and foster closer working relationships with the three Regional Development Australia (RDA) organisations and Natural Resource Management Boards. Legatus Group was to have hosted the Yorke Regional Planning Forum in Clare, (impacted by COVID-19) a series of successful webinars took its place.

Legatus Group CEO committed large amounts of time to the development of the Conference and Forum and Mr Simon Millcock demonstrated immeasurable flexibility in changing these events to webinars at short notice. These events are available on our website as a result and provide a great resource. I also note with positivity his efforts to support regional councils through his role with the Functional Support Group re Waste and as the Chair of the Regional LGA Executive Officers Forum. On these collaborations, and his input, I again commend his work.

Collaborations have continued with regional organisations through the delivery of the Creative Industries report, Visitor Information Services report and Youth into Volunteering report. The collaboration and establishment of MoUs and partnerships with South Australian Universities, the City of Prospect and the Smarter Regions CRC are fruitful associations with long term benefit. The board through its CEO continues to position the Legatus Group as a proactive force in the region for engagement with all tiers of government. These advocacy and collaborative activities have enabled the securing of valuable and cost-effective research in areas that are of significance to local government, stakeholders and community.

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

There has been valuable feedback gained from the Legatus Group Management Group meetings and information sharing opportunities by and for the CEO group. I note with interest their involvement with the Planning Commission and the ongoing discussions on Local Government Risk.

The Community Wastewater Management Advisory Committee assisted in the extension of the Joint CWMS program, staging of a successful SA conference and overseeing the release of the regional sludge viability report. Their continued work on issues around training and reduction in red tape is to be commended.

Whilst still in its infancy the Legatus Group Visitor Information Services Advisory Committee, are a great support via recent webinar, on the reopening of tourism in our region.

It has been pleasing to see the continued dialogue with the six State Government Members of Parliament, and our Federal Member. We are particularly enthused by their attendance at our board meetings.

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

Feedback tells that the reports prepared by Legatus Group CEO are progressed to the South Australian Regional Organisation of Councils (SAROC), and to other stakeholders and partners in all tiers of government. The organisation strives to continue to provide and improve upon strong partnerships and a collaborative approach, with our other regional local government associations, stakeholders and tiers of government. These activities are coordinated and managed by our CEO Mr Simon Millcock. I wish to thank him for his committed, dedicated and consistent approach in the development and delivery of the of the goals and directions of the board.

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

Mayor Peter Matthey OAM
Chairman Legatus Group

CEO Report

In 2019-2020 the Legatus Group undertook a series of research papers and completed or commenced projects associated with the Legatus Groups Strategic and Business Plans, Yorke Mid North Regional Plan, Regional Climate Change Sector Agreement and the SAROC Strategic and Business Plans. The effort this year was to identify key projects in these plans and ensure that engagement and data were to be the drivers for ongoing programs. This was designed to increase the level of interest from other possible partners and to secure increased funding for the region by ensuring alignment with grant programs.

There was a significant increase in interest in partnering with the Legatus Group which has seen the Legatus Group become one of only 2 South Australian Showcase regions for both the Smarter Regions Cooperative Research Centre submission and for the Hub and Spoke Regional Innovation Hub project. Coupled with the Legatus Group support has been securing for the region the 2020 Parks and Leisure SA/NT and Mainstreet SA Conferences.

This year included a number of successful grant applications which have been acquitted or reporting on accordingly with \$550,340 (75%) of the Legatus Group's income coming from outside membership fees. This has placed the Legatus Group in a solid financial position which is reflected in the forthcoming 2020 – 2021 business plan and budget.

This year saw my attendance and deliver of the agendas, minutes and reports to over 30 Legatus Group Board / Committee, Yorke Mid North Alliance and SAROC meetings whilst managing the delivery of several regional forums, workshops and webinars. Administration responsibilities included the added roles of Chairing the Regional LGA Executive Officers, Secretariat to the Murray Darling Association Region 8 and a member of LGA Functional Support Groups associated with COVID-19 reference groups.

There were a series of forums and workshops including the 2019 Legatus Group Road and Transport Forum (plus a further information session on the progress of Major Road works by DPTI) and the 2019 SA Community Wastewater Management Conference. These provided a valuable opportunity for increased knowledge for both Elected Members and Operational Staff for member councils.

In response to COVID-19 there was a digital preparedness webinar which included topics such as cyber security and a Tourism Recovery webinar. Both were developed specifically for the Legatus Group councils recognising the competing demands on operational staff and programs being run by the LGA and others.

Due to COVID-19 restrictions the planned Yorke Mid North Forum and SA Climate Ready Conference were cancelled after the planning had been completed. In their place were the successful 7 week series of webinars which included 23 presenters and over 250 people registered. These are a great resource for councils and can be found at: <https://legatus.sa.gov.au/regional-learning/>

The Drought played a significant role with input into the Future Drought Fund Consultative Committee and efforts to develop and identify a strategic approach to funding opportunities for the region. A working group was established and the delivery of a gap analysis on emerging themes for drought response and climate change resilience report <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Drought-resilient-region-Gap-analysis-and-emerging-themes-report-v2.pdf> was completed. This is being used to position Legatus Group projects such as the Smart Irrigation for Public Spaces, Stormwater Harvesting and Reuse of Wastewater along with support for Wellbeing projects at a broader strategic level.

Whilst unsuccessful for funding of one of the two regional wellbeing officer roles via the LGA the Legatus Group was successful in securing a Local Government Information Linkages and Capacity Building Program for an Inclusive and Accessible Tourism Experiences for the Yorke Peninsula project for 20/21.

Support has been provided to the Legatus Management Group for key presenters at their meetings and their dialogue around Local Government Risk Management and changes to Planning.

Partnerships have been strengthened in the year with regional and state-based State Govt agencies including: SA Water, DIPT, PIRSA, DIS and DHS. This has led to new programs and forums / workshops being held and or supported for our region. Further work is required in the health sector and offers to assist continue.

The following is a list of 2019/2020 Legatus Group reports and projects:

1. Rating Equity report (completed) <https://legatus.sa.gov.au/wp-content/uploads/2020/03/Rating-Equity-Impact-Assessment-Final-Report-03Feb20.pdf> Note that the Legatus Group supports the approach by SAROC seeking a commitment from the State Government in working with local government on amendments to rating policy with regards to electricity generators.
2. Visitor Information Services report (completed and formation of advisory group) <https://legatus.sa.gov.au/wp-content/uploads/2019/08/Legatus-Group-Tourism-Visitor-Information-Services-Report-July-2019-Final.pdf>
3. Regional Transport Industry Engagement report (complete) <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Industry-Engagement-Documents.pdf>
4. Regional Sludge viability report (completed) <https://legatus.sa.gov.au/wp-content/uploads/2019/08/Final-Report-Draft-Legatus-Group-Sludge-Viability-Project-.pdf>
5. Local Roads updated deficiency report (completed) <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Regional-Transport-Plan-Road-Deficiency-Action-Plans-Apr-20-endorsed.pdf>

6. Coastal Management Action Plan (completed and implementation project commenced) https://landscape.sa.gov.au/files/sharedassets/northern_and_yorke/coast_and_marine/ny_coastactionplan_final_050520.pdf
7. Creative Industries report (completed) <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Final-Creative-Industries-Report-April-2020.pdf>
8. Youth in Music (commenced) <https://legatus.sa.gov.au/yim/>
9. Youth into Volunteering (report completed and projects commenced) <https://legatus.sa.gov.au/wp-content/uploads/2020/06/Final-Report-Youth-Volunteering-20-April-2020.pdf>
10. Brighter Futures – Project completed in Yongala, Mundoora, Balaklava, Crystal Brook and Jamestown and commenced with Orreroo Carrieton and Flinders Ranges.
11. CWMS (ongoing) with significant communication with CWMS staff, at the annual conference and in a series of communications sessions. The work has grown to have a state-wide scope and involves close collaboration with the LGA CWMS Manager. The work has focused on addressing the training needs, including for regulatory compliance; developing applications of new technology to equipment monitoring (in cooperation with UniSA); undertaking research into equipment selection and design criteria for new Schemes; and, advancing the concept of a biosolids composting plant to deal with CWMS sludge. More generally, the work is addressing the broader strategic aim of enhancing the governance of CWMS.
12. SA Regional Waste Management Strategy (commenced)
13. MoU and Strategic Research Action Plan established with University of SA and MoU established with the University of Adelaide
14. Reconciliation Action Research project (commenced)
15. Pit and Quarry Management report to SAROC (completed)
16. Restricted Access Vehicle Route Assessment Tool (completed and progressed to SAROC)

Benefits to constituent councils:

- Identify training needs for the Legatus Region Constituent Councils.
- Regional collaboration and priority setting and sharing of knowledge and resources in the areas outlined above.
- Delivery of regional strategic and business plans and annual work plans.
- Operate Legatus Group in accordance with legislative requirements and board policies and procedures.
- Well regarded by members and stakeholders as valid and relevant through regional collaboration and undertaking or supporting actions on identified priorities.
- Identify regional priorities through collaboration with members and stakeholders and develop agreed actions and/or support.
- Advocate with a single and united voice and in partnership with other Regional LGA's.
- Fostering of economic, environmental and social sustainability through pro-active, innovative, efficient and collaborative approaches to priority issues.

Benefits across the local government sector:

- Assistance with coordinating workshops and consultation sessions and improved regional delivery of LGA services.
- Identified and aided with regional and longer-term outcomes for Constituent Councils.
- Facilitates stronger regional collaboration on projects and areas for sharing of knowledge and services.
- Being able to undertake research projects on the needs specific to regional councils.

Observation:

This has been an extremely difficult year for all sectors of the community which is replicated in the local government sector. Working in isolation with increased workloads has been compounded with increased levels of anxiety and, as organisations we need to ensure the wellbeing occurs internally as well as with the support being provided to our communities.

The focus on securing data to assist in decision making and to assist with raising policy issues has seen continued constructive dialogue with Constituent Councils, Members of Parliament, Ministers, the Local Government Association SA, public servants and other regional stakeholders. The platform is in place to now expand on these reports and projects via tangible and constructive programs.

Simon Millcock
CEO Legatus Group

The Legatus Group Audit and Risk Committee summary of activities undertaken, and recommendations made during 2019-2020. The committee met on 4 occasions during 2019-2020 with the following attendance.

Date	No of Members Attending
22 Aug 2019	4
1 Nov 2019	3
13 March 2020	3
22 May 2020	4

Committee Member	No of Meetings Attended
Chairman Kathie Bowman	4
Mayor Denis Clark	2
Peter Ackland	4
Colin Byles	3
Ian McDonald	4

The following table sets out the principal issues addressed by the Committee for 2019-20 year.

Principal Issues Examined	Recommendations to Board
Financial Report	No issues, unqualified audit, adopted for the 18/19 financial year.
Review of budget against actuals	Noted no issues and supported the allocation of the expenditure identified of carry over reserves and accumulated surplus for 20/21 business plan and budget.

Review of work plan, internal controls	Work planned maintained and review undertaken of policies including 3 new policies (1) Working from Home (2) Agenda items and Meeting Presentations (3) Board Members Code of Conduct being adopted
Charter	Variations to charter supported re the 5.1 budget via report on ways to assist with streamlining the current charter and the process for seeking approval of the budget and its reviews.
Business, Budget and Strategic Plan	Noted the development of the 2019-2020 business plan and budget and recommended streamlining of the presentation of current budget when reviewed.
Membership	Recommendations to Board re membership of Audit Committee
Equity / reserves	Recommendations to Board on levels to be held

Chairman Kathy Bowman

Chairman Legatus Group Audit and Risk Management Committee

Financial Statement

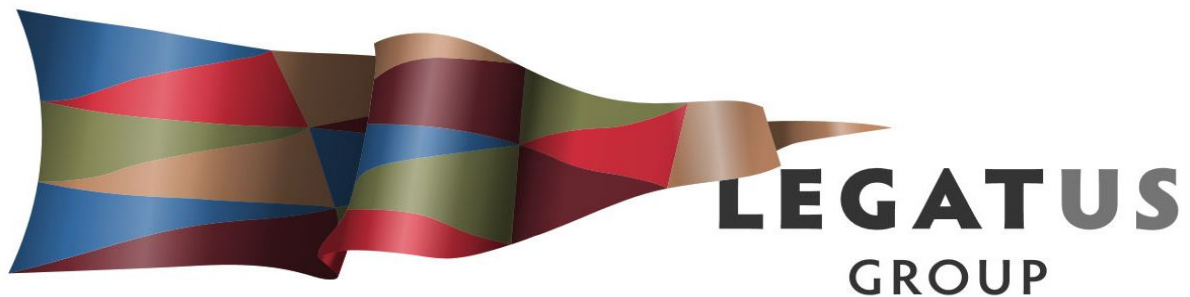
The financial statement for the year ending 30 June 2019 was presented at the 4 September 2020 Legatus Group AGM. The Legatus Group Charter requires that the AGM receive the audited financial statement for the preceding financial year.

The 2019/2020 Legatus Group audited annual financial report was undertaken by Dean Newberry and Partners. This report was prepared by Mr Sean Cheriton The Flinders Ranges Council Acting Finance and Administration Manager and was an agenda item at the Legatus Group Audit and Risk Committee meeting held on 21 August 2020. This meeting endorsed the Legatus Group annual financial statement for the year ending 30 June 2019 as presenting a fair view of the state of the financial affairs of the Legatus Group and that the board adopt the annual financial statement. The meeting also recommended that the Legatus Group retain Dean Newberry and Partners as Auditors for the year end 30 June 2021.

The reports and statements form part of the Legatus Group Annual Report and will be distributed to Constituent Councils for inclusion with their own annual reporting requirements.

The regulations also require that on an annual basis, the Chief Executive Officer of each Constituent Council, the Legatus Group Chair and the Chair of the Audit Committee provide a statement of certification that the auditor is independent of the subsidiary. This has been completed.

CENTRAL LOCAL GOVERNMENT
REGION of SA
trading as



Annual Financial
Statements

For the financial year

1 July 2019 – 30 June 2020

LEGATUS GROUP

General Purpose Financial Reports for the year ended 30 June 2020

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LEGATUS GROUP

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

CERTIFICATION OF FINANCIAL STATEMENTS

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

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

.....
Simon Francis MILLCOCK
CHIEF EXECUTIVE OFFICER

.....
Mayor Samuel Peter MATTEY
PRESIDENT

Date:

LEGATUS GROUP

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2020

	Notes	2020 \$	2019 \$
INCOME			
Grants, subsidies and contributions	2	485,336	509,232
Investment income	2	10,845	16,573
Reimbursements	2	37,787	37,664
Other income	2	193,397	169,431
Total Income		<u>727,366</u>	<u>732,899</u>
EXPENSES			
Employee costs	3	221,194	191,317
Materials, contracts & other expenses	3	273,479	355,899
Depreciation, amortisation & impairment	3	5,695	6,311
Total Expenses		<u>500,368</u>	<u>553,527</u>
OPERATING SURPLUS / (DEFICIT)		226,998	179,372
Asset disposal & fair value adjustments	4	(3,690)	-
NET SURPLUS / (DEFICIT)		223,308	179,372
transferred to Equity Statement			
TOTAL COMPREHENSIVE INCOME		<u>223,308</u>	<u>179,372</u>

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

LEGATUS GROUP

STATEMENT OF FINANCIAL POSITION as at 30 June 2020

	Notes	2020 \$	2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,258,006	972,087
Trade & other receivables	5	93,845	69,801
Total Current Assets		1,351,851	1,041,888
Non-current Assets			
Infrastructure, property, plant & equipment	6	24,850	11,177
Total Non-current Assets		24,850	11,177
Total Assets		1,376,701	1,053,065
LIABILITIES			
Current Liabilities			
Trade & other payables	7	135,189	46,729
Provisions	7	10,314	2,568
Total Current Liabilities		145,503	49,297
Non-current Liabilities			
Provisions	7	7,069	2,947
Total Non-current Liabilities		7,069	2,947
Total Liabilities		152,572	52,244
NET ASSETS		1,224,129	1,000,821
EQUITY			
Accumulated Surplus		704,359	166,358
Other Reserves	8	519,770	834,463
TOTAL EQUITY		1,224,129	1,000,821

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

LEGATUS GROUP

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

		Accumulated Surplus	Other Reserves	TOTAL EQUITY
2020	Notes	\$	\$	\$
Balance at end of previous reporting period		166,358	834,463	1,000,821
Net Surplus / (Deficit) for Year		223,308	-	223,308
Other Comprehensive Income				
Transfers between reserves	8	314,693	(314,693)	-
Balance at end of period		704,359	519,770	1,224,129
2019				
Balance at end of previous reporting period		55,336	766,113	821,449
Net Surplus / (Deficit) for Year		179,372	-	179,372
Other Comprehensive Income				
Transfers between reserves	8	(68,350)	68,350	-
Balance at end of period		166,358	834,463	1,000,821

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

LEGATUS GROUP

STATEMENT OF CASH FLOWS for the year ended 30 June 2020

		2020	2019
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES	Notes		
<u>Receipts</u>			
Investment receipts		11,352	18,714
Grants utilised for operating purposes		561,336	454,232
Reimbursements		37,787	37,664
Other revenues		193,398	161,248
<u>Payments</u>			
Employee costs		(210,531)	(186,562)
Materials, contracts & other expenses		(284,365)	(322,084)
Net Cash provided by (or used in) Operating Activities	9	308,977	163,211
 CASH FLOWS FROM INVESTING ACTIVITIES			
<u>Receipts</u>			
Sale of replaced assets		5,909	-
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(28,967)	-
Net Cash provided by (or used in) Investing Activities		(23,058)	-
 CASH FLOWS FROM FINANCING ACTIVITIES			
<u>Receipts</u>		-	-
<u>Payments</u>		-	-
Net Cash provided by (or used in) Financing Activities		-	-
Net Increase (Decrease) in cash held		285,919	163,211
 Cash & cash equivalents at beginning of period	9	972,087	808,876
Cash & cash equivalents at end of period	9	1,258,006	972,087

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

LEGATUS GROUP

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1. Basis of Preparation

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

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

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

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

1.1 Historical Cost Convention

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

1.2 The Local Government Reporting Entity

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

The Constituent Councils are:

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

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

1.3 Income recognition

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

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

LEGATUS GROUP

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.4 Cash, Cash Equivalents and other Financial Instruments

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

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

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

1.5 Property, Plant & Equipment

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

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

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

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

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

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

1.6 Payables

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

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

1.7 Employee Benefits

Salaries, Wages & Compensated Absences

The Group has two employees as at the 30th June 2020, a Chief Executive Officer and a Project Officer. Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

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

LEGATUS GROUP

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

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

1.8 Superannuation

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

1.9 GST Implications

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

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

1.10 Leases

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

1.11 New Accounting Standards

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

The Group has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective. Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2020 reporting period and have not been used in preparing these reports.

AASB 1059 Service Concession Arrangements: Grantors

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

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

AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform

AASB 17 Insurance Contracts

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

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

1.12 Economic Dependencies

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

1.13 Disclaimer

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

LEGATUS GROUP

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

Note 2 - INCOME

	2020 \$	2019 \$
INVESTMENT INCOME		
Interest on investments		
Local Government Finance Authority	10,807	16,507
Banks	39	65
	<u>10,845</u>	<u>16,573</u>
REIMBURSEMENTS		
- for Legal, Climate Change, USGRPG	37,787	37,664
	<u>37,787</u>	<u>37,664</u>
OTHER INCOME		
Council Contributions	177,025	165,225
Sundry	16,372	4,206
	<u>193,397</u>	<u>169,431</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS		
Sundry	485,336	509,232
	<u>485,336</u>	<u>509,232</u>
Sources of grants		
Commonwealth government	17,000	-
State government	70,500	115,000
LGA	397,836	394,232
	<u>485,336</u>	<u>509,232</u>

LEGATUS GROUP

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

Note 3 - EXPENSES

	2020	2019
	\$	\$
EMPLOYEE COSTS		
Salaries and Wages	166,435	141,645
Employee leave expense	27,745	23,815
Superannuation	17,828	15,217
Workers' Compensation Insurance	2,087	1,333
Professional Development	400	664
FBT	6,699	8,644
Total Operating Employee Costs	221,194	191,317
 Total Number of Employees	 1.5	 1.3
<i>(Full time equivalent at end of reporting period)</i>		
MATERIALS, CONTRACTS & OTHER EXPENSES		
<u>Prescribed Expenses</u>		
Auditor's Remuneration	2,100	2,000
Subtotal - Prescribed Expenses	2,100	2,000
<u>Other Materials, Contracts & Expenses</u>		
Contractors & Consultants	210,349	303,167
Legal Expenses	-	-
Unleaded Fuel	3,003	4,734
Other Motor Vehicle Costs	362	3,540
Members Allowances & Support	5,500	4,600
Meetings & Conferences	14,517	6,937
Insurance	7,934	7,735
Rental - Premises	10,126	9,009
Advertising	28	1,650
Accommodation	1,022	768
Airfares	338	-
Travel - Reimbursement	834	425
Catering & Meals	3,293	1,040
Telephone & Internet	3,432	4,894
Postage/Stationery/IT	3,792	3,575
Sundry	6,849	1,826
Subtotal - Other Materials, Contracts & Expenses	271,379	353,899
	273,479	355,899
 DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Motor Vehicle	5,695	6,311
	5,695	6,311

LEGATUS GROUP

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

Note 4 - ASSET DISPOSAL & FAIR VALUE ADJUSTMENTS

	2020 \$	2019 \$
PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	5,909	-
Less: Carrying amount of assets sold	9,599	-
Gain (Loss) on disposal	(3,690)	-
 NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	 (3,690)	 -

Note 5 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS		
Cash at Bank	77,756	78,151
Deposits at Call	1,180,250	893,936
	1,258,006	972,087
 TRADE & OTHER RECEIVABLES		
Accrued Revenues	436	944
Debtors - General	93,409	55,000
GST Recoupment	-	13,857
	93,845	69,801

LEGATUS GROUP

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

Note 6 - PLANT & EQUIPMENT

	Fair Value Level	2019 \$				2020 \$			
		AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Motor Vehicles		-	33,353	(22,176)	11,177	-	28,967	(4,117)	24,850
Computers & Software		-	3,948	(3,948)	-	-	3,948	(3,948)	-
TOTAL PLANT & EQUIPMENT		-	37,301	(26,124)	11,177	-	32,915	(8,065)	24,850
<i>Comparatives</i>		-	37,301	(19,813)	17,488	-	37,301	(26,124)	11,177

	2019	CARRYING AMOUNT MOVEMENTS DURING YEAR								2020
	\$	\$								\$
	CARRYING AMOUNT	Additions		Disposals	Depreciation	Impairment	Transfers		Net Revaluation	CARRYING AMOUNT
		New/Upgrade	Renewals				In	Out		
Motor Vehicles	11,177	-	28,967	(9,599)	(5,695)	-	-	-	-	24,850
Computers & Software	-	-	-	-	-	-	-	-	-	-
TOTAL PLANT & EQUIPMENT	11,177	-	28,967	(9,599)	(5,695)	-	-	-	-	24,850
Comparatives	17,488	-	-	-	(6,311)	-	-	-	-	11,177

LEGATUS GROUP

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

Note 7 - LIABILITIES

	2020		2019	
	\$		\$	
TRADE & OTHER PAYABLES	Current	Non-current	Current	Non-current
Goods & Services	2,143	-	24,196	-
Payments received in advance	110,500	-	-	-
Accrued expenses - employee entitlements	5,890	-	6,637	-
GST & PAYG	16,656	-	15,896	-
	135,189	-	46,729	-
PROVISIONS				
Employee entitlements - Annual Leave	10,314	-	2,568	-
Employee entitlements - Long Service Leave	-	7,069	-	2,947
	10,314	7,069	2,568	2,947

Note 8 - RESERVES

OTHER RESERVES	1/7/2019	Transfers to Reserve	Transfers from Reserve	30/6/2020
General Reserve	66,093	466,677	(263,000)	269,770
Rubble Royalties Projects	-	250,000	-	250,000
1 A009-Special Projects	9,825	-	(9,825)	-
2 P003-Waste Management	16,273	-	(16,273)	-
3 P022-Roads & Transport	46,087	377,570	(423,657)	-
4 P024-Climate Change Co-Ordinator 2015-17	11,694	-	(11,694)	-
5 P025-LG Outreach Phase 2	132,922	-	(132,922)	-
6 P027-LG Reform - Incentive Risk	144,000	-	(144,000)	-
7 P028-Regional Capacity Building	407,569	-	(407,569)	-
TOTAL OTHER RESERVES	834,463	1,094,247	(1,408,940)	519,770
Comparatives	766,113	75,000	(6,650)	834,463

PURPOSES OF RESERVES

(Other Reserves)

Rubble Royalties / Projects Reserve

This reserve was established from the Region's rubble royalty payments, with a percentage returned for allocation towards projects that provide a benefit to Member Councils

LEGATUS GROUP

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

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2020 \$	2019 \$
Total cash & equivalent assets	5	1,258,006	972,087
Balances per Cash Flow Statement		1,258,006	972,087

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

Net Surplus (Deficit)	223,308	179,372
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	5,695	6,311
Net increase (decrease) in unpaid employee benefits	10,663	4,755
Net (Gain) Loss on Disposals	3,690	-
	243,356	190,438
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(33,993)	33,815
Net increase (decrease) in trade & other payables	(10,886)	(61,042)
Net increase (decrease) in other liabilities	110,500	-
Net Cash provided by (or used in) operations	308,977	163,211

(c) Non-Cash Financing and Investing Activities

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:
Corporate Credit Cards **1,000** -

Note 10 - FUNCTIONS

The activities of the Region are categorised into the following programmes

- 1 Corporate Function
- 2 P003 - Regional Waste Management
- 3 P015-Local Government Reform
- 4 P022-Roads & Transport
- 5 P024-Climate Change Co-Ordinator
- 6 P027-LG Reform - Incentive Risk
- 7 P028-Regional Capacity Building
- 8 P029 - LGA R&D Projects
- 9 P030 - Emerging Leaders Project
- 10 P031 - Digital Maturity Index Project
- 11 P032 - Sustainability Hub
- 12 P033 - Coastal Strategic Priorities
- 13 P034 - N&Y Coastal Management Action Plan
- 14 P037 - Creative Industries Project
- 15 P038 - Regional Waste Strategy

Income and expenses have been attributed to the functions/activities throughout the financial year.

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

Note 11 - FINANCIAL INSTRUMENTS

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.</p> <p>Terms & conditions: Short term deposits are available on 24 hour call with the LGFA and have an interest rate of 0.45% as at 30 June 2020</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Trade & other debtors	<p>Accounting Policy: Carried at nominal value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>

Liquidity Analysis

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

2019	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	972,087	-	-	972,087	972,087
Receivables	69,801	-	-	69,801	69,801
Total	1,041,888	-	-	1,041,888	1,041,888
Financial Liabilities					
Payables	24,196	-	-	24,196	24,196
Total	24,196	-	-	24,196	24,196

Net Fair Value

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

Risk Exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Group is the carrying amount, net of any allowance for doubtful debts. All Group investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Group's boundaries, and there is no material exposure to any individual debtor.

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

Liquidity Risk is the risk that the Group will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

LEGATUS GROUP

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

Note 12 - FINANCIAL INDICATORS

	2020	2019	2018
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These Financial Indicators have been calculated in accordance with *Information Paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia. Detailed methods of calculation are set out in the SA Model Statements.

The Information Paper was revised in May 2015 and the financial indicators for previous years have been re-calculated in accordance with the revised formulas.

Operating Surplus Ratio

<u>Operating Surplus</u>	31.2%	24.5%	18.8%
Total Operating Income			

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	(165%)	(135%)	(143%)
Total Operating Income			

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

Asset Renewal Funding Ratio

<u>Net Asset Renewals</u>	305%	0%	0%
Depreciation Expenditure			

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

LEGATUS GROUP

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

Note 13 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2020 \$	2019 \$
Income	727,366	732,899
Expenses	<u>(500,368)</u>	<u>(553,527)</u>
Operating Surplus / (Deficit)	226,998	179,372
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(28,967)	-
Add back Depreciation, Amortisation and Impairment	5,695	6,311
Proceeds from Sale of Replaced Assets	<u>5,909</u>	<u>-</u>
	(17,363)	6,311
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	-	-
Amounts received spec. for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	<u>-</u>	<u>-</u>
	-	-
Net Lending / (Borrowing) for Financial Year	<u>209,635</u>	<u>185,683</u>

LEGATUS GROUP

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

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

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

	2020 \$	2019 \$
Salaries, allowances & other short term benefits	194,180	165,460
Member Allowance	5,500	4,600
Post-employment benefits	17,828	15,217
FBT	6,699	8,644
TOTAL	224,208	193,921

The Group received the following amounts in total:

	2020 \$	2019 \$
Contributions for fringe benefits tax purposes	-	-
TOTAL	-	-

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

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

OTHER RELATED PARTIES

Amounts received from Related Parties during the financial year and owed by Related Parties at the end of the financial year.	Received 2020 \$	Outstanding 2020 \$
The Barossa Council	11,135	-
Barunga West Council	12,635	1,500
Clare and Gilbert Valleys Council	11,135	-
Copper Coast Council	12,635	1,500
The Flinders Ranges Council	16,135	-
Regional Council of Goyder	11,135	-
Light Regional Council	11,135	-
Adelaide Plains Council	11,135	-
District Council of Mount Remarkable	11,135	-
Northern Areas Council	11,135	-
District Council of Orroroo / Carrieton	16,135	-
District Council of Peterborough	11,135	-
Port Pirie Regional Council	11,135	-
Wakefield Regional Council	11,135	-
Yorke Peninsula Council	12,635	1,500
TOTAL	181,525	4,500

Description of Services provided to all Related Parties above:

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

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

LEGATUS GROUP

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

Note 15 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

There are no contingencies, assets or liabilities not recognised in the financial statements for the year ended 30 June 2020.

Note 16 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2020 that need to be disclosed in the financial statements.

LEGATUS GROUP

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2020

CERTIFICATION OF AUDITOR INDEPENDENCE

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

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

.....
CHIEF EXECUTIVE OFFICER
The Barossa Council

.....
CHIEF EXECUTIVE OFFICER
District Council of Barunga West

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

.....
CHIEF EXECUTIVE OFFICER
District Council of the Copper Coast

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

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

.....
CHIEF EXECUTIVE OFFICER
Light Regional Council

.....
CHIEF EXECUTIVE OFFICER
Adelaide Plains Council

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

.....
CHIEF EXECUTIVE OFFICER
Northern Areas Council

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

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

.....
CHIEF EXECUTIVE OFFICER
York Peninsula Council

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

.....
CHIEF EXECUTIVE OFFICER
Wakefield Regional Council

.....
CHAIRMAN
Legatus Group
Board of Management

Date:

LEGATUS GROUP
ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2020

STATEMENT BY AUDITOR

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

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

John Jovicevic

Partner

Dean Newbery & Partners

Dated this day of 2020



FLINDERS REGIONAL ASSESSMENT PANEL

ANNUAL REPORT 2019-2020

The Terms of Reference for the Flinders Regional Assessment Panel ("the Panel") requires that the Panel, through the Public Officer, to report in writing to the Constituent Councils on an annual basis, detailing:

- The level of attendance of Panel Members at Panel Meetings;
- The Panel's activity and performance in making decisions; and
- Comment on or an analysis of policy or process that are relevant to the Panel's assessment functions and suggesting improvements.

During the course of the 2019-2020 Financial Year, there were nil (0) applications referred to the Panel, and the Panel did not meet on any occasion.

As required, the following tables summarise the level of attendance of Panel Members at meetings and the activity and performance of the Panel in decision making.

Panel Member Attendance				
Member	Meetings Eligible to Attend	Present	Apology	Absent without Apology
Ms Shanti Ditter	0	0	0	0
Mr John Brak	0	0	0	0
Mr David Hutchison	0	0	0	0
Cllr Michael Pickering (DCP)	0	0	0	0

Panel Activity						
Constituent Council	App's Referred to Panel	Approved	Refused	Appealed	Withdrawn by Applicant	Deferred
The Flinders Ranges Council	0	0	0	0	0	0
District Council of Mount Remarkable	0	0	0	0	0	0
District Council of Orroroo Carrieton	0	0	0	0	0	0
District Council of Peterborough	0	0	0	0	0	0
Totals	0	0	0	0	0	0

Peter McGuinness
Public Officer