

# ANNUAL REPORT

2019-2020



CITY OF  
Port Adelaide Enfield





# City of PAE Annual Report 2019-2020

## CONTENTS

|  |           |
|--|-----------|
| Kaurna Acknowledgement .....   | 4         |
| Message from the Mayor and Chief Executive Officer.....                              | 6         |
| <b>SECTION ONE - OUR CITY .....</b>  | <b>8</b>  |
| Strategic Management Framework.....  | 12        |
| City Plan 2030.....  | 13        |
| Caring for our community during COVID-19.....  | 14        |
| Valuing connection and lifelong learning.....  | 16        |
| The Lights are on.....   | 18        |
| Creating inclusive communities.....  | 20        |
| Active spaces and communities.....   | 22        |
| Partnerships for the environment.....  | 24        |
| Love our libraries.....  | 26        |
| Local jobs for local people.....   | 28        |
| Economy.....   | 30        |
| Community .....  | 34        |
| Environment & Heritage .....   | 38        |
| Placemaking.....   | 42        |
| Leadership.....  | 46        |
| Connecting with our Community.....   | 50        |
| Customer Service.....  | 52        |
| Have Your Say PAE.....   | 52        |
| Community Survey.....  | 52        |
| City Scorecard - How our Community rates PAE.....                                    | 53        |
| <b>SECTION TWO - COUNCIL AND ORGANISATIONAL LEADERSHIP.....</b>                      | <b>54</b> |
| Our Council.....   | 56        |
| Elected Members Representing our Community.....                                      | 56        |
| Local Government Reform.....   | 56        |
| Council Decision-Making Structure.....   | 56        |
| Council and Committee Meetings .....   | 58        |
| Central Adelaide Waste and Recycling Authority.....                                  | 58        |
| Elected Member Allowances .....  | 60        |
| Elected Member Training and Development.....   | 61        |
| Agendas and Minutes.....   | 62        |
| Informal Gatherings.....   | 62        |
| Attendance at Council and Committee Meetings.....                                    | 63        |
| Confidential Items and Review of Council Decisions .....                             | 63        |
| Confidential Provisions.....   | 66        |
| Review of Council Decisions Under Section 270 of the Local Government Act 1999 ..... | 66        |
| Opportunities to be heard by Council.....  | 67        |
| Our Elected Members.....   | 68        |
| Our Organisation.....  | 70        |
| Structure.....   | 70        |
| Corporate Services.....  | 71        |
| Community Development.....   | 72        |
| City Assets.....   | 73        |
| Employment.....  | 74        |
| Senior Executive Officers .....  | 74        |
| Enterprise Bargaining.....   | 74        |
| Risk Management.....   | 74        |



|   |           |
|---|-----------|
| Auditor .....   | 74        |
| Work Health and Safety .....  | 74        |
| Equal Opportunity .....   | 74        |
| Staff Training and Development .....  | 75        |
| Our Constructive Culture .....  | 75        |
| Working Parties and Groups .....  | 75        |
| Building Fire Safety Panel .....  | 75        |
| Delegations and Policy Manual .....   | 75        |
| National Competition Policy .....   | 76        |
| Use of Local Goods and Services .....   | 76        |
| Competitive Tendering .....   | 76        |
| Reporting Required Under the Local Nuisance and Litter Control Act 2016 ..... | 76        |
| Management Plans for Community Land .....                                     | 76        |
| Codes .....   | 77        |
| Registers and Other Documents .....   | 77        |
| Council Policies .....  | 77        |
| Access to Council Documents .....   | 78        |
| Freedom of Information .....  | 78        |
| <b>SECTION THREE - FINANCIAL PERFORMANCE .....</b>                            | <b>80</b> |

*‘A city that values its diverse community and embraces change through innovation, resilience and community leadership.’*





# Kaurna Acknowledgement

“We acknowledge and pay respect to the Tradition  
Kaurna People of the Adelaide Plains. It is upon the  
Council meets. It is also The Place of the Kardi, the  
We pay respect to Elders past and present.

We respect their spiritual beliefs and connections to  
living Kaurna people of today. We further acknowledge  
Aboriginal people continue to play within our shared



The background of the entire page is an abstract artwork. It features several large, overlapping circles and arcs. Within these shapes are concentric rings of white dots of varying sizes. The background color is a deep blue, with some areas appearing lighter, suggesting a textured or layered effect. The overall style is reminiscent of traditional Indigenous Australian art, specifically the 'dot' painting technique.

al Owners of the land on which we stand, the  
ir ancestral lands that the Port Adelaide Enfield  
Emu, whose story travels from the coast inland.

o land which are of continuing importance to the  
dge the contributions and important role that  
ed community.’’



# MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE OFFICER

Welcome to the City of Port Adelaide Enfield 2019-2020 Annual Report.

The global pandemic has had a major impact on the health and living pressures of our residents and businesses, so when it first hit, we acted swiftly to provide assistance for those facing hardships in our community. We increased support services for our aged and most vulnerable residents, and provided financial support for rate relief and a rent-free period for all Council owned facilities. We also established a business task force to support local businesses and local jobs.

We are now doing all we can to help our community recover. The Council has developed a COVID-19 Recovery Strategy with a range of projects already underway, more being planned, and a commitment to working with the community to identify and respond to issues as they emerge.

Over the year we have undertaken a review of our City Plan to identify our key priorities, strategies and plans to meet the needs and expectations of the community. The City Plan 2030 is our blueprint for achieving our vision of embracing change through innovation, resilience and community leadership. It enables us to continue to undertake effective planning and accountable budgeting to pursue our goal of creating the best possible future for more than 127,000 people who live in PAE.

We are a unique Council in South Australia, with a rich history, a busy maritime trading gateway and many natural environmental attractions, so protecting our environment and preserving our heritage is important to us. We have engaged with various community groups and the Port Environment Centre and developed plans for air quality monitoring of Lefevre Peninsula, heritage advocacy, tree canopy and heat mapping in State planning reforms. We've also established Adapt West, a collaborative council initiative to address climate change in Western Adelaide.

As a key region for the State's economic growth, we are a hub for logistics, defence, manufacturing and new start-up businesses. Over the past year we have continued to partner with State and Federal Governments and worked to improve our support and engagement with over 9000 local businesses, particularly during the early days of COVID-19, and now to revitalise business and tourism attraction in PAE.

We have seen an increase in investor confidence in the region, with new businesses and residents moving in and construction taking place around us. In line with this growth, we have continued our comprehensive capital works program, with a focus on major stormwater works to assist with flood mitigation measures across PAE.



We have also completed over 29km of road upgrades, upgraded and built new footpaths, constructed local area traffic management plans for Rosewater, Greenacres and Northfield, and upgraded three playgrounds.

A significant project that was completed in October 2019 is the \$24 million, Lights Community and Sports Centre, a state-of-the-art facility with five international standard basketball courts, community and function rooms, and facilities that make it inclusive and accessible to all.

Waste management is an ongoing issue for many councils, and we have collaborated with the City of Charles Sturt to build a Materials Recovery Facility to take control of the management of the processing and disposal of our recyclable material, while adding value to the circular economy.

We have also embraced new technology to deliver online Council meetings, and launched the Have Your Say PAE website, to enable us to gain a deeper understanding of our community, so we can make better decisions and plans for the future.

We continue to maintain \$1.6 billion in community assets across PAE to meet the expectations of users...all while keeping rates at the lowest level in metropolitan Adelaide.

We have established a Cross Council Collaboration with two other Adelaide Metropolitan Councils to support benchmarking, budget assurance and service review programs. This work demonstrates our ongoing commitment to transparency, accountability, sound financial management, and service efficiency.

Our Elected Members and staff will continue to advocate on your behalf, and we want to thank our residents, stakeholders and volunteers who make up our community for your ingenuity, kindness and compassion during this difficult year.

There are many exciting times ahead and through working together we will build a sustainable and inclusive community striving to reach our full potential and make PAE a great place to live, work, invest and enjoy.



**Claire Boan**  
Mayor

**Mark Withers**  
Chief Executive Officer



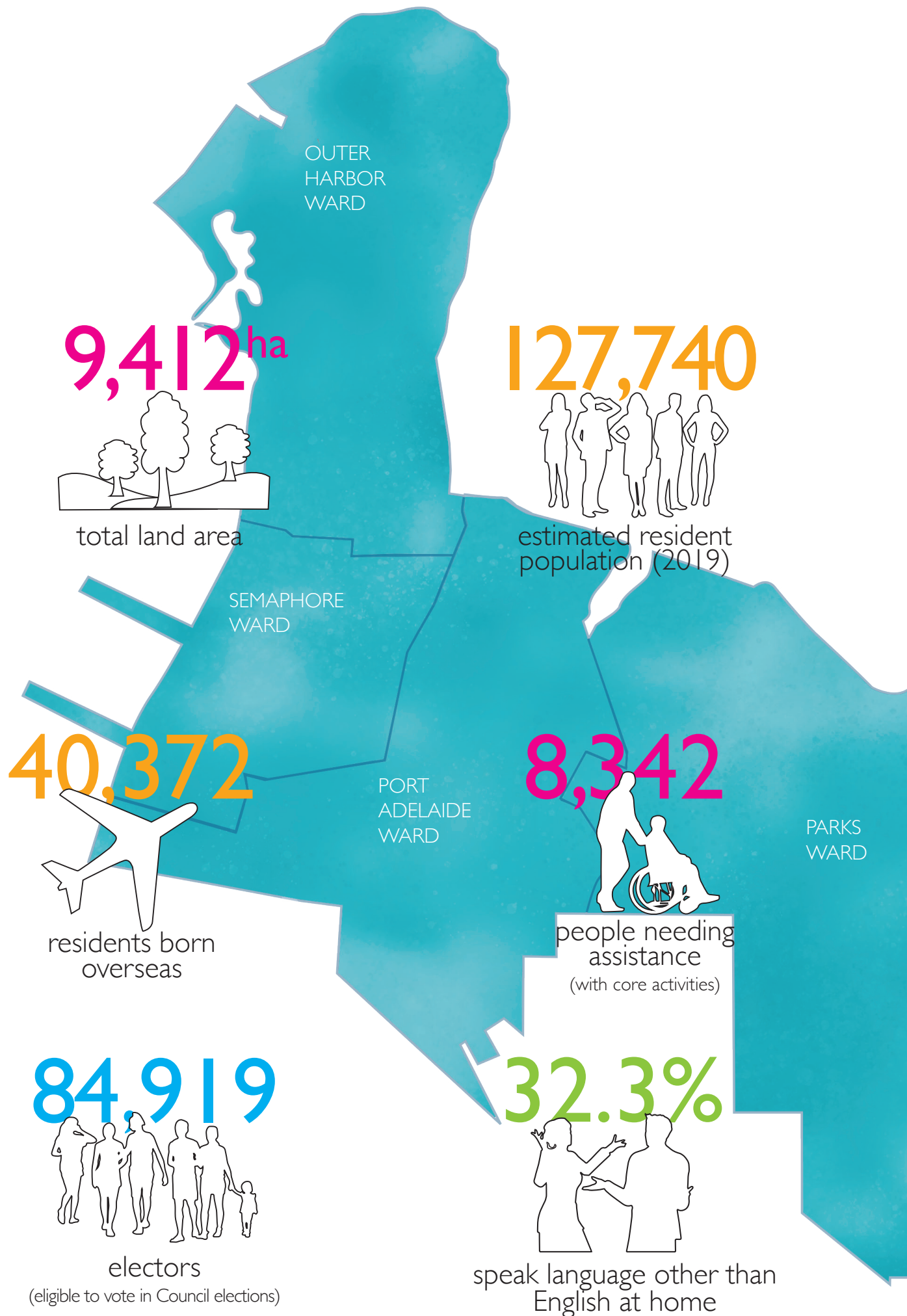
An aerial photograph of a coastal area. In the foreground, there is a large body of blue water with gentle ripples. A long, narrow wooden boardwalk or pier extends from the water towards a dense mangrove forest. The mangrove trees are lush green and cover a significant portion of the middle ground. In the background, a small body of water is visible, surrounded by more mangroves and some distant buildings or structures on a hill. The overall scene is peaceful and natural.

# SECTION ONE OUR CITY







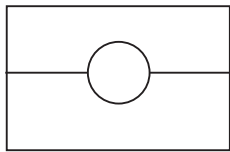




# OUR CITY

*A city rich in history, culture and opportunity, the City of PAE is located in the north-western region of Adelaide, South Australia, extending from the River Torrens in the east of the region to Outer Harbor in the west. It is a dynamic City, with a strong industrial and business base, unique visitor attractions and a connected and diverse community.*

2.3%



Aboriginal and Torres  
Strait Islander population

13.6



persons per  
hectare

53,568



private dwellings

35%



households renting

ENFIELD  
WARD

NORTHFIELD  
WARD

KLEMZIG  
WARD

37



years median age

16.8%



persons under  
15 years



# Strategic Management Framework

To ensure that PAE continues to be a great place to live, work and visit, we undertake short and long term planning activities that manage the social, natural and built environment of our City. Listening to our community is key to getting these plans right.

Our Strategic Management Framework, illustrated below, demonstrates how our plans connect together to deliver on our Vision. We will continue to undertake regular performance reporting and reviews of our plans to ensure we deliver on our commitments and are accountable to our community.

Consistent with our commitment on delivering this plan and budget we systematically keep track of our progress and report back through quarterly reviews.

At the end of the financial year, we produce an Annual Report as a summary of what has been achieved in the year. This is a legislated requirement and provides information to the community on what services, facilities and programs we are delivering for ratepayers, residents and visitors.

## OUR VISION

*A city that values its diverse community and embraces change through innovation, resilience and community leadership*





## City Plan 2030

The City Plan 2030 captures and presents the vision and aspirations for PAE and encapsulates what we believe is important for our future development. Our Plan is organised under five main themes: Economy, Community, Environment & Heritage, Placemaking, and Leadership. Each theme has an outcome statement; strategies and outlines what we will deliver to achieve on each outcome statement.

## ECONOMY

We are a thriving economy and a business-friendly City

## COMMUNITY

We are a safe, vibrant, inclusive and welcoming City for our residents, businesses and visitors alike

## ENVIRONMENT & HERITAGE

We are a low carbon, water sensitive and climate resilient City and our built heritage is protected, embraced and celebrated

## PLACEMAKING

We are a unique and distinctive collection of active places, created and cared for through strong partnerships

## LEADERSHIP

We are an innovative, collaborative and high performing leader within local government



# CARING FOR OUR COMMUNITY

When we look back on 2020, we are sure to associate the year with the COVID-19 pandemic.

This unexpected occurrence, which has impacted all of us in some way, meant we had to act quickly to make changes to our services and programs. We formed an Incident Leadership Team, who met regularly to monitor the status of the pandemic to ensure the safety of our residents, businesses and staff. Our early response included our commitment to continuing to provide essential services such as waste collection, community safety services, public health services and environmental care, all of which we maintained.

We made sure to think of our most vulnerable residents, putting extra services in place to support older people, people with disabilities, carers and young people.

We took a number of our initiatives online, and our live-streamed library and recreations sessions were popular. Council meetings also went online, so anyone could watch the monthly meetings from the comfort of their own home.

We also acted swiftly to provide support to those experiencing financial difficulty, including a comprehensive rate relief package.

By mid-year we had completed our extensive COVID-19 Recovery Framework.

We're working with the community to identify solutions to problems and opportunities to be innovative and grow. The people of the City of PAE have shown ingenuity and compassion and we are working together towards recovery.

*Photo: SA Veggies and Spices, Prospect Road, Blair Athol*



# UNITY DURING COVID-19





# VALUING CONNECTION A

In February 2020 the City of PAE's first Men's Shed was opened at the Enfield Community Centre. Men's Sheds are community facilities which provide opportunities for men (and women) to practice or gain new skills, and connect with others. Men's Sheds are particularly important for men who have retired and may be at increased risk of becoming isolated. The idea of establishing a Men's Shed at Enfield came from the Northgate Oakden Residents Association with support from the City of PAE and a grant from the Department of Premier and Cabinet.

After a short hiatus as a result of COVID-19, members were back in business at the shed by June, working on a project to build bird boxes to provide homes for kookaburras, crimson rosellas and pardalotes in areas impacted by the bushfires over the summer of 2019-2020.

President Norm Ogier says "We've established the shed to encourage men to socialise and to create a great atmosphere for them, to help them feel wanted. Their mental health is very important. In the coming months we will be expanding what we do to connect with men who might not want to visit the workshop. We will be looking at outings, computer training and first aid courses".

The Men's Shed is an important place in PAE, where members work together on projects that benefit everyone, while supporting wellbeing and connection.

*Photo: Oakden Men's Shed, Enfield Community Centre*



# AND LIFELONG LEARNING





# THE LIGHTS ARE ON







Our dream for the creation of an inclusive community space for residents of the Northfield Ward came to fruition when on a sunny Saturday in October 2019 the doors to the Lights Community and Sports Centre were opened. More than 2,000 people helped us celebrate the occasion. The Lights is the largest building project in our history, and was completed on time and within budget.

The Lights features five full-sized sports courts and boasts cutting edge smart-court technology – a first for indoor community and sports centres in our state. This technology includes live streaming, video-on-demand, analysis tools for coaches and their teams, and a live replay function that is the envy of other stadiums.

However, the Lights is not only a place for the athletes among us to enjoy. Everyone can come and participate and all are welcome. There are meeting rooms, recreation spaces and equipment designed to suit all needs and interests.

During the closure due to COVID-19, the Lights continued to deliver virtual health and wellbeing programs to the community, by running live sessions such as BoxFit, Yoga, Strength for Life and I'm a Fit Kid.

*Photo: The Lights Opening, October 2019*



# CREATING INCLUSIVE CO

Even before we published our first Disability Active Plan in 2001, we have long been committed to promoting inclusion and involving people with disabilities in community life. Our Inclusive Communities Plan 2019-2024 provides an integrated whole-of-Council approach and commitment to strengthen inclusion and access for all the people who live, work in or visit PAE. Across seven themes, the Plan documents how we will work towards our vision of a city that supports people with a disability to participate in all aspects of community life. And we've been making progress toward our goal by improving access to built environs and events and facilities and making changes to improve access to information and communications.

Although COVID-19 meant a short break in our longstanding social support program for people with disabilities, we worked to ensure that we stayed in touch with program participants. We provided regular deliveries of materials and resources, including an activity kit and tea-bag sampler. In this way, we were able to help our most vulnerable residents stay connected.

*Photo: Stuart and Brett, Friday Fun @ Lefevre*





# COMMUNITIES





# ACTIVE SPACES AND COM

During 2019-2020 we drafted and endorsed our first Active Recreation Facilities Plan. This plan creates a record of the spaces and places around PAE that are available for play and sport. The plan also helps us to ensure that everyone has access to safe and contemporary recreation facilities in their local area.

We also undertook 16 capital projects in 16 Active and 12 passive reserves, and completed our first 10 Year Playground Replacement Plan which sets our schedule for updates of our 128 playgrounds.

One site which has received particular attention this year is Brian Lehman Reserve in Gilles Plains. Clubrooms there had not been used for more than a decade, so work was done to upgrade the facilities to improve access for people living with disabilities, which included an access ramp, and a new disability access toilet. Working with young people and a local artist, a mural was painted on one of the exterior walls. In June we conducted further improvements; painting, floor surfacing, kitchen and air conditioning.

This meant that the facility was ready for its new tenants- One Culture Football, Urban Movement and Play it On, who moved in on 1 July 2020, to provide sporting, dance, social and fundraising activities here.

*Photo: Play it On, Brian Lehmann Reserve by Ken Willner @ Active illustrated*



# MUNITIES





# PARTNERSHIPS FOR THE E

At PAE our unique environment includes stunning coastline, the Port River (Yerta Bulti) and Torrens River (Karrawirra Pari) and wonderful local reserves and wetlands. Protecting and restoring this significant region is a shared responsibility and we partner with other groups and agencies to protect and restore this natural heritage and meet the challenges posed by climate change. During 2019-2020 we partnered with the Cities of Charles Sturt and West Torrens to establish AdaptWest - a regional climate change adaptation program.

We're also working with Australian Naval Infrastructure, Flinders Port and Green Adelaide to co-fund a concept planning process for the restoration of Mutton Cove on Lefevre Peninsula. We've been working with the Port Environment Centre and supporting local environmental groups to deliver local environmental activities, including dune care, creek restoration and reserve planting. We're also working with local communities to monitor the impact of heavy road usage in some areas. During 2019 we partnered with the Environment Protection Authority to launch a community co-designed project to monitor outdoor air to analyse air quality and emissions from traffic on Victoria Road and the surrounding residential areas. We are looking at how air quality may vary along the road, how far into the residential areas it goes, and how it may be affected by variations in weather conditions. A live air-quality checker is available via the project's website.

*Photo: Victoria Road and Semaphore coastline*



# ENVIRONMENT





# LOVE OUR LIBRARIES

The staff at our five local libraries are committed to supporting local communities to learn and grow, providing accessible places to read, relax, create, and access technology. With customer experience at front of mind, we provide services in a flexible and innovative way, to suit the needs and interests of our community. One unique project for the year was the installation of a new self-check service point at the Lights Community and Sports Centre. The automated locker system allows community members to collect or return library materials borrowed from any library in South Australia.

When libraries were closed as a result of COVID-19, staff responded quickly to enable the continuation of important resources to the community. A Click and Collect service was launched, where items that had been ordered online or by phone were taken outside to borrowers to comply with social distancing and safety procedures. This service was offered from Port Adelaide, Greenacres and Parks Libraries and between March and May more than 24,500 books, magazines, CDs, DVDs and puzzles were loaned out. Local resident Penny said the service made a world of difference for her family. "We are home schoolers, and the library is a major resource for us. During the COVID-19 lockdown, we were so relieved that we could still order new books in, so that we could keep going with some aspects of our normal life. Being stuck at home all day every day, we were reading more than ever!"

And despite the temporary closures, we welcomed more than 420,000 visitors to our five libraries during 2019-2020, a figure which equates to three visits for every single resident of PAE over that time.

*Photo: Penny and her family at the Parks Library*







# LOCAL JOBS FOR LOCAL PEOPLE

For young people looking to find work, it can be challenging to even make it through the application process to an interview. In August 2019, our Local Jobs for Local People program gave more than 50 young people the chance to meet local employers to introduce themselves and talk about their career goals. We worked with the State Government and Talent RISE recruitment on this initiative which has helped prepare young people to be job-ready, increased their confidence when meeting potential employers and connected them with real job outcomes.

Creating business connections is something our Economic Development Team do every day. During COVID-19, our officers spoke to hundreds of local business owners, to provide the latest information and connect them to support services. For other business owners, we continued to provide guidance about how to adapt and respond to changing markets.

Despite the challenges of 2020, there are unique opportunities opening up in PAE for businesses, and we continue to experience growth thanks to investments in defence and shipbuilding.

One local business owner who is optimistic about the future is Simon Kennedy of Smart Fabrication. A third generation Port local, Simon has shown adaptability in his approach and a commitment to creating opportunity for his staff. He says “The opportunities that are coming in maritime defence are greater than any opportunities we have ever seen.”

*Photo: Brian Kennedy at Smart Fabrication, Port Adelaide*



# PEOPLE





# ECONOMY

*In 2030 PAE is a thriving econo*



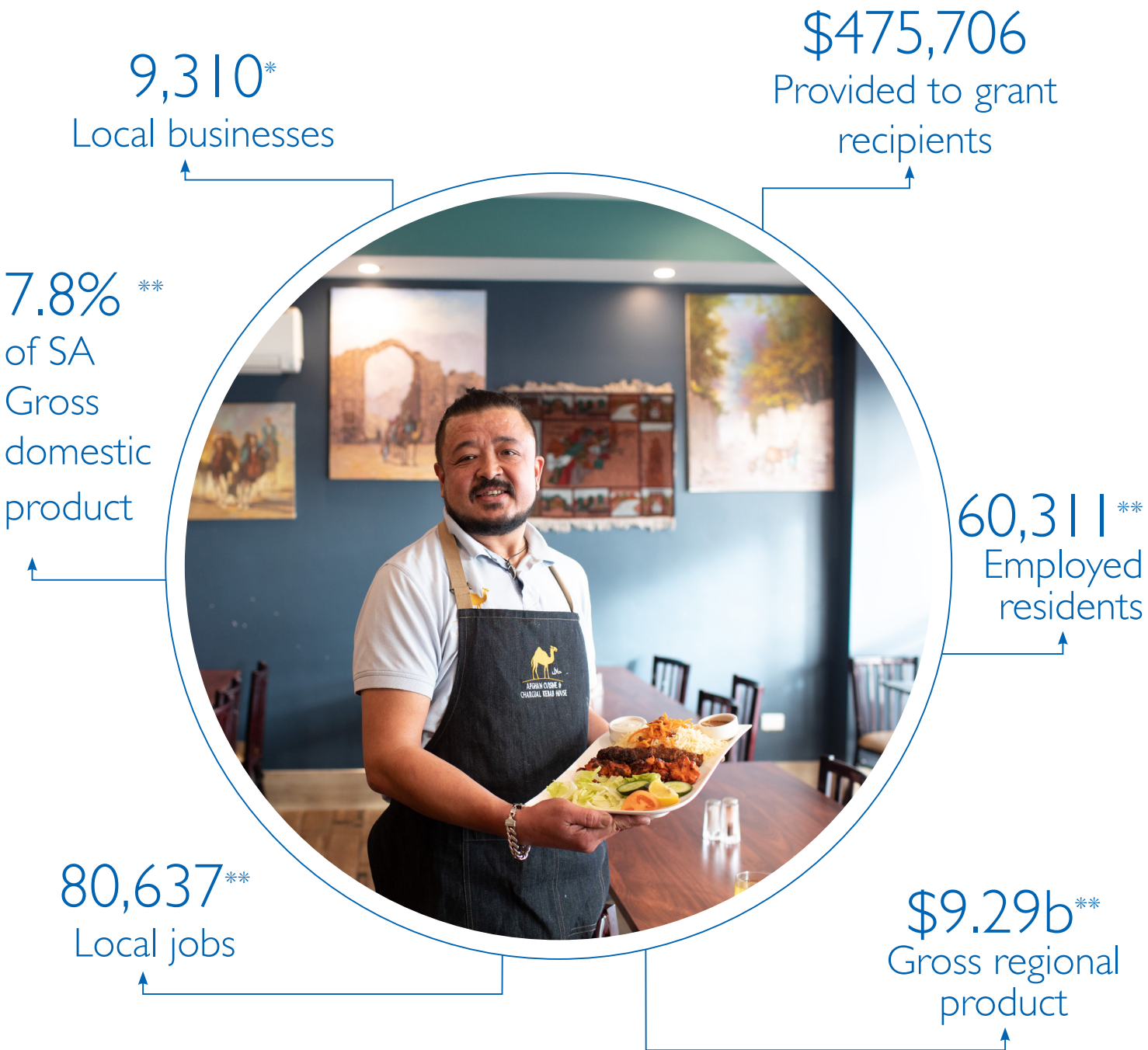


omy and a business-friendly City



# Key Activities

- Encouraged regional jobs growth and increased GDP by working in regional partnerships with State Government, western and northern Councils and businesses.
- Continued to drive Council's Business Friendly agenda by ensuring businesses are treated fairly, respectfully and in a timely manner.
- Supported the growth of the defence manufacturing sector in the City of PAE, by working closely with defence businesses and contactors and encouraging local business opportunities.
- Continued to develop the Library Service's role in supporting our community's development of Science, Technology, Engineering and Maths (STEM) skills.



\* Australian Bureau of Statistics (ABS)  
\*\* National Institute of Economic and Industry Research 2019



## Key Achievements

1. Conducted significant regional and state partnerships to create concise and accurate messaging for businesses about COVID-19 support.
2. Established a business helpline for PAE and western Adelaide businesses in partnership with the Western Alliance of Councils and the Adelaide Business Hub to support business sustainability.
3. Dedicated a group of planners to deal with development applications from businesses to ensure timely action and positive employment outcomes.
4. Delivered “Defence Engagement” by working with local suppliers to build capability and local business opportunities in the defence supply chain.
5. Provided a number of STEM programs including STEM squad (youth program), Repair Cafe Online Experiment (Adults), Code Club (Youth) and Little Bang Discovery Club (junior primary) to develop science and technology skills in the community.
6. Enabled more than 20,000GB of data to be accessed in our libraries, equating to more than 37 years of nonstop live music streaming.
7. Acted swiftly to deliver rate relief to businesses experiencing difficulty as a result of COVID-19.
8. Supported 135 people with resume and interview technique support in formal sessions.
9. Partnered with SA Public Libraries, Infoxchange and Google to deliver Digital Springboard employment program to 28 adults and nine young people.
10. Worked in collaboration with the Adelaide Business Hub to deliver workshops and webinars to assist business recovery post-COVID-19 restrictions.







# COMMUNITY

sses and visitors describe  
lusive and welcoming City



## Key Activities

- Encouraged responsible pet ownership and created great places through implementation of initiatives of the People, Pets and Places Animal Management Plan 2018-2023.
- Implemented a policy framework for Council's leases to provide equity and transparency and to support community health and wellbeing outcomes.
- Worked collaboratively with businesses to ensure that standards of care and accommodation are met for residents with a disability or mental health illness and that the rights and responsibilities of residents are protected.
- Successfully opened The Lights Community and Sports Centre.
- Improved access to information, places and services for our community through the adoption and implementation of the new Inclusive Communities Plan.
- Expanded opportunities for children and young people to participate in community life and enhance their development.
- Undertook a review of the Heritage Grants and Junior Sports Grants programs
- Worked with the Aboriginal Advisory Panel to increase Council's involvement of, and outcomes for, Aboriginal and Torres Strait Islander people.
- Increased our efforts to be a Welcoming City.
- Reviewed our crime prevention activities and developed and delivered initiatives to help people feel safer in their neighbourhood.
- Expanded our efforts to support neighbours connecting with each other through Neighbour Day, 'Stories From My Neighbourhood' and other initiatives.

## Key Achievements

1. Developed and implemented the COVID-19 Response Grants program.
2. Won the LG Professionals SA Award for Leadership in Community Services for our Nunga Week activities and raised awareness of the experience of Stolen Generations through the Walk of Awareness.
3. Undertook CPTED (Crime Prevention Through Environmental Design) audits in over 50 parks and reserves.
4. Hosted the Australia Day Awards at our new The Lights Community and Sports Centre.
5. Delivered Wise Moves, Who's in Charge, Rage, playgroups, school holiday programs and a range of other opportunities for men, women and children.
6. Launched a new social and fishing group for isolated residents.
7. Provided beach access mats to enable easier beach access.
8. Opened a new self-check service point at the Lights Recreation Centre which allows community members to collect or return library materials borrowed from any library in South Australia.
9. Supported 1,800 clients with 43,000 hours of support to enable them to remain living at home for longer.
10. Helped take care of pesky pest problems with 490 rat baiting services, 95 European Wasp services and 159 bee removal services.



17,382

Dogs registered

560,000

Library items  
borrowed

430

Routine Food  
business  
inspections

24,990

Passenger  
trips on our  
community  
buses



16,062 M<sup>2</sup>

Graffiti removed

92

Young people at  
risk supported



An aerial photograph showing a dense mangrove forest in shades of green and yellow. A body of water in the foreground is a deep blue. A long wooden pier with railings extends from the water towards the forest. The word "ENVIRONMENT" is written in large, white, sans-serif capital letters across the top of the image.

# ENVIRONMENT

*In 2030 PAE is a low carbon  
climate resilient City and our  
embraced and celebrate*



# IT & HERITAGE

Carbon, water sensitive and  
built heritage is protected,  
throughout the region



## Key Activities

- Delivered the Lefevre Air Quality Monitoring Project in partnership with the EPA.
- Advocated and promoted opportunities for the preservation and conservation of building and waterfront precincts with a balance of development versus heritage protection.
- Ensured the city is safer from flooding in storm events by effectively maintaining our open channels, pump stations and drainage pits.
- Completed tree canopy mapping, target setting and action planning as part of the Greening Our City initiative.
- Strengthened involvement in caring for the environment by working with the community in the Environmental Community Program.
- Continued to respond to changes in natural resource management legislation (Landscapes SA statutes).
- Looked for affordable and innovative waste management opportunities that protect the environment, contribute to the local economy and are valued by the community.
- Finalised major contracts arising from Council Solutions Joint Waste Procurement and facilitated transitions in contractors and changes in services.

## Key Achievements

1. Committed to delivery of Materials Recovery Facility in partnership with the City of Charles Sturt and established a subsidiary called Central Adelaide Waste Recycling Authority (CAWRA) to oversee operations.
2. Participated in a local government pilot project for circular procurement working with eight other councils to identify opportunities to purchase products from local businesses that contain recycled plastics from our yellow lid bins.
3. Piloted a compostable bag and kitchen caddy delivery and collection that will save hundreds of thousands of dollars and divert food waste from landfill.
4. Pledged to participate in the Cities Power Partnership Program and to develop a climate emergency plan in recognition of the current climate crisis.
5. Installed an electric vehicle charging station in Port Adelaide.
6. Planted 2,151 trees in streets and reserves and invested \$470,000 in maintaining and improving our coastal dunes and wetlands systems.
7. Established the PAE Fauna and Flora Monitoring Project as a citizen science initiative that will help track biodiversity in the City.
8. Partnered with the Environment Protection Authority to establish the Community Panel for the Victoria Road Air Quality Project and commenced monitoring of air quality along the road.
9. Rolled out stage two of the Heritage Plaque Scheme with 15 more plaques installed on local and state heritage buildings.
10. Successfully advocated for the strengthening of local heritage planning provisions in the new planning system.









*In 2030 PAE is a unique, creative  
created, and cared for through strong  
community and o*





# PLACEMAKING

and distinctive collection of places,  
ong partnerships between Council,  
ther stakeholders.



## Key Activities

- Published our Open Space Strategy and Active Recreation Facilities Plan which includes our commitment to providing an equitable distribution of our facilities including playgrounds throughout PAE.
- Planned, delivered and supported a series of vibrant and inclusive community events, and arts and cultural activities at a range of locations across the City which enable people to experience and participate in creative expression and foster social cohesion.
- Contributed to good urban development and an effective planning system by adapting and responding to State Government Planning Reform.
- Delivered The Lights Community and Sports Centre project to support community health and wellbeing.
- Progressed priority council, developer funded and Ministerial DPAs.
- Improved road safety in the community through the implementation of Local Area Traffic Management Plans for Rosewater, Greenacres and Northfield.
- Promoted Council's objectives in all urban projects.
- Continued to develop placemaking through a combination of an overarching strategy, developing and delivering specific initiatives, partnering with others and providing grants.
- Developed an Arts and Culture Strategy for 2020-2025.

## Key Achievements

1. Provided 17 groups and organisations with PAE Places grants.
2. Commissioned three major murals at the Lights Community and Sports Centre.
3. Developed a draft Local Area Traffic Management Plan for Dudley Park, Devon Park and Croydon Park and implemented a number of Black Spot and road safety projects.
4. Officially opened Hanson Reserve and Velodrome in November 2019.
5. Established smoke free areas at our dog parks.
6. Completed 15 new/upgrade footpaths and 40 replacement footpaths.
7. Worked with our communities to present three evenings of cultural entertainment and film.
8. Assessed road quality on our 696km road network.
9. Hosted the World Fringe Congress delegation at Port Adelaide.
10. Delivered on (both design and construction of) 20 stormwater new/upgrade projects and 29 stormwater replacement projects.



\$56,162

Provided to deliver  
PAE places grants

66

Wonderwalls painted  
since 2014

15

New  
heritage  
plaques  
installed

954

Library  
events and  
activities

+42,000

Event attendees

15,489

Hours booked  
at our reserves





# LEADERSHIP



*In 2030 PAE is known as a  
performing leader with*





s an innovative and high  
thin local government.



## Key Activities

- Effectively managed and renewed our infrastructure networks by undertaking a condition audit of our road network as well as the condition and valuation of bridges, bus shelters and rail crossings.
- Ensured that our assets are meeting the demand of our City users through effective assessment and updating of our Asset Management Plans.
- Created confidence in Council by developing a workplace culture that enables staff to achieve great outcomes for our community.
- Improved customer experience by implementing an organisation-wide improvement plan focused on our customer experience commitments and 2018-2020 customer experience roadmap.
- Continued to deliver a program with staff to communicate the PAE narrative and messages to ensure we present a fresh, vibrant PAE brand that leads the way for our community.
- Conducted a review of Council's direction and context to its work for the community as contained in the City Plan.
- Continued to progress the Library and Community Facilities review to deliver effectively managed and well used community resources.
- Reviewed the opening hours of our Libraries to ensure they are open and available when needed.
- Progressed our review of events (including grants and sponsorship) to develop an event strategy.
- Created a robust blueprint of how technology supports and shapes the organisation's operations and services through the development of an IT Strategy.
- Implemented new project management processes, systems and monitoring which demonstrates greater accountability and transparency to the community.
- Reviewed parks and reserve maintenance to improve efficiency in operations.
- Explored opportunities to improve efficiency in road maintenance through service reviews.
- Continued to drive budget efficiency and improvements to financial analysis and reporting.
- Continued to respond to changes in planning legislation (Planning, Development and Infrastructure Act 2016).

## Key Achievements

1. Launched our Smart Cities projects, which include the Visit Port Adelaide App and touchscreens.
2. Engaged with our community in the review of our City Plan.
3. Upgraded to a more user friendly website system and prepared for online chat function.
4. Created an online consultation site to improve community engagement.
5. Facilitated Supplementary Election in Enfield Ward.
6. Acted swiftly to hold Council and other meetings online and stream via our YouTube Channel.
7. Provided \$3 million worth of rates rebates to our community.



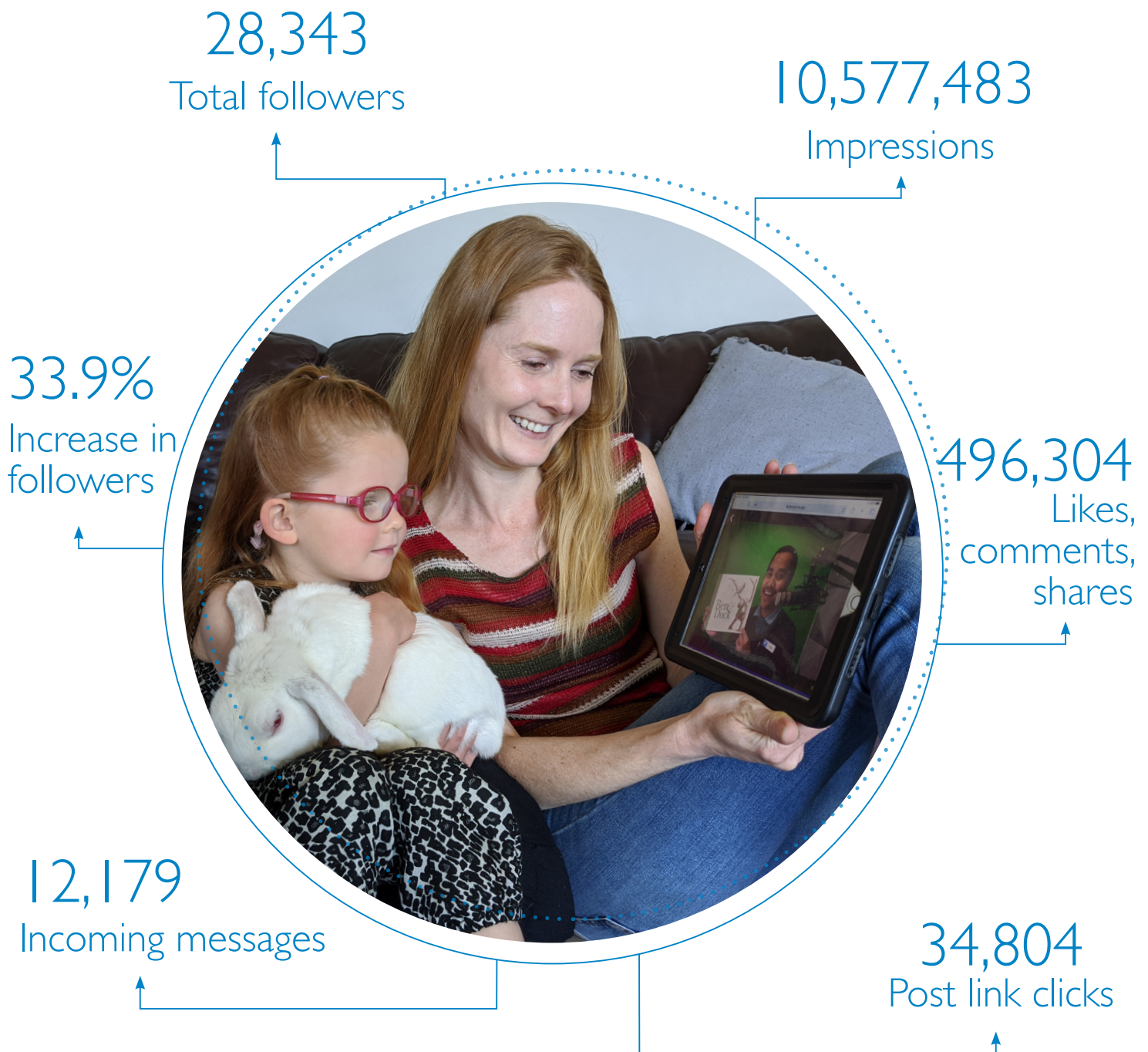
8. Established EzyBill electronic distribution of rates notices service with more than 5,000 subscribers in the first month.
9. Participated in cross-council collaboration on a number of projects including ICT, Risk Management, Materials Recovery Facility (MRF) and utilities cost management.
10. Contributed to local government and planning reform, participating and driving change at state and sector level to improve outcomes for communities.



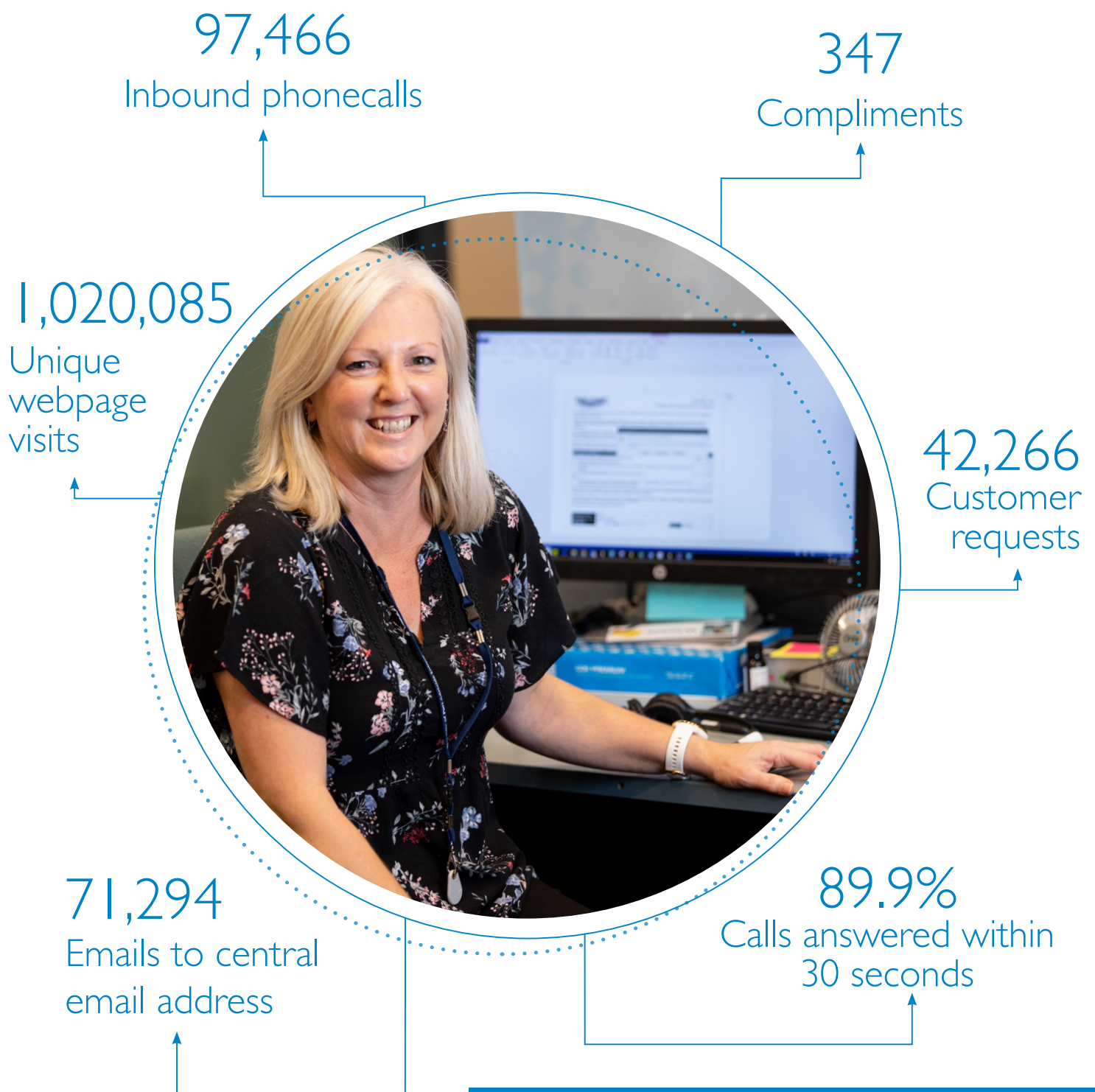


# CONNECTING WITH OUR COMMUNITY

*getting social...*







*getting in touch...*



## Customer Service

We are always working on improving the ways ratepayers, community members can communicate with us.

To contact us you can:

- visit us at the Civic Centre or one of our Library-Council Offices
- talk to one of our helpful staff on the phone
- lodge a request or comment via our website
- contact us via social media

Regardless of how you contact us, you can always expect to:

- be treated with courtesy and respect
- receive assistance to facilitate communication, which may include arranging an interpreter or involving an advocate
- be advised that your query has been received and be kept informed about the timeframes expected for a response
- have your query considered quickly and fairly
- have your query handled confidentially where appropriate
- receive information about other options that are available
- receive feedback on an outcome from your query

## Have your Say PAE

Under the Local Government Act 1999, we are bound to consult with the community on various proposals and developments. We are actively seeking the involvement of our local communities, and through this engagement we gain important insights to inform our decision-making.

A Community Engagement Policy (formerly Public Consultation Policy) was endorsed on 9 April 2020 and further amended in June 2020, to assist this process during COVID-19.

To improve the way we gather feedback on important community matters, we also launched a new online engagement website in April 2020. This has strengthened the way we connect and converse with our community.

We encourage everyone who wants to have their say and be involved to keep an eye on the website at:

**[www.haveyoursay.cityofpae.sa.gov.au](http://www.haveyoursay.cityofpae.sa.gov.au)**

## Community Survey

We conduct an annual Community Survey to better understand the needs and preferences of our community.

We believe our service delivery, facilities and programs for the community should be led by our community. It's important that what we provide is what our community wants and needs. So each year we seek the views of our residents, ratepayers, businesses and visitors. The survey results are captured to inform our City Scorecard, which shows how we are tracking in relation to our aspirations as embodied in the City Plan 2030.

During 2019-2020, we encouraged greater participation in the consultation process by engaging with the community through our email networks, website updates and social media.

The increased response has given us a greater level of confidence that the survey results represent the views of our community.

We combine this information with the feedback we receive in our day to day interactions with our customers, our organisational experience and knowledge, and statistics. This data informs our work plans each year and helps us respond to community needs now and into the future.



# City Scorecard - How our Community rates PAE

| OUTCOME  | INDICATOR  | 2016<br>BASELINE | 2017          | 2018          | 2019          | change<br>from<br>prev. year |
|--|--|------------------|---------------|---------------|---------------|------------------------------|
| <b>ECONOMY: A City of opportunity</b>  |  |                  |               |               |               |                              |
| <b>Prosperous</b>  | gross regional product   | \$8.8 billion    | \$9.0 billion | \$9.3 billion | \$9.3 billion | -                            |
| <b>Growing</b>   | proportion who feel that they can easily access information and organisation                             | 3.4              | 3.8           | 3.8           | 3.8           | -                            |
| <b>Connecting</b>  | number of local jobs   | 74,831           | 76,330        | 77,048        | 80,637        | -                            |
| <b>COMMUNITY: A City that supports community wellbeing</b>                                     |  |                  |               |               |               |                              |
| <b>Healthy</b>   | proportion who say they are healthy  | 3.4              | 3.9           | 3.9           | 3.9           | -                            |
| <b>Inclusive</b>   | proportion who feel they are part of their local community   | 3.4              | 3.5           | 3.5           | 3.5           | -                            |
| <b>Cohesive</b>  | proportion who say they feel safe in their neighbourhood or community                                    | 73%              | 3.6           | 3.7           | 3.6           | -0.1                         |
| <b>ENVIRONMENT &amp; HERITAGE: A City which cares for its natural environment and heritage</b> |  |                  |               |               |               |                              |
| <b>Distinctive</b>   | proportion who say the City's heritage is effectively managed  | 3.2              | 3.1           | 3.0           | 2.9           | -0.1                         |
| <b>Sustainable</b>   | proportion who say the City's natural environment is effectively protected                               | 3.3              | 3.3           | 3.2           | 3.1           | -0.1                         |
| <b>PLACEMAKING: A City where people love to be</b>   |  |                  |               |               |               |                              |
| <b>Belonging</b>   | City net promoter score  |                  | +25           | +19           | +15           | -4                           |
| <b>Accessible</b>  | proportion who say they can easily access places and services across the City                            | 4.1              | 3.8           | 3.8           | 3.8           | -                            |
| <b>Creative</b>  | proportion who feel they had an opportunity to participate/experience local arts and cultural activities | 57%              | 62%           | 62%           | 57%           | -5%                          |
| <b>LEADERSHIP: A City confident in its leaders</b>   |  |                  |               |               |               |                              |
| <b>Strategic</b>   | proportion who say Council delivers value for the rate dollar  | 3.1              | 3.2           | 3.2           | 3.2           | -                            |
| <b>Accountable</b>   | proportion who are satisfied with council services   | 3.5              | 3.5           | 3.5           | 3.5           | -                            |
| <b>Engaged</b>   | proportion who say Council is engaging with residents and ratepayers                                     | 3.1              | 3.0           | 3.0           | 3.0           | -                            |
|  | proportion who say Council is engaging with organisations  | 3.0              | 3.3           | 3.0           | 3.3           | +0.3                         |
|  | proportion who say Council is engaging with businesses   | 2.9              | 3.0           | 2.7           | 3.1           | +0.4                         |

Note – City scorecard indicators are perception based and provide a rating from 1 to 5 with 5 being Strongly Agree with each statement

\*This indicator represents the willingness of people to promote PAE to others and is taken from -100 to 100 range.

+ This indicator represents the actual percentage of respondents who had the opportunity to engage in arts and cultural activities across PAE.



SECTION TWO

# COUNCIL AND ORGANISATIONAL LEADERSHIP









# COUNCIL AND ORGANISATIONAL LEADERSHIP

## Our Council

The City of PAE is one of 68 local government authorities in South Australia. Local government is integral to the democratic system of government in Australia, providing vital economic, social, cultural and environmental support for communities.

The Constitution Act 1934 (SA), the Local Government Act 1999 (SA), and the Local Government (Elections) Act 1999 (SA) create the legal framework within which local government operates and the four-yearly election process underpinning the representative nature of local councils. More than one in three people voluntarily choose to exercise their democratic right by voting in Council elections.

The Council, consisting of the Mayor and 17 Ward Councillors elected by our community, is the decision-making body on all strategic policy matters. The Mayor and Councillors connect regularly with our community and represent the interests of the community and ultimately are responsible for delivery of outcomes in the best interest of the community.

While Elected Members receive an allowance for expenses, they are acting in a voluntary capacity. Elected Members share the significant role of representing our community and setting the strategic direction in making the City of PAE a better place in which to live, work and play.

Various complex and important matters are brought before the Council, and our Elected Members must often make difficult decisions on the action to be taken. They are assisted by the Chief Executive Officer and administrative staff who carry out Council decisions in line with relevant legislation.

Together, the Mayor and Elected Members are responsible for civic leadership, for the management of the natural and built environment of our wonderful City, for fostering economic development in partnership with other local government authorities and with state and federal governments, and for creating and developing necessary social and cultural services and programs to enhance the wellbeing of residents and visitors.

## Elected Members Representing our Community

The City of PAE currently has approximately 84,900 electors across seven wards, equating to one elected member per 4,717 electors. In comparison, other councils of a similar size and type have average representation quotas ranging from 5,067 to 6,361 per elected member.

We conducted an Elector Representation Review during 2016 and 2017, as required under Chapter 3, Part 1, Division 2 of the Local Government Act 1999. In line with the eight year cycle of review, the next statutorily required Elector Representation Review is scheduled to occur in 2025.

At this time the Council will examine:

- Whether the principal member of Council should be a mayor elected by the community or a chairperson selected by (and from amongst) the elected members
- The division of the Council area into wards, or the abolition of wards
- The number of elected members required to provide fair and adequate representation
- The need for area councillors in addition to ward councillors (under a ward structure)
- The identification of an appropriate ward structure (if required) and the level of ward representation
- The naming/identification of any proposed future wards

After serving across three terms of Council, we said farewell to one of our Elected Members, Cr Michael Iammarrone in November 2019. A supplementary election was required to fill the vacancy in the Enfield Ward. Cr Olivia Colombo was declared elected following the count of votes on 24 February 2020 and following the oath of office attended her first Council meeting on 10 March 2020.

## Local Government Reform

The City of PAE has been active in the Local Government Reform discussions occurring throughout 2019-2020. With participation on reform networks and working parties with the State Government, as well as Mayoral and CEO representation in sector wide discussions, we are seeking to drive change that supports efficiency and quality service delivery in Local Government for our communities. The City of PAE has provided six formal submissions to the Minister for Local Government, the LGA and the South Australian Productivity Commission in the following key reform areas:

1. Stronger Council member capacity and better conduct
2. Lower costs and enhanced financial accountability
3. Efficient and transparent Local Government representation
4. Simpler regulation

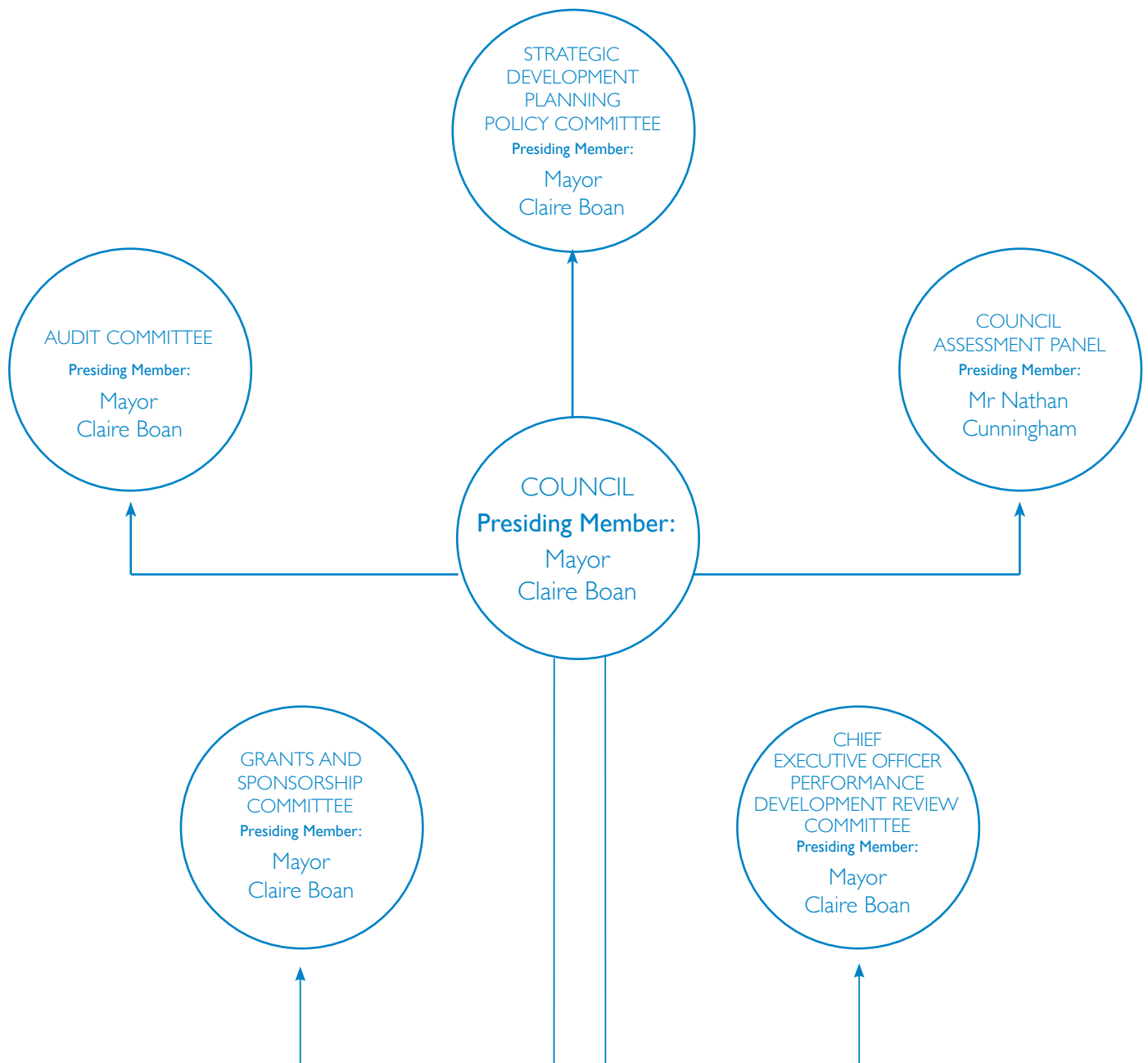
We continue to work collaboratively with other Councils to achieve service improvements and efficiencies, and we have been recognised by the SA Productivity Commissioner for our innovative and cost-saving initiatives delivered in partnership with the Cities of Marion and Charles Sturt.

Active participation in appropriate and meaningful reform is part of our commitment to driving and leading improved outcomes for our PAE community.

## Council Decision-Making Structure

Council's principal power to make decisions is delegated through the Local Government Act 1999. A significant number of other Commonwealth and State Acts also provide Council with the power to make decisions.







## Council and Committee Meetings

Our Elected Council meets monthly to carry out the ordinary business of the City of PAE. Special meetings are held when required, in accordance with the Local Government Act 1999.

To fulfil its various functions efficiently, we have established four committees pursuant to Section 41 of the Local Government Act, with one of these committees jointly established under both the Development Act 1993 and the Local Government Act, and a fifth committee established under the Planning, Development and Infrastructure Act 2016.

All Council and committee meetings are open to the public and we encourage community members to attend. Meeting dates and times are available on our website.

The agenda, reports and minutes for each meeting are public documents and are available at the Council Office, at our libraries, and on our website at [www.cityofpae.sa.gov.au](http://www.cityofpae.sa.gov.au)

During the COVID-19 Public Health Emergency, the Minister issued a Notice which enabled Councils to hold CAP, Council and Committee meetings electronically. We notified dates and times of meetings that were held electronically and the community was encouraged to access meetings via livestreaming on Youtube.

## Central Adelaide Waste and Recycling Authority

In August 2019, the Cities of PAE and Charles Sturt joined forces to take back control of recycling for our communities by establishing a Materials Recovery Facility (MRF) to process our recyclables.

It's important to both Councils that our communities can see where their recycling goes and how we are buying back the recycled materials and using them in our parks, roads, Council services and infrastructure.

In early 2020, the Central Adelaide Waste and Recycling Authority (CAWRA) was established under Section 42 of the Local Government Act to deliver South Australia's newest MRF.



Details of Council and its committees are as follows:

| COMMITTEE PANEL  | ROLES & FUNCTIONS   | REGULATORY/ DECISION MAKING / ADVISORY | MEETINGS   | DELEGATION   |
|--|---|--|--|--|
| Council  | <p>Established under the Local Government Act 1999 the principal role of a Council is:</p> <ul style="list-style-type: none"> <li>to act as a representative, informed and responsible decision-maker in the interests of its community</li> <li>to provide and co-ordinate various public services and facilities and to develop its community and resources in a socially just and ecologically sustainable manner</li> <li>to encourage and develop initiatives within its community for improving the quality of life of the community</li> <li>to represent the interests of its community to the wider community; and</li> <li>to exercise, perform and discharge the powers, functions and duties of local government under this and other Acts in relation to the area for which it is constituted.</li> </ul> <p>Membership: the Mayor and all 17 Elected Members.</p> | Regulatory / Decision-making           | Held on second Tuesday of every month at 7pm in the Council Chamber at 62 Commercial Road, Port Adelaide, and other locations through the City, as advertised from time to time. |  |
| Audit Committee  | <p>Established under Sections 41 and 126 of the Local Government Act 1999. It monitors and makes recommendations to Council about a range of matters related to financial reporting, internal controls, risk management systems and other relevant functions, as set out in the Audit Committee's Terms of Reference.</p> <p>Membership: the Mayor; two Elected Members and two Independent Members.</p>  | Advisory                               | Held quarterly in February, May, August and October at 7pm in the Town Hall, 34 Nile Street, Port Adelaide.  | Established under Section 41 and 126 Local Government Act 1999. Recommendations referred to Council. |
| Chief Executive Officer Performance Development Review Committee (CEO PDR Committee) | <p>The Chief Executive Officer Performance Development Review Committee is established for the purpose of determining, in conjunction with the Chief Executive Officer (CEO), relevant Key Performance Indicators (KPIs) for the CEO and for undertaking the formal review process of the performance of the CEO against agreed KPIs.</p> <p>Membership: the Mayor and 17 Elected Members.</p>  | Decision- making                       | Review occurs annually, with meetings scheduled as required at 7pm in the Town Hall, 34 Nile Street, Port Adelaide.  | Established under Section 41 Local Government Act 1999. Delegated authority from Council.            |
| Grants & Sponsorship Committee   | <p>The Grants &amp; Sponsorship Committee has been established for the purposes of assessing the appropriate structure and allocation of grants, sponsorship and partnership arrangements for Council-approved programs. The Committee has delegation to make decisions within its Council approved Terms of Reference.</p> <p>Membership: the Mayor and 17 Elected Members.</p>  | Decision- making                       | Held in May and November of each year or as required at 7pm in the Council Chamber at 62 Commercial Road, Port Adelaide.   | Established under Section 41 Local Government Act 1999. Delegated authority from Council.            |



| COMMITTEE PANEL                                 | ROLES & FUNCTIONS  | REGULATORY/ DECISION MAKING / ADVISORY | MEETINGS  | DELEGATION  |
|---|--|--|---|---|
| Strategic Planning Development Policy Committee | The Strategic Planning and Development Policy Committee has been established to make decisions within its Council approved Terms of Reference thereby assisting Council to undertake strategic planning and monitoring to achieve orderly and efficient development within the area. This Committee also provides advice to Council in relation to the extent to which the Council's strategic planning and development policies accord with the State Government's Planning Strategy.<br>Membership: the Mayor and 17 Elected Members.  | Regulatory/ Decision- making           | As required on the second Tuesday of the month at 7.15pm in the Council Chamber at 62 Commercial Road, Port Adelaide. | Established under Section 41 Local Government Act 1999 and under Section 101A of the Development Act 1993.<br>Delegated authority from Council under Section 20 Development Act 1993. |
| Council Assessment Panel (CAP)                  | Established for the purpose of acting as the relevant authority in respect of development control matters, the CAP is separate from Council and has its own procedures, terms of reference and protocols. The role of the CAP is to: <ul style="list-style-type: none"> <li>Consider all development applications referred by Council Officers for decision.</li> <li>Provide advice and reports to the Council on trends, issues and other matters relating to planning or development that have become apparent or arisen through its assessment of applications under this Act.</li> </ul> Membership: one Elected member and four Independent Members. | Regulatory/ Decision- making           | Held on fourth Wednesday of every month at 7pm in the Town Hall, 34 Nile Street, Port Adelaide.                       | Established under Section 83 Planning, Development and Infrastructure Act 2016.   |

## Elected Member Allowances

Elected Member allowances are set by the Remuneration Tribunal and are reviewed every four years, prior to each Local Government General Election. The following allowances were paid to members of the Council or Committee members:

Mayor: \$95,635 per annum

Deputy Mayor: \$29,889 per annum

Councillors: \$23,911 per annum

Members of the Council Assessment Panel receive a sitting fee of \$580 per meeting attended and the Presiding Member receives \$690 per meeting attended. Independent Members of the Audit Committee receive a sitting fee of \$756 per meeting attended



## Elected Member Training and Development

The Elected Members' Conferences, Seminars, Training and Development Policy was endorsed on 27 November 2018. The following training programs have been completed in 2019-2020 (number of attendees for each program is shown in brackets).

Elected member attendance at training and development sessions was lower than normal due to fewer training opportunities being available as a result of COVID-19.

| DATE                 | TRAINING AND DEVELOPMENT PROGRAM  |
|----------------------|---|
| 17 February 2020     | Strategic Thinking as Strategic Seeing – Local Government Association Leadership Forum – Adelaide (1) |
| 14 February 2020     | National Climate Emergency Summit – Melbourne (1)   |
| 30 - 31 October 2019 | 2019 LGA Conference and Annual General Meeting (AGM) – Adelaide (3)                                   |
| 18 October 2019      | 2019 Planning, Development and Environment Master Class – Adelaide (1)                                |
| 16 September 2019    | France Defence Symposium – Paris (1)  |
| 31 July 2019         | LG Professionals Australia - National Congress and Business Expo 2019 – Darwin (2)                    |



## Agendas and Minutes

Council, Committee and Development Assessment Panel Agendas are placed on public display no less than three days prior to meetings. Minutes of the meetings are on display at the principal office and at all Council libraries within five days of that meeting having been held.

Meeting agendas and minutes are also available on our website at [www.cityofpae.sa.gov.au/meetings](http://www.cityofpae.sa.gov.au/meetings)

As a result of restrictions on gatherings, the April - July 2020 Council meetings were held via video conference and made available to the public on our Youtube Channel - [www.youtube.com/cityofpae](http://www.youtube.com/cityofpae)

## Informal Gatherings

Informal gatherings are held for Elected Members in the form of a workshop or information briefing. Details of upcoming informal gatherings are published on our website weekly. These informal gatherings provide a forum to share additional information with Members and will typically be followed by a report to a subsequent meeting of Council. Informal gatherings are usually open to the public but, from time to time, may also be closed if the information being presented is of a confidential nature. Informal gatherings are not held for decision-making purposes, rather they provide an opportunity for Elected Members to learn more about a topic before being asked to make decisions about it at a Council Meeting.





## Attendance at Council and Committee Meetings

|                       | COUNCIL   | SPDPC    | AUDIT    | CEO PDR  | G&S      | CAP      | SPECIAL  |
|-----------------------|-----------|----------|----------|----------|----------|----------|----------|
| <b>Total Meetings</b> | <b>12</b> | <b>5</b> | <b>5</b> | <b>3</b> | <b>3</b> | <b>9</b> | <b>5</b> |
| Mayor Boan            | 12        | 5        | 5        | 3        | 3        | -        | 5        |
| *Cr Iammarone         | 2         |          | -        | 2        |          | -        | 3        |
| Cr Carol Martin       | 11        | 5        | -        | 3        | 3        | -        | 5        |
| Cr Barbara Clayton    | 12        | 5        | -        | 1        | 2        | -        | 5        |
| Cr Tony Barca         | 11        | 4        | -        | 2        | 2        | -        | 4        |
| Cr Paul Russell       | 12        | 5        | -        | 3        | 3        | -        | 5        |
| Cr Mark Basham        | 12        | 5        | -        | 2        | 2        | 8        | 5        |
| Cr Matt Osborn        | 12        | 5        | -        | 3        | 2        | -        | 5        |
| Cr Joost den Hartog   | 10        | 5        | -        | 3        | 3        | -        | 5        |
| Cr Peter Jamieson     | 12        | 5        | 5        | 3        | 3        | -        | 5        |
| Cr Vanessa Tulloch    | 11        | 5        | -        | 3        | 3        | -        | 5        |
| Cr John Croci         | 12        | 4        | -        | 3        | 3        | -        | 5        |
| Cr Kim Dinh           | 12        | 5        | -        | 3        | 3        | -        | 4        |
| Cr Kat Mitchell       | 11        | 4        | -        | 3        | 2        | -        | 5        |
| Cr Steve Vines        | 12        | 5        | -        | 3        | 3        | -        | 5        |
| Cr David Wilkins      | 12        | 5        | 5        | 3        | 3        | -        | 5        |
| Cr Helen Wright       | 10        | 4        | -        | 2        | 3        | 5        | 5        |
| Cr Hannah Evans       | 11        | 4        | -        | 2        | 2        | -        | 4        |
| **Cr Olivia Colombo   | 4         | 3        | -        | 1        | 1        | -        | 3        |

- not appointed to the panel/committee and not required to attend

\* Cr Iammarrone left in November 2019

\*\* Cr Colombo started in March 2020

## Confidential Items and Review of Council Decisions

The Local Government Act 1999 specifies that Council meetings be held in a public place but, on occasion, this principle is outweighed by the need to keep the information or discussion confidential for reasons predetermined under the Local Government Act 1999.

Through the period of 2019-2020, there were 24 such instances in which Council or a Committee was satisfied of the necessity to consider an agenda item in confidence. These items, which were considered in accordance with Section 90(2) and Section 90(3) of the Local Government Act 1999, are listed in the table below. Confidentiality Orders pursuant to Section 91(7) of the Local Government Act 1999 require documents to remain confidential for either a specified period of time or until an event occurs.

During 2019-2020 there were 24 instances where documents were considered and determined to be kept in confidence in accordance with Section 91(7).

These are also shown in the table overleaf:



## 2020

| MEETING AND DATE   | ITEM | TITLE   | LOCAL GOVERNMENT           | CONFIDENTIALITY ORDER APPLIED? |
|--|------|---|----------------------------|--------------------------------|
| Chief Executive Officer's Performance Development Review Committee Meeting<br>30 June 2020 | 4.3  | CEO Performance Update, Presentation and Discussion with the Committee 2019/2020              | 90(2) and 90(3)(a)         | Yes                            |
| Ordinary Council Meeting<br>9 June 2020  | 16.2 | New Haven Village Waste Water Scheme  | 90(2) and 90(3)(b)         | Yes                            |
| Ordinary Council Meeting<br>9 June 2020  | 16.5 | Central Adelaide Waste and Recycling Authority (CAWRA) and Materials Recovery Facility Update | 90(2) and 90(3)(b) and (k) | Yes                            |
| Ordinary Council Meeting<br>10 March 2020  | 17.2 | Delightful Café Lease   | 90(2) and 90(3)(b) and (k) | Yes                            |
| Ordinary Council Meeting<br>11 February 2020   | 17.2 | Regency Golf Course – Management Agreement  | 90(2) and 90(3)(b)         | Yes                            |
| Ordinary Council Meeting<br>11 February 2020   | 17.5 | Materials Recovery Facility Update  | 90 (2) and 90 (3)(b)       | Yes                            |



# 2019

| MEETING AND DATE   | ITEM  | TITLE   | LOCAL GOVERNMENT                   | CONFIDENTIALITY ORDER APPLIED? |
|--|-------|---|------------------------------------|--------------------------------|
| Ordinary Council Meeting<br>10 December 2019                               | 17.2  | Kilburn & Blair Athol – Redevelopment Update  | 90 (2) and 90 (3)(b)               | Yes                            |
| Ordinary Council Meeting<br>10 December 2019                               | 17.5  | Electric Vehicle Charging Stations  | 90(2) and 90(3)(d)                 | Yes                            |
| Ordinary Council Meeting<br>10 December 2019                               | 17.8  | Sale of Dauntless Avenue Reserve, Hillcrest   | 90 (2) and 90 (3)(d)               | Yes                            |
| Ordinary Council Meeting<br>12 November 2019                               | 17.2  | Street Litter Bin Collection  | 90 (2) and 90 (3)(d)               | Yes                            |
| Ordinary Council Meeting<br>10 September 2019                              | 17.2  | Response to Prudential Review – Materials Recovery Facility   | 90 (2) and 90 (3)(b)               | Yes                            |
| Ordinary Council Meeting<br>10 September 2019                              | 17.5  | Update of Polonia Reserve   | 90 (2) and 90 (3)(d)               | Yes                            |
| Special Council Meeting<br>27 August 2019                                  | 3.2   | Response to Changes in the Recycling Market   | 90 (2) and 90 (3)(b) and 90 (3)(k) | Yes                            |
| Ordinary Council Meeting<br>13 August 2019                                 | 17.11 | Appointment of an Independent Person to Conduct a Prudential Report for Response to Changes in the Recycling Market | 90 (2) and 90 (3)(d)               | Yes                            |
| Ordinary Council Meeting<br>13 August 2019                                 | 17.14 | Kilburn Football and Cricket Club Lease   | 90 (2) and 90 (3)(d)               | Yes                            |
| Ordinary Council Meeting<br>13 August 2019                                 | 17.2  | Chief Executive Officer's New Employment Agreement  | 90 (2) and 90 (3)(a)               | Yes                            |
| Ordinary Council Meeting<br>13 August 2019                                 | 17.5  | The Lights – Commercial Occupancy Agreements  | 90 (2) and 90 (3)(d)               | Yes                            |
| Ordinary Council Meeting<br>13 August 2019                                 | 17.8  | Waste Management Services Procurement   | 90 (2) and 90 (3)(d)               | Yes                            |
| Chief Executive Officer's Performance Development Review<br>13 August 2019 | 4.2   | Recommendation for Consultation to Support the Committee  | 90 (2) and 90 (3)(b)               | Yes                            |
| Chief Executive Officer's Performance Development Review<br>13 August 2019 | 4.6   | Chief Executive Officer's Performance Development Review – Feedback on Performance                                  | 90 (2) and 90 (3)(a)               | Yes                            |
| Chief Executive Officer's Performance Development Review<br>13 August 2019 | 4.7   | Chief Executive Officer's Performance Development Review – Remuneration Proposal                                    | 90 (2) and 90 (3)(a)               | Yes                            |
| Chief Executive Officer's Performance Development Review<br>13 August 2019 | 4.8   | Chief Executive Officer New Employment Agreement  | 90 (2) and 90 (3)(a)               | Yes                            |
| Ordinary Council Meeting<br>9 July 2019                                    | 17.2  | Confidential – Event Opportunity  | 90 (2) and 90 (3)(d)               | Yes                            |
| Chief Executive Officer's Performance Development Review<br>2 July 2019    | 4.7   | Chief Executive Officer Performance Update, Presentation and Discussion with the Committee 2018/19                  | 90 (2) and 90 (3)(d)               | Yes                            |



## Confidential Provisions

The table below details the number of times each section was used as the basis to consider confidential matters in private.

| LGA 1999 RELEVANT DESCRIPTION | DESCRIPTION  | NO. TIMES |
|-------------------------------|--|-----------|
| 90(2)                         | A council or council committee may order that the public be excluded from attendance at a meeting to the extent (and only to the extent) that the council or council committee considers it to be necessary and appropriate to act in a meeting closed to the public in order to receive, discuss or consider in confidence any information or matter listed in subsection (3) | 24        |
| 90(3)(a)                      | information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)  | 5         |
| 90(3)(b)                      | Information the disclosure of which –<br>(i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and<br>(ii) would, on balance, be contrary to the public interest   | 9         |
| 90(3)(d)                      | Commercial information of a confidential nature (not being a trade secret) the disclosure of which-<br>(i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and<br>(ii) would, on balance, be contrary to the public interest                               | 10        |
| 90(3)(k)                      | tenders for the supply of goods, the provision of services or the carrying out of works  | 3         |

During 2019-2020, ten orders lapsed or were released and 22 orders remained in confidence. This means that Council determined to remove the confidential order over the information, and made it available to the public.

## Review of Council Decisions under Section 270 of the Local Government Act 1999

During 2019-2020, four applications were received for a review of a Council decision under Section 270.

The applications related to:

| MATTER  | OUTCOME          |
|---|------------------|
| Tree Removal Request Denied                                   | Decision Remains |
| Request for Vegetation Removal                                | Decision Remains |
| Illegal Development   | Decision Remains |
| Denman and Teakle Street – Outcomes on Community Consultation | Decision Remains |

Applicants were notified of their option to apply to the Ombudsman for assistance should they be dissatisfied with findings of the Section 270 review.



## Opportunities to be heard by Council

A petition is a formal written request or submission to Council with multiple signatories. The Local Government (Procedures at Meetings) Regulations 2000 require that a petition:

- be legibly written or typed
- be an original document
- clearly set out the request/submission of the petitioners; and
- be delivered to the principal office of the Council.

During 2019-2020, Council received nine petitions. A standard petition form is available on Council's website at **www.**



**cityofpae.sa.gov.au/council/corporate-documents/forms**

During 2019-2020, Council considered thirteen deputations. A deputation is an address made to the Council or to a Council Committee by a person or group on a particular matter. Following a written request to Council, and with the permission of the Mayor and/or Committee Presiding Member, a member of the public can address the Council/Committee personally or on behalf of a group of residents, in line with Council's Code of Practice - Meeting Procedures.



# OUR ELECTED MEMBERS



OUTER HARBOR WARD



Cr Peter Jamieson

Cr Vanessa Tulloch



SEMAPHORE WARD



Cr Helen Wright

Cr David Wilkins



PORT ADELAIDE WARD



Cr Steve Vines


Cr Joost den Hartog

PARKS WARD




Cr Kim Dinh  
0410 729 255

Cr John



Cr Michael Iammarrone JP

Elected Member Nov 2018-2019



Cr Carol M

We said farewell to Michael Iammarrone who was a member for Enfield in November 2019 and welcomed Olivia Colombo to the role in March 2020.





**Mayor Claire Boan**



**Cr Mark Basham**



**Cr Kat Mitchell**



**Cr Matt Osborn**



**Cr Hannah Evans**



**Cr Olivia Colombo**



**Cr Tony Barca**



**Cr Paul Russell**

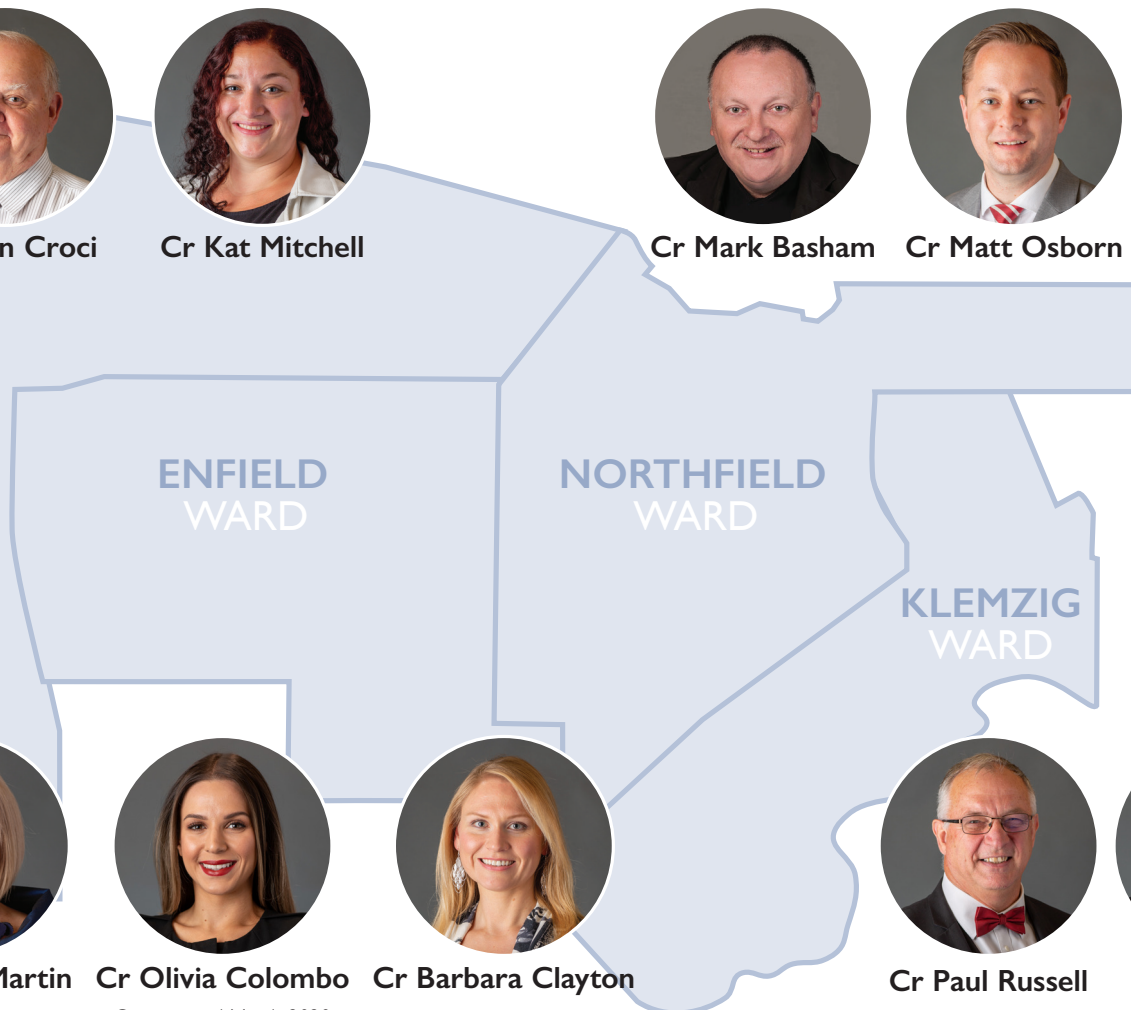


**Cr Barbara Clayton**



**Cr Martin**

Commenced March 2020



**ENFIELD  
WARD**

**NORTHFIELD  
WARD**

**KLEMZIG  
WARD**



# OUR ORGANISATION

The function of Council Administration is to support and carry out the lawful decisions of the Council. Each of our staff members contribute to our constructive workplace culture by being supportive, taking on challenges, seizing opportunities and building great relationships.

Our workplace culture supports staff to achieve great outcomes for our customers, and we are proud of what we deliver with, and for, our community.

## Structure

The City of PAE's Administration is structured in three departments, each reporting through their Directors to the Chief Executive Officer.

In May 2020 we appointed a Director Community and Business Recovery on a 12 month contract, to oversee the delivery of our COVID-19 Recovery Framework.





# CORPORATE SERVICES

The Corporate Services Directorate performs a diverse range of functions, many of which are business enabling services. The Directorate supports the organisation to be transparent and accountable to our community; develop its people; be effective in its governance and decision making; plan for

our future; and effectively engage and communicate with our communities. The Directorate also has outward facing services where we seek to have a positive influence on environmental sustainability, our local economy and the urban development of our City. The Directorate performs the following functions and services:

- Policy & strategy
- Elected Member support
- Risk management
- Corporate & civic governance
- Internal audit



- People & culture
- Work health & safety
- ICT & records management
- Communications & engagement

- Finance & property rating
- Economic development
- Environmental sustainability
- Urban planning & city development
- Valuations



# COMMUNITY DEVELOPMENT

- Customer relations
- Volunteers
- Home care support services for older people
- Community transport

The Community Development Directorate is focused on providing and promoting a range of opportunities for the community to access services, programs, information and facilities that enhance quality of life, celebrate culture and support social growth and change. The Directorate

also manages activity that impacts many other aspects of community life including the approval of dwellings, developments, and a range of health services. The services provided by the Community Development Directorate include:



- Community safety
- Community grants
- Libraries
- Animal management
- Community centres & halls
- Youth programs

- Development & building assessment & advice
- Heritage building advice
- Recreation & sport
- Immunisation
- Food & health inspections
- Waste management
- Placemaking & events



# CITY ASSETS

Our City Assets Directorate plans, provides and maintains sustainable infrastructure to enable the community to enjoy

a high quality of life, and support business to flourish in the City. The services provided by the City Assets Directorate include:

- Asset management systems (buildings, infrastructure, plant & machinery)
- Infrastructure maintenance
- Engineering & planning services



- Stormwater management
- Transport, pedestrians & cyclists infrastructure
- Property maintenance & management
- Public lighting
- Road construction & repair
- Road safety improvements

- Road & footpath upgrades
- New Infrastructure projects
- Car parking
- Streetscape management
- Open space management construction
- Recreational facilities
- Linemarking



## Employment

|                    | FEMALE     | MALE       | TOTAL      | FULLTIME EQUIVALENT |
|--------------------|------------|------------|------------|---------------------|
| Contract Full Time | 22         | 20         | 42         | 42.00               |
| Contract Part Time | 12         | 2          | 14         | 9.31                |
| Full Time          | 99         | 282        | 381        | 381.00              |
| Part Time          | 58         | 8          | 66         | 43.81               |
| <b>Total</b>       | <b>191</b> | <b>312</b> | <b>503</b> | <b>476.12</b>       |

### Senior Executive Officers

There are four Senior Executive Officers at the City of PAE, comprising the Chief Executive Officer and three Directors. Their salary packages include allowances and benefits such as a fully maintained vehicle, the ability to salary sacrifice, and statutory superannuation. No bonuses are payable.

A Director Community and Business Recovery was appointed in June 2020.

### Enterprise Bargaining

Two industrial instruments are applicable to Council in the provision of definitions of employment conditions for staff working under the Local Government Workers Award and the Salaried Municipal Officers Award. These agreements provide security for staff and industrial stability for Council.

Both agreements are based on building our capacity to effectively support our community. We continue to develop a productive workforce delivering a high standard of customer service, and to provide our staff with a safe workplace and a constructive workplace culture.

The City of PAE Municipal Officers Workplace Agreement Number 5-2020 was certified on 17 June 2020 and is current until 31 December 2022.

The City of PAE Field Staff Enterprise Agreement Number 10-2018 was certified and came into effect on 30 August 2019 and will expire on 30 June 2021.

A team of staff, managers and union representatives worked together to facilitate this successful outcome.

### Risk Management

We continue to work hard to refine and monitor Strategic Risks. The 22 Strategic Risks are those which we see as having an impact on Council's ability to deliver on the 2030 vision for our community via the City Plan. Regular reports on the effectiveness of the controls applied to reduce the occurrence or impact of the strategic risks occurring is presented to Council's Audit Committee at least four times a year. We also scan our broader environment to ensure we are attuned to external changes which may impact our ability to deliver on commitments to the community, and we implement strategies to ensure we stay on track.

### Auditor

In accordance with Section 128(9) of the Local Government Act, during the 2019-2020 financial year, Council's external auditor was remunerated \$38,137 for the audit of Council's financial statements and \$2,000 for other services.

### Work Health and Safety

Work Health and Safety (WHS) is a priority for the City of PAE and we strive to create an environment and culture where safety is at the forefront of everything we do. WHS falls under the Corporate Services Department and is supported by a WHS & Return To Work Management Framework, Strategic Improvement Plan and a suite of policies, procedures, task specific risk assessments, guides and forms.

Providing hands on support to both field and administrative staff the WHS team actively consults with those doing the work to ensure that we identify risks, minimise hazards and support safety awareness and practices. The WHS team also provide return to work support for staff injured at work.

All new employees are required to complete a WHS induction and are made aware of legislative responsibilities.

Council participates in the Local Government Risk Services sponsored Healthy Lifestyle program that includes employee skin screening, fitness assessments and seminars on health and nutrition.

### Equal Opportunity

The City of PAE has an Equal Opportunity Policy and facilitates an Equal Opportunity program as required by the Local Government Act 1999, Section 107(2)(g). Council currently has 10 trained Equal Opportunity Officers based in a range of workgroups and departments across Council, all of whom have undergone training in Equal Opportunity Law.

Equal Opportunity Officers support their colleagues in many ways, including giving advice about policies and code of conduct, and being present in a neutral capacity at meetings. Council's Recruitment and Selection Policy and recruitment training for staff provide guidance on equal opportunity employment.



## Staff Training and Development

The City of PAE continues to provide training opportunities in a wide range of education, learning and career development programs. This supports staff to perform at their very best for the community through processes that keep them informed about current industry requirements and trends. Staff also have opportunities to expand their knowledge on matters impacting our community.

Over the past 12 months we have provided support for continuous education opportunities, with 20 staff undertaking further education courses.

During this period, we also provided a range of in-house training programs for staff aimed at improving and consolidating capacity to deliver our key priorities.

In addition, six staff members successfully participated in the Local Government Professionals (LG Professionals) Management Program. Support was also provided for a further two staff members to be part of the LG Professionals Emerging Leaders Program. We also continue to provide an opportunity each year for a staff member to participate in the Local Government Professional Leaders Program.

Our work experience program for young people residing or attending school within PAE, continues to provide opportunities for enhanced learning and on-the-job training through experiencing a variety of roles and functions across Council.

## Our Constructive Culture

Building a constructive workplace culture supports our people to deliver services for our community and deliver on the objectives of our City Plan.

We know that organisations can perform at their best when the culture in the workplace is healthy. We believe that a healthy culture is one which focuses on being productive by supporting, encouraging and empowering staff to make decisions and fulfil their obligations in efficient and innovative ways.

We enjoy what we do, we are productive and constructive, we strive for excellence, we celebrate our successes and we address issues in an open, honest and fair way. Staff are encouraged to build excellent relationships with customers, and to act in their best interests. We are committed to making decisions focused on the public good.

Council has completed its second internal workplace culture survey, with overall results indicating improvements in our workplace culture.

## Working Parties and Groups

Working parties and groups have been established to examine and investigate specific issues or to facilitate or oversee a range of activities. These include:

- Aboriginal Advisory Panel (comprising community members and Elected Members)
- Workplace Health & Safety Committee (staff)
- Major Projects Group
- IT Strategy and Policy Group
- Executive Leadership Team
- Section Managers Group
- Incident Management Team - Bushfire Support
- Incident Management Team - COVID-19

A number of internal workgroups focused on exploring certain topics are formed as required.

## Building Fire Safety Panel

The role of the Building Fire Safety Panel is to investigate and ensure that owners are maintaining proper levels of fire safety in their buildings and, where deficiencies are identified, require that owners improve fire safety standards to a minimum acceptable level. The Building Fire Safety Panel aims to achieve this by undertaking proactive inspections, responding to public concerns, and taking action on South Australian Metropolitan Fire Service reports relating to identified deficiencies.

## Delegations and Policy Manual

Delegations are the powers delegated by Council to Committees (e.g. Council Assessment Panel) and to the Chief Executive Officer, enabling the delegate to conduct activities within their authorisation without referring back to Council. Section 44 of the Local Government Act 1999 provides that Council may delegate a power or function vested or conferred under this or another Act. Other Acts also contain specific powers of delegation.

Delegations made by the Council under Section 44 of the Local Government Act 1999 can be made to a Council committee, a subsidiary of the Council, an employee of the Council occupying a particular office or position, or an authorised person. Other Acts may specify different delegates than the Local Government Act 1999.

A delegation made pursuant to Section 44 of the Local Government Act 1999 is revocable at will and does not prevent the Council from acting on a matter.

The PAE Delegations Manual contains all delegations to the Chief Executive Officer and committees by Council and is available on our website at [www.cityofpae.sa.gov.au/council/corporate-documents/delegations](http://www.cityofpae.sa.gov.au/council/corporate-documents/delegations)

The delegations are reviewed throughout the year, ensuring consistency with legislative and organisational requirements.



## National Competition Policy

Council does not operate any significant business activities within either Category 1 or Category 2 under the National Competition Policy. Council has received no complaints about the application of competitive neutrality during the 2019-2020 financial year.

Council By-Laws are subject to the requirements of Section 247 of the Local Government Act 1999 regarding avoiding restricting competition to any significant degree. The By-Laws were adopted in July 2015.

## Use of Local Goods and Services

Council has adopted the Council Policy - Procurement in accordance with Section 49(1) of the Local Government Act 1999. Subject to the Competition Principles Agreement, as defined in the Competition and Consumer Act 2010 and as applicable to Local Government, Council will, wherever possible, adopt a policy of purchasing locally.

Where appropriate, the location of manufacturers of goods and suppliers of goods and services will be considered, along with a range of other factors, in deciding on the purchase of goods and services. Local suppliers are to be given the opportunity to tender and quote for the supply of goods and services.

## Competitive Tendering

The Council's Procurement Policy meets the requirements of Section 49 of the Local Government Act 1999 in addressing competitive tendering and other measures to ensure cost-effective delivery of goods and services.

In accordance with the policy, Council will call for open or public tenders for the supply of goods, the provision of services, or the carrying out of works in circumstances where there is a competitive supply market and the level of estimated gross value of expenditure exceeds \$100,000 (excluding GST).

## Reporting Required under the Local Nuisance and Litter Control Act 2016

One of Council's key responsibilities is to sustain and improve public and environmental health. We aim to achieve this by improving local amenities and the environment, in keeping with the Local Nuisance and Litter Control Act.

Through 2019-2020, a total of 2,144 littering and 821 local nuisance reports were received.

The following table indicates the number and subject of abatement notices issued by Council throughout the 2019-2020 reporting period:

| REASON               | ABATEMENT NOTICES ISSUED |
|----------------------|--------------------------|
| Dust                 | 0                        |
| Odours/fumes         | 0                        |
| Unsanitary           | 7                        |
| Animal nuisance      | 5                        |
| Insanitary condition | 1                        |
| <b>TOTAL</b>         | <b>13</b>                |

The following table illustrates the reason for, and number of expiations issued by Council, in relation to local nuisance and litter matters throughout the 2019-2020 reporting period:

| MATTER  | NUMBER OF EXPIATIONS |
|---|----------------------|
| Person who carries out activity that results in local nuisance                      | 0                    |
| Body Corporate person who carries out activity that results in local nuisance       | 0                    |
| Body Corporate littering - 50 litres or more of class B hazardous or general litter | 0                    |
| Person littering - 50 litres or more of class B hazardous or general litter         | 4                    |
| Littering - Disposing up to 50 litres of class B hazardous litter                   | 30                   |
| Littering - Disposing up to 50 litres of general litter                             | 4                    |
| Person who fails to comply with nuisance abatement notice                           | 2                    |
| <b>TOTAL</b>  | <b>40</b>            |

## Management Plans for Community Land

Community Land Management Plans (CLMP's) are fundamental documents to ensure we are managing some of our most important community assets - open space. CLMP's demonstrate our commitment to the community that we are managing our land in an effective, transparent and orderly way.

In 2019 we reviewed our existing CLMP's, conducted consultation, and chose to adopt a number of new CLMP's, including those for:

- Active Recreation Reserves
- Commercial Property
- Community Facilities
- Folland Park
- Off Street Car Parks
- Operational Assets
- Passive Recreation Reserves
- Pieces 9 and 10 in Deposited Plan 70468, North Haven
- Stormwater/Drainage Reserves
- The Lights Community & Sports Centre
- Wetlands

We have also consulted on two additional plans for Coastal Reserves and Beaches, which have been available for community consultation and feedback will be considered by Council in late 2020.



## Codes

Council maintains codes of conduct or practice to provide guidelines and to support accountability in addition to meeting various requirements under the Local Government Act 1999 or Local Government (Elections) Act 1999.

The list of Codes is provided as follows:

- City of PAE Elected Members' Code of Conduct - Section 63
- City of PAE Employees' Code of Conduct - Section 110
- Code of Practice for use of Confidentiality provision under the Local Government Act - Section 92
- Code of Practice - Meeting Procedures
- Ministers Code of Conduct - Council Assessment Panel

## Registers and Other Documents

Council maintains several registers to enable accountability and transparency. The list of registers required to be kept under the Local Government Act 1999 or Local Government (Elections) Act 1999 is as follows:

- Register of Allowance and Benefits (Section 79)
- Register of By-Laws (Section 251)
- Register of Community Land (Section 207)
- Register of Community Land Management Plans (Section 196)
- Register of Confidential Items (Section 92)
- Register of Declaration of Conflict of Interests - Elected Members (Section 74(5), 75A(4))
- Register of Fees and Charges (Section 118)
- Register of Interest (Members) (Section 68 and 70)
- Register of Interest (Members) - Excerpt (Section 68) - available on Council's website
- Register of Interests (Officers) (Section 116)
- Register of Public Roads (Section 231)
- Register of Remuneration, Salaries and Benefits (Section 105)
- Gifts & Benefits Register - Employee (Section 110(1))
- Gifts & Benefits Register - Elected Member (Section 63)
- Delegations Manual (Section 44(6))

Council also maintains a Campaign Donations Returns Register, as required in compliance with the Local Government (Elections) Act 1999.

## Council Policies

Council Policies are publicly accessible decision-making guides. They are designed to guide our activities and to inform our customers and the community regarding the scope of decisions or actions relating to Council's programs, responsibilities and services. Each policy is regularly reviewed.

The Executive Leadership Team endorsed a Policy Framework for Council in late 2014. This Framework provides guidance for writing and reviewing policy documents. Council also has a number of administrative policies. These policies are internal documents that, unlike Council Policies, do not require endorsement by Council.

Policies are reviewed in accordance with the framework and against the following criteria:

- The need for, and role of, each policy in terms of the City Plan and Council's Strategic Management Framework
- The policy content and its ongoing relevance
- The need to update the policy to correspond with resolutions of Council or decisions of the Executive Leadership Team
- Legislation changes that result in policy amendment and legislative criteria which must be considered during a policy review
- Whether there have been customer complaints in relation to policy content and whether these concerns should be considered when reviewing the policy

Departments review relevant Council Policies and amendments are confirmed by the Executive Leadership Team prior to being forwarded to Council for endorsement.

Council endorsed policies are available to the general public via:

Our website:

**[www.cityofpae.sa.gov.au/policies](http://www.cityofpae.sa.gov.au/policies)**

Our Customer Relations team:

**(08) 8405 6600**

Or by visiting one of the Council offices:

### **Civic Centre**

163 St Vincent Street, Port Adelaide.

**(08) 8405 6600**

### **Greenacres Library Council Office**

2 Fosters Road, Greenacres.

**(08) 8405 6540**

### **Enfield Library Council Office**

1 Kensington Crescent, Enfield.

**(08) 8405 6530**

Enquiries regarding accessing and inspecting procedures related to Council's policy documents or administrative policies should be made with our Customer Relations team.



## Access to Council Documents

A range of documents are available for public inspection at our Civic Centre, 163 St Vincent Street, Port Adelaide, between 8.30am and 5pm, Monday to Friday.

Documents may also be available on our website at [www.cityofpae.sa.gov.au](http://www.cityofpae.sa.gov.au)

Many of these documents can be provided free of charge to the public. A fee may be payable for copies of some of the documents. Fees are set out in the Schedule of Fees and Charges (subject to review by Council in July each year).

During COVID-19, alternate arrangements were made for members of the public seeking access to documents.

A list of documents available for inspection is provided in Council's Freedom of Information Statement, also available on our website.

## Freedom of Information

The City of PAE is pleased to provide information to residents/ratepayers wherever possible. Some information is available for viewing at no charge or for a nominal reproduction charge if no copyright exists. Charges may apply in cases where extraordinary staff time is required to comply with the information request. Requests for other information are considered in accordance with the Freedom of Information Act 1991.

Under this legislation, an application fee must be forwarded with the request, unless the applicant is granted an exemption.

Should the applicant require copies of any documents requested pursuant to a Freedom of Information (FOI) request, fees may apply, as set out in the Request for Access to Information form. Freedom of Information Request forms are available via a link on Council's website at [www.cityofpae.sa.gov.au](http://www.cityofpae.sa.gov.au) and at the Civic Centre and Greenacres and Enfield libraries.

Forms and enquiries should be directed to the:

**Freedom of Information Officer**  
**City of Port Adelaide Enfield**  
**PO Box 110, Port Adelaide SA 5015**

Forms and enquiries can also be emailed to:  
[service@cityofpae.sa.gov.au](mailto:service@cityofpae.sa.gov.au)

FOI applications will receive a response as soon as possible and within the statutory 30 days of Council receiving the request together with either the application fee or proof of exemption.

Members of the public may also seek amendments to documents concerning their personal affairs by making a request under the Freedom of Information Act 1991. They may then request a correction to any information about themselves that is incomplete, incorrect, misleading or out of date. To gain access to these Council records, a Freedom of Information Request for Access form must be completed (as described above), outlining the records that the applicant wishes to inspect. The completed form should be forwarded to the Freedom of Information Officer.

The Council received 20 applications under the Freedom of Information Act 1991 for the 12 months to 30 June 2020.

Two applications were refused, as the information sought was publicly available and two applications were withdrawn by both applicants.

Two applications were determined to be released in full while another ten applications had partial release under Schedule 1 of the Act:

- Clause 6 (Documents affecting personal affairs) – nine applications
- One application was actioned under a combination of Clause 6 (Documents affecting personal affairs) and Clause 7 (Documents affecting business affairs).

Four applications failed to find any documents in Council's systems relevant to the scope of the FOI request.

The inclusion of this section of our Annual Report meets our responsibility under Section 9 of the Freedom of Information Act 1991.







# SECTION THREE FINANCIAL PERFORMANCE









# FINANCIAL PERFORMANCE

## Performance against Annual Business Plan 2019-2020

The following is a high level summary of operating and capital investment activities of the Council. The presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australia Bureau of Statistics and is used uniformly across Local Government in South Australia

| UNIFORM PRESENTATION OF FINANCES                                  | Original Budget<br>(\$'000) | Actual 2019 -<br>2020 (\$'000) | Variance<br>(\$'000) |
|---|-----------------------------|--------------------------------|----------------------|
| OPERATING ACTIVITIES  |                             |                                |                      |
| Operating Income  | 124,436                     | 128,903                        | 4,467                |
| Less Operating Expenses   | (123,456)                   | (123,307)                      | 149                  |
| <b>Operating Surplus/(Deficit) (a)</b>                            | <b>980</b>                  | <b>5,596</b>                   | <b>4,616</b>         |
| CAPITAL ACTIVITIES  |                             |                                |                      |
| Net Outlays on Existing Assets                                    |                             |                                |                      |
| Capital Expenditure on Renewal and Replacement of Existing Assets | 29,243<br>(31,489)          | 24,855<br>(32,261)             | (4,388)<br>(772)     |
| Less Depreciation   | (5,393)                     | (684)                          | 4,709                |
| Less Proceeds from Sale of Replaced Assets                        |                             |                                |                      |
| <b>Net Outlays on Existing Assets (b)</b>                         | <b>(7,639)</b>              | <b>(8,090)</b>                 | <b>(451)</b>         |
| Net Outlays on New and Upgraded Assets                            |                             |                                |                      |
| Capital Expenditure on New & Upgraded Assets                      | 16,682                      | 12,690                         | (3,992)              |
| Less Amounts Received Specifically for New & Upgraded Assets      | (801)                       | (2,707)                        | (1,906)              |
| Less Proceeds from Sale of Surplus Assets                         | 0                           | 0                              | 0                    |
| <b>Net Outlays on New And Upgraded Assets (c)</b>                 | <b>15,881</b>               | <b>9,983</b>                   | <b>(5,898)</b>       |
| <b>Net Lending/(Borrowing) for Financial Year (a) - (b)- (c)</b>  | <b>(7,262)</b>              | <b>3,703</b>                   | <b>10,965</b>        |

## Financial Indicators

- Operating Surplus Ratio – 4%** - (The ratio expresses the operating surplus as a percentage of operating revenue)
- Net Financial Liabilities Ratio – 16%** - (Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue)
- Asset Renewal Funding Ratio – 102%** - (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)

# City of Port Adelaide Enfield

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2020

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*A City that values its diverse community and embraces  
change through innovation, resilience and community  
leadership*



CITY OF  
**Port Adelaide Enfield**



# City of Port Adelaide Enfield

## General Purpose Financial Statements for the year ended 30 June 2020

|   | Page |
|---|------|
| <b>Table of Contents</b>                                      |      |
| <b>1. Council Certificate</b>                                 | 2    |
| <b>2. Understanding Council's Financial Statements</b>        | 3    |
| <b>3. Primary Financial Statements:</b>                       |      |
| - Statement of Comprehensive Income                           | 4    |
| - Statement of Financial Position                             | 5    |
| - Statement of Changes in Equity                              | 6    |
| - Statement of Cash Flows                                     | 7    |
| <b>4. Notes to the Financial Statements</b>                   | 8    |
| <b>5. Independent Auditor's Report - Financial Statements</b> | 49   |
| <b>6. Independent Auditor's Report - Internal Controls</b>    | 51   |
| <b>7. Certificates of Audit Independence</b>                  |      |
| - Council Certificate of Audit Independence                   | 53   |
| - Audit Certificate of Audit Independence                     | 54   |

## City of Port Adelaide Enfield

### General Purpose Financial Statements for the year ended 30 June 2020

### Certification of Financial Statements

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

**In our opinion:**

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



Mark Withers  
**CHIEF EXECUTIVE OFFICER**



Claire Boan  
**MAYOR**

**Date: 10 November 2020**



## General Purpose Financial Statements for the year ended 30 June 2020

### Understanding Council's Financial Statements

---

#### Introduction

Each year, individual Local Governments across South Australia are required to present a set of audited Financial Statements to their Council and Community.

#### About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer and Mayor as "presenting a true & fair view" of the Council's financial results for the year and ensuring both responsibility for and ownership of the Financial Statements across Council.

#### What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2020.

The format of the Financial Statements is standard across all South Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the South Australia Model Financial Statements.

The Financial Statements incorporate 4 "primary" financial statements:

##### **1. A Statement of Comprehensive Income**

A summary of Council's financial performance for the year, listing all income & expenses.

##### **2. A Statement of Financial Position**

A 30 June snapshot of Council's financial position including its assets & liabilities.

##### **3. A Statement of Changes in Equity**

The overall change for the year (in dollars) of Council's "net wealth".

##### **4. A Statement of Cash Flows**

Indicates where Council's cash came from and where it was spent.

#### About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 4 Primary Financial Statements.

#### About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialize in Local Government).

In South Australia, the Auditor provides an audit report, with an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

#### About the Independence Certificates

Council's Financial Statements are also required to include signed Certificates by both the Council and the Auditors that the Council's Auditor has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

#### Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, the Local Government Association of South Australia, the SA Local Government Grants Commission, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1999* the Financial Statements must be made available at the principal office of the Council and on Council's website.

## City of Port Adelaide Enfield

### Statement of Comprehensive Income

for the year ended 30 June 2020

| \$ '000  | Notes | 2020           | 2019           |
|--|-------|----------------|----------------|
| <b>Income</b>  |       |                |                |
| Rates  | 2a    | 106,626        | 102,740        |
| Statutory Charges  | 2b    | 3,516          | 3,588          |
| User Charges   | 2c    | 2,006          | 2,141          |
| Grants, Subsidies and Contributions  | 2f    | 12,792         | 9,972          |
| Investment Income  | 2d    | 61             | 263            |
| Reimbursements   | 2e    | 3,902          | 3,340          |
| <b>Total Income</b>  |       | <b>128,903</b> | <b>122,044</b> |
| <b>Expenses</b>  |       |                |                |
| Employee Costs   | 3a    | 45,132         | 43,918         |
| Materials, Contracts & Other Expenses  | 3b    | 45,511         | 43,304         |
| Depreciation, Amortisation & Impairment  | 3c    | 32,261         | 30,135         |
| Finance Costs  | 3d    | 286            | 246            |
| Net loss - Equity Accounted Council Businesses                                 | 19    | 117            | -              |
| <b>Total Expenses</b>  |       | <b>123,307</b> | <b>117,603</b> |
| <b>Operating Surplus / (Deficit)</b>   |       | <b>5,596</b>   | <b>4,441</b>   |
| Asset Disposal & Fair Value Adjustments  | 4     | (1,610)        | (7,005)        |
| Amounts Received Specifically for New or Upgraded Assets                       | 2f    | 832            | 1,873          |
| Physical Resources Received Free of Charge                                     | 2g    | 10,009         | 10,663         |
| <b>Net Surplus / (Deficit) <sup>1</sup></b>                                    |       | <b>14,827</b>  | <b>9,972</b>   |
| <b>Other Comprehensive Income</b>  |       |                |                |
| <i>Amounts which will not be reclassified subsequently to operating result</i> |       |                |                |
| Changes in Revaluation Surplus - I,PP&E  | 9a    | 5,814          | 27,984         |
| <b>Total Other Comprehensive Income</b>  |       | <b>5,814</b>   | <b>27,984</b>  |
| <b>Total Comprehensive Income</b>  |       | <b>20,641</b>  | <b>37,956</b>  |

<sup>1</sup> Transferred to Statement of Changes in Equity



# City of Port Adelaide Enfield

## Statement of Financial Position

as at 30 June 2020

| \$ '000   | Notes | 2020             | 2019             |
|---|-------|------------------|------------------|
| <b>ASSETS</b>                                   |       |                  |                  |
| <b>Current Assets</b>                           |       |                  |                  |
| Cash and Cash Equivalents                       | 5a    | 6,771            | 11,106           |
| Trade & Other Receivables                       | 5b    | 5,303            | 4,985            |
| Inventories                                     | 5c    | 4,982            | 4,937            |
| <b>Total Current Assets</b>                     |       | <b>17,056</b>    | <b>21,028</b>    |
| <b>Non-Current Assets</b>                       |       |                  |                  |
| Financial Assets                                | 6a    | 10               | 7                |
| Infrastructure, Property, Plant & Equipment     | 7a    | 1,611,001        | 1,570,664        |
| Other Non-Current Assets                        | 6b    | 2,496            | 23,382           |
| <b>Total Non-Current Assets</b>                 |       | <b>1,613,507</b> | <b>1,594,053</b> |
| <b>TOTAL ASSETS</b>                             |       | <b>1,630,563</b> | <b>1,615,081</b> |
| <b>LIABILITIES</b>                              |       |                  |                  |
| <b>Current Liabilities</b>                      |       |                  |                  |
| Trade & Other Payables                          | 8a    | 12,133           | 13,969           |
| Borrowings                                      | 8b    | 954              | 1,052            |
| Provisions                                      | 8c    | 11,931           | 11,165           |
| <b>Total Current Liabilities</b>                |       | <b>25,018</b>    | <b>26,186</b>    |
| <b>Non-Current Liabilities</b>                  |       |                  |                  |
| Borrowings                                      | 8b    | 7,315            | 11,995           |
| Provisions                                      | 8c    | 726              | 811              |
| Liability - Equity Accounted Council Businesses | 8d    | 117              | -                |
| <b>Total Non-Current Liabilities</b>            |       | <b>8,158</b>     | <b>12,806</b>    |
| <b>TOTAL LIABILITIES</b>                        |       | <b>33,176</b>    | <b>38,992</b>    |
| <b>Net Assets</b>                               |       | <b>1,597,387</b> | <b>1,576,089</b> |
| <b>EQUITY</b>                                   |       |                  |                  |
| Accumulated Surplus                             |       | 832,660          | 823,476          |
| Asset Revaluation Reserves                      | 9a    | 752,597          | 745,618          |
| Other Reserves                                  | 9b    | 12,130           | 6,995            |
| <b>Total Council Equity</b>                     |       | <b>1,597,387</b> | <b>1,576,089</b> |

# City of Port Adelaide Enfield

## Statement of Changes in Equity for the year ended 30 June 2020

| \$ '000   | Notes | Accumulated<br>Surplus | Asset<br>Revaluation<br>Reserve | Other<br>Reserves | Total<br>Equity  |
|---|-------|------------------------|---------------------------------|-------------------|------------------|
| <b>2020</b>   |       |                        |                                 |                   |                  |
| <b>Balance at the end of previous reporting period</b>                                |       | 823,476                | 745,618                         | 6,995             | <b>1,576,089</b> |
| Adjustments (due to compliance with revised Accounting Standards) - not retrospective | 24a   | 657                    | -                               | -                 | <b>657</b>       |
| <b>Restated Opening Balance</b>   |       | <b>824,133</b>         | <b>745,618</b>                  | <b>6,995</b>      | <b>1,576,746</b> |
| <b>Net Surplus / (Deficit) for Year</b>   |       | 14,827                 | -                               | -                 | <b>14,827</b>    |
| Other Comprehensive Income  |       |                        |                                 |                   |                  |
| - Gain (Loss) on Revaluation of I,PP&E  | 7a    | -                      | 5,814                           | -                 | <b>5,814</b>     |
| - Land & Buildings Asset Revaluation Reserve  |       | (1,165)                | 1,165                           | -                 | -                |
| <b>Other Comprehensive Income</b>   |       | <b>(1,165)</b>         | <b>6,979</b>                    | <b>-</b>          | <b>5,814</b>     |
| <b>Total Comprehensive Income</b>   |       | <b>13,662</b>          | <b>6,979</b>                    | <b>-</b>          | <b>20,641</b>    |
| Transfers between Reserves  |       | (5,135)                | -                               | 5,135             | -                |
| <b>Balance at the end of period</b>   |       | <b>832,660</b>         | <b>752,597</b>                  | <b>12,130</b>     | <b>1,597,387</b> |
| <b>2019</b>   |       |                        |                                 |                   |                  |
| <b>Balance at the end of previous reporting period</b>                                |       | 794,421                | 722,573                         | 21,139            | <b>1,538,133</b> |
| <b>Net Surplus / (Deficit) for Year</b>   |       | 9,972                  | -                               | -                 | <b>9,972</b>     |
| Other Comprehensive Income  |       |                        |                                 |                   |                  |
| - Gain (Loss) on Revaluation of I,PP&E  | 7a    | -                      | 27,984                          | -                 | <b>27,984</b>    |
| - Land & Buildings Asset Revaluation Reserve  |       | 4,939                  | (4,939)                         | -                 | -                |
| <b>Other Comprehensive Income</b>   |       | <b>4,939</b>           | <b>23,045</b>                   | <b>-</b>          | <b>27,984</b>    |
| <b>Total Comprehensive Income</b>   |       | <b>14,911</b>          | <b>23,045</b>                   | <b>-</b>          | <b>37,956</b>    |
| Transfers between Reserves  |       | 14,144                 | -                               | (14,144)          | -                |
| <b>Balance at the end of period</b>   |       | <b>823,476</b>         | <b>745,618</b>                  | <b>6,995</b>      | <b>1,576,089</b> |



# City of Port Adelaide Enfield

## Statement of Cash Flows for the year ended 30 June 2020

| \$ '000   | Notes | 2020            | 2019            |
|---|-------|-----------------|-----------------|
| <b>Cash Flows from Operating Activities</b>                     |       |                 |                 |
| <b>Receipts</b>   |       |                 |                 |
| Operating Receipts  |       | 136,347         | 131,221         |
| Investment Receipts   |       | 61              | 263             |
| <b>Payments</b>   |       |                 |                 |
| Operating Payments to Suppliers and Employees                   |       | (100,669)       | (92,205)        |
| Finance Payments  |       | (279)           | (215)           |
| <b>Net Cash provided by (or used in) Operating Activities</b>   | 11b   | <b>35,460</b>   | <b>39,064</b>   |
| <b>Cash Flows from Investing Activities</b>                     |       |                 |                 |
| <b>Receipts</b>   |       |                 |                 |
| Amounts Received Specifically for New/Upgraded Assets           |       | 2,707           | 1,873           |
| Sale of Replaced Assets   |       | 684             | 680             |
| <b>Payments</b>   |       |                 |                 |
| Expenditure on Renewal/Replacement of Assets                    |       | (24,855)        | (27,674)        |
| Expenditure on New/Upgraded Assets                              |       | (12,690)        | (33,895)        |
| <b>Net Cash provided by (or used in) Investing Activities</b>   |       | <b>(34,154)</b> | <b>(59,016)</b> |
| <b>Cash Flows from Financing Activities</b>                     |       |                 |                 |
| <b>Receipts</b>   |       |                 |                 |
| Proceeds from Borrowings  |       | 25,700          | 10,600          |
| Proceeds from Bonds & Deposits                                  |       | -               | 298             |
| <b>Payments</b>   |       |                 |                 |
| Repayments of Borrowings  |       | (30,952)        | (1,327)         |
| Repayment of Lease Liabilities                                  |       | (184)           | -               |
| Repayment of Bonds & Deposits                                   |       | (205)           | -               |
| <b>Net Cash provided by (or used in) Financing Activities</b>   |       | <b>(5,641)</b>  | <b>9,571</b>    |
| <b>Net Increase (Decrease) in Cash Held</b>                     |       | <b>(4,335)</b>  | <b>(10,381)</b> |
| plus: <b>Cash &amp; Cash Equivalents at beginning of period</b> | 11    | <b>11,106</b>   | <b>21,487</b>   |
| <b>Cash &amp; Cash Equivalents at end of period</b>             | 11    | <b>6,771</b>    | <b>11,106</b>   |

# City of Port Adelaide Enfield

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

### Contents of the Notes accompanying the Financial Statements

| Note    | Details  | Page   |
|---------|--|--------|
| 1       | Significant Accounting Policies  | 9      |
| 2       | Income   | 16     |
| 3       | Expenses   | 18     |
| 4       | Asset Disposal & Fair Value Adjustments                                | 20     |
|         | <b>Current Assets</b>  |        |
| 5a      | Cash & Cash Equivalent Assets  | 21     |
| 5b      | Trade & Other Receivables  | 21     |
| 5c      | Inventories  | 22     |
|         | <b>Non-Current Assets</b>  |        |
| 6a      | Financial Assets   | 22     |
| 6b      | Other Non-Current Assets   | 22     |
|         | <b>Fixed Assets</b>  |        |
| 7a (i)  | Infrastructure, Property, Plant & Equipment                            | 23     |
| 7a (ii) | Investment Property  | 23 n/a |
| 7b      | Valuation of Infrastructure, Property, Plant & Equipment               | 24     |
|         | <b>Liabilities</b>   |        |
| 8a      | Trade & Other Payables   | 27     |
| 8b      | Borrowings   | 27     |
| 8c      | Provisions   | 27     |
| 8d      | Liability Accounted Investments in Council Businesses                  | 27     |
|         | <b>Reserves</b>  |        |
| 9a      | Asset Revaluation Reserve  | 28     |
| 9b      | Other Reserves   | 28     |
| 10      | Assets Subject to Restrictions   | 30     |
| 11      | Reconciliation to Statement of Cashflows                               | 32     |
| 12a     | Functions  | 33     |
| 12b     | Components of Functions  | 34     |
| 13      | Financial Instruments  | 35     |
| 14      | Capital Expenditure and Investment Property Commitments                | 39     |
| 15      | Financial Indicators   | 40     |
| 16      | Uniform Presentation of Finances                                       | 41     |
| 17      | Leases   | 42     |
| 18      | Superannuation   | 44     |
| 19      | Interests in Other Entities  | 45     |
| 20      | Non Current Assets Held for Sale & Discontinued Operations             | 45 n/a |
| 21      | Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet | 45     |
| 22      | Events After the Statement of Financial Position Date                  | 46     |
| 23      | Related Party Transactions   | 46     |
| 24      | Equity - Retained Earnings and Revaluation Reserves Adjustments        | 47     |

n/a - not applicable



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

### Note 1. Summary of Significant Accounting Policies

---

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

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

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 12 November 2020.

##### 1.2 Critical Accounting Estimates

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

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

##### 1.3 Rounding

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

#### 2 The Local Government Reporting Entity

City of Port Adelaide Enfield is incorporated under the South Australian *Local Government Act 1999* and has its principal place of business at 163 St Vincent Street, Port Adelaide. These financial statements include the Council's direct operations and all entities through which Council controls

resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

#### 3 Income Recognition

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

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

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

In recent years the payment of untied grants (financial assistance grants / local roads / supplementary grants) has varied from the annual allocation.

On 27 May 2020 the Federal Government paid an amount of \$2,292,258 being untied financial assistance grants, which is recognised on receipt, in advance of the year allocation. Accordingly, Council's operating result as at 30 June 2020 was favourably distorted compared to the result that would have been reported had the grants been paid in the 2020-2021 financial year.

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the

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

### Note 1. Summary of Significant Accounting Policies (continued)

actual grants received and the grants entitlements allocated.

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

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

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

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

#### 5 Inventories

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

##### 5.1 Other Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

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

##### 6.1 Initial Recognition

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

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

##### 6.2 Materiality

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

|   |          |
|---|----------|
| Office Furniture & Equipment            | \$2,000  |
| Other Plant & Equipment                 | \$1,500  |
| Buildings - new construction/extensions | \$10,000 |
| Road construction & reconstruction      | \$5,000  |
| Paving & footpaths, Kerb & Gutter       | \$5,000  |
| Drains & Culverts                       | \$5,000  |
| Bridges                                 | \$20,000 |
| Bus Shelters                            | \$10,000 |

##### 6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. 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 costs to reflect the already consumed or expired future



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

### Note 1. Summary of Significant Accounting Policies (continued)

economic benefits for those assets. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

#### 6.4 Depreciation of Non-Current Assets

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

Plant and equipment are depreciated using the diminishing balance method. All other classes of assets are depreciated using the straight line method.

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

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

|                                     |                 |
|-------------------------------------|-----------------|
| Buildings and Building Improvements | 15 to 180 years |
| Infrastructure - Roadways           | 20 to 300 years |
| Infrastructure - Footways           | 20 to 85 years  |
| Infrastructure - Drainage           | 60 to 120 years |
| Equipment                           | 2 to 24 years   |
| Furniture and Fittings              | 3 to 20 years   |
| Other – Library Book Stock          | 3 to 7 years    |
| Other – Waste Bins                  | 9 to 15 years   |

#### 6.5 Impairment

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

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

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

#### 6.6 Borrowing Costs

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

#### 7 Payables

##### 7.1 Goods & Services

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

##### 7.2 Payments Received in Advance & Deposits

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

#### 8 Borrowings

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

#### 9 Employee Benefits

##### 9.1 Salaries, Wages & Compensated Absences

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

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

### Note 1. Summary of Significant Accounting Policies (continued)

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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.

#### 9.2 Superannuation

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

#### 9.3 Productivity Incentive Allowance

This is a payment on termination of an employee based upon 50% of available sick leave and their rate of pay applicable as at an agreed date in the Workplace Agreements. This applied to both Field staff and Administration staff and is recognised by Council as a liability in the manner described in 9.1 above.

### 10 Leases

#### 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.

##### 10.1 Council as a lessee

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

##### i.) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

##### ii.) Lease Liabilities

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

##### iii.) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### 11 Equity Accounted Council Businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 19.

### 12 GST Implications

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



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

### Note 1. Summary of Significant Accounting Policies (continued)

- 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.

#### 13 New and amended accounting standards and interpretations

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

City of Port Adelaide Enfield has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

#### **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 Note 1 Significant Accounting Policies. 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 "Payments Received in Advance" and recorded in revenue as the asset is constructed.

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

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

|                                     | Amounts prepared under |               |
|-------------------------------------|------------------------|---------------|
|                                     | AASB 15/1058           | Previous AASB |
|                                     | \$'000                 | \$'000        |
| Grants, subsidies and contributions | \$13,623               | \$15,646      |

#### **AASB 16 Leases**

The Council applied AASB 16 Leases, for the first time from 1 July 2019. This standard requires that the right of use conveyed by leasing contracts (except leases with a maximum term of 12 months and leases for low-value assets) be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability.

#### **Adoption of AASB 16 Leases (AASB 16)**

AASB 16 supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease and other related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to

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

Note 1. Summary of Significant Accounting Policies (continued)

recognise most leases on the balance sheet under a single on-balance sheet model. The Council has lease contracts for various items of plant, equipment, and computers. Before the adoption of AASB 16, the Council classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

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

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

The effect of adoption AASB 16 as at 1 July 2019 (increase/(decrease)) is, as follows:

|  | \$'000     |
|--|------------|
| <b>Assets</b>                              |            |
| Infrastructure, Property, Plant and Equip. |            |
| - Right-of-Use-Assets                      | 141        |
| <b>Total Assets</b>                        | <b>141</b> |
| <b>Liabilities</b>                         |            |
| Interest-bearing loans and borrowings      | 161        |
| <b>Total Liabilities</b>                   | <b>161</b> |
| <b>Accumulated Surplus</b>                 | (20)       |

The lease liabilities as at 1 July 2019 can be reconciled to the operating lease commitments as of 30 June 2019, as follows:

|  | \$'000     |
|--|------------|
| Operating lease commitments as at 30 June 2019   | 352        |
| Effect of discounting using the weighted average incremental borrowing rate as at 1 July 2019 of 3.35% | (4)        |
| <b>Less:</b>   |            |
| Commitments relating to leases of low-value assets   | (153)      |
| Other  | (34)       |
| <b>Lease liabilities as at 1 July 2019</b>   | <b>161</b> |

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2020, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

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

Effective for NFP annual reporting periods beginning on or after 1 January 2020

- 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



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

#### Note 1. Summary of Significant Accounting Policies (continued)

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

- AASB 17 Insurance Contracts

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

- 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)

#### **14 Comparative Figures**

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

#### **15 Disclaimer**

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

# City of Port Adelaide Enfield

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

### Note 2. Income

| \$ '000  | 2020           | 2019           |
|--|----------------|----------------|
| <b>(a). Rates Revenues</b>                                       |                |                |
| <b>General Rates</b>   |                |                |
| General Rates  | 107,134        | 103,120        |
| Differential General Fines / Interest                            | 431            | 383            |
| Less: Discretionary Rebates, Remissions & Write Offs             | (3,672)        | (3,495)        |
| <b>Total General Rates</b>                                       | <b>103,893</b> | <b>100,008</b> |
| <b>Other Rates (Including Service Charges)</b>                   |                |                |
| Natural Resource Management Levy                                 | 2,785          | 2,785          |
| Less: Discretionary Rebates, Remissions & Write Offs (NRM)       | (85)           | (86)           |
|  | 2,700          | 2,699          |
| New Haven Village Water Management                               | 36             | 36             |
| Less: Discretionary Rebates, Remissions & Write Offs (New Haven) | (3)            | (3)            |
|  | 33             | 33             |
| <b>Total Other Rates</b>   | <b>2,733</b>   | <b>2,732</b>   |
| <b>Total Rates Revenues</b>                                      | <b>106,626</b> | <b>102,740</b> |
| <b>(b). Statutory Charges</b>                                    |                |                |
| Parking Fines / Expiation Fees                                   | 694            | 803            |
| Other Licences, Fees & Fines                                     | 28             | 43             |
| Credit Control Fees and Charges                                  | 67             | 63             |
| Development Act Fees (Building)                                  | 372            | 423            |
| Development Act Fees (Planning)                                  | 1,308          | 1,205          |
| Dog Control Registration   | 750            | 736            |
| Fire Protection Fees   | 14             | 9              |
| Health   | 60             | 78             |
| Licences - Supported Facilities                                  | 5              | 6              |
| Property Search Fees   | 216            | 215            |
| Road Café Licences   | 2              | 7              |
| <b>Total Statutory Charges</b>                                   | <b>3,516</b>   | <b>3,588</b>   |
| <b>(c). User Charges</b>   |                |                |
| Commercial Activity Revenue                                      | 969            | 959            |
| Community Centre Program Fees                                    | 70             | 30             |
| Golf Course Fees   | 273            | 346            |
| Health Food & Safety Fees  | 6              | 10             |
| Immunisation Fees  | 87             | 73             |
| Photocopying / Printing Fees                                     | 64             | 99             |
| Sanitary and Garbage Fees  | 15             | 24             |
| Sundry Sales   | 60             | 66             |
| Sundry User Charges  | 28             | 34             |
| Hall , Equipment & Facilities Hire Fees                          | 433            | 499            |
| Library Fines  | 1              | 1              |
| <b>Total User Charges</b>  | <b>2,006</b>   | <b>2,141</b>   |



## City of Port Adelaide Enfield

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

#### Note 2. Income (continued)

| \$ '000   | 2020          | 2019          |
|---|---------------|---------------|
| <b>(d). Investment Income</b>   |               |               |
| Interest on Investments   |               |               |
| - Local Government Finance Authority                                  | 22            | 152           |
| - Banks & Other   | 39            | 111           |
| <b>Total Investment Income</b>  | <b>61</b>     | <b>263</b>    |
| <b>(e). Reimbursements</b>  |               |               |
| Private Works   | 81            | 29            |
| Commercial Activities   | 88            | 142           |
| Drainage & Footway Maintenance  | 238           | 224           |
| Environmental Management  | 136           | 158           |
| General Administration  | 643           | 563           |
| Fuel Tax Rebate   | 129           | 106           |
| Halls & Community Centres   | 14            | 9             |
| Home & Community Care Program   | 168           | 157           |
| Human Resources   | 76            | 94            |
| Insurance Recoveries  | 922           | 1,211         |
| Lease Recoveries  | 24            | 24            |
| LGFA Bonus  | 42            | 77            |
| Library Activities  | 13            | 92            |
| Recreation Services   | 232           | 133           |
| Tourism Activities  | 13            | 27            |
| Traffic Control   | 73            | 233           |
| Street Lighting   | 996           | -             |
| Other   | 14            | 61            |
| <b>Total Reimbursements</b>   | <b>3,902</b>  | <b>3,340</b>  |
| <b>(f). Grants, Subsidies, Contributions</b>                          |               |               |
| Amounts Received Specifically for New or Upgraded Assets              | 832           | 1,873         |
| <b>Total Amounts Received Specifically for New or Upgraded Assets</b> | <b>832</b>    | <b>1,873</b>  |
| Operating Grants, Subsidies and Contributions                         |               |               |
| - Community Development   | 290           | 315           |
| - Corporate Development   | 1,500         | 1,289         |
| - Engineering Services  | 2,003         | 1,855         |
| - Health & Community Services   | 2,703         | 3,002         |
| Individually Significant Items  | 6,296         | 3,511         |
| <b>Total Other Grants, Subsidies and Contributions</b>                | <b>12,792</b> | <b>9,972</b>  |
| <b>Total Grants, Subsidies, Contributions</b>                         | <b>13,624</b> | <b>11,845</b> |

The functions to which these grants relate are shown in Note 12.

# City of Port Adelaide Enfield

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

### Note 2. Income (continued)

| \$ '000  | Notes | 2020          | 2019          |
|--|-------|---------------|---------------|
| <b>(f). Grants, Subsidies, Contributions (continued)</b> |       |               |               |
| <b>(i) Sources of grants and Contributions</b>           |       |               |               |
| Commonwealth Government                                  |       | 3,074         | 2,662         |
| State Government   |       | 10,495        | 9,183         |
| Other  |       | 55            | -             |
| <b>Total</b>   |       | <b>13,624</b> | <b>11,845</b> |
| <b>(ii) Individually Significant Items</b>               |       |               |               |
| Grant Commission (FAG) Grant Recognised as Income        |       | 2,292         | 2,159         |
| Contribution Recognised as Income                        |       | 4,004         | -             |
| Supplementary Local Road Grant Recognised as Income      |       | -             | 1,352         |

On 27th May 2020 the Federal Government advanced approximately half the instalment of the 2020-2021 annual Financial Assistance Grant (FAG).

On 17th December 2019 the State Government provided a contribution to Council. As this income is recognised on receipt or when control is gained over the funds, the revenue has been recognised in 2019-2020 and favourably impacted on Councils operating result for the year.

### (g). Physical Resources Received Free of Charge

|   |               |               |
|---|---------------|---------------|
| Stormwater Drainage                                     | 1,781         | 1,790         |
| Buildings   | 4,801         | 5,541         |
| Traffic Control   | -             | 33            |
| Roadways  | 1,067         | 1,404         |
| Footways  | 1,963         | 1,261         |
| Kerb & Water Table                                      | 397           | 634           |
| <b>Total Physical Resources Received Free of Charge</b> | <b>10,009</b> | <b>10,663</b> |

### Note 3. Expenses

#### (a). Employee Costs

|   |               |               |
|---|---------------|---------------|
| Salaries and Wages  | 36,693        | 35,633        |
| Superannuation - Defined Contribution Plan Contributions                    | 3,867         | 3,693         |
| Workers' Compensation Insurance   | 1,647         | 1,721         |
| Annual Leave Expense  | 3,653         | 3,701         |
| Long Service Leave Expense  | 1,275         | 1,304         |
| Less: Capitalised and Distributed Costs                                     | (2,003)       | (2,134)       |
| <b>Total Operating Employee Costs</b>                                       | <b>45,132</b> | <b>43,918</b> |
| Total Number of Employees (full time equivalent at end of reporting period) | 476           | 463           |



# City of Port Adelaide Enfield

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

### Note 3. Expenses (continued)

| \$ '000  | 2020          | 2019          |
|--|---------------|---------------|
| <b>(b). Materials, Contracts and Other Expenses</b>        |               |               |
| <b>(i) Prescribed Expenses</b>                             |               |               |
| Auditor's Remuneration                                     |               |               |
| - Auditing the Financial Reports                           | 38            | 37            |
| - Other Services   | 2             | 2             |
| - Other Auditors   | 24            | 20            |
| Bad and Doubtful Debts                                     | (57)          | 120           |
| Elected Members' Expenses                                  | 535           | 509           |
| Election Expenses  | 72            | 460           |
| Operating Lease Rentals - Cancellable Leases (2019 only)   | -             | 476           |
| Lease Expense - Low Value Assets / Short Term Leases       | 244           | -             |
| <b>Subtotal - Prescribed Expenses</b>                      | <b>858</b>    | <b>1,624</b>  |
| <b>(ii) Other Materials, Contracts and Expenses</b>        |               |               |
| Contractors  | 26,404        | 23,299        |
| Legal Expenses   | 614           | 517           |
| Parts, Accessories & Consumables                           | 4,036         | 4,138         |
| Professional Services                                      | 596           | 474           |
| Levies Paid to Government - Central Dog Committee          | 168           | 80            |
| Levies Paid to Government - Adel Mt Lofty NRM Board        | 2,706         | 2,655         |
| Levies Paid to Government - Emergency Services             | 125           | 113           |
| Levies Paid to Government - Other                          | 36            | 41            |
| Contributions and Donations - Economic Affairs & Tourism   | 246           | 279           |
| Contributions and Donations - Recreation & Culture         | 106           | 242           |
| Contributions and Donations - Other                        | 483           | 836           |
| Contract Labour  | 1,803         | 1,631         |
| Fringe Benefits Tax  | 242           | 229           |
| Electricity  | 2,803         | 3,127         |
| Water & Sewerage Rates                                     | 3,423         | 3,551         |
| Fuel, Gas & Lubricants                                     | 848           | 864           |
| Advertising  | 190           | 180           |
| Bank Charges   | 200           | 194           |
| Insurance (excl. Workers Comp'n)                           | 1,633         | 1,516         |
| Local Govt. Assoc. Subscription                            | 91            | 100           |
| Licence Fees - Data Processing                             | 1,076         | 941           |
| Postage  | 263           | 247           |
| Telephone Expenses   | 417           | 386           |
| Training Expenses  | 298           | 273           |
| Vehicle Registration & Insurance                           | 226           | 238           |
| Other  | 1,432         | 1,783         |
| Less: Capitalised and Distributed Costs                    | (5,812)       | (6,254)       |
| <b>Subtotal - Other Material, Contracts &amp; Expenses</b> | <b>44,653</b> | <b>41,680</b> |
| <b>Total Materials, Contracts and Other Expenses</b>       | <b>45,511</b> | <b>43,304</b> |

## City of Port Adelaide Enfield

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

#### Note 3. Expenses (continued)

| \$ '000  | 2020          | 2019          |
|--|---------------|---------------|
| <b>(c). Depreciation, Amortisation and Impairment</b>  |               |               |
| <b>(i) Depreciation and Amortisation</b>               |               |               |
| Buildings  | 8,401         | 7,708         |
| Infrastructure   | 20,934        | 19,993        |
| Right-of-Use Assets                                    | 190           | -             |
| Plant & Equipment                                      | 1,877         | 1,631         |
| Furniture & Fittings                                   | 360           | 341           |
| Waste Bins   | 209           | 199           |
| Software   | 290           | 263           |
| <b>Subtotal</b>  | <b>32,261</b> | <b>30,135</b> |
| <b>(ii) Impairment</b>                                 |               |               |
| Nil  |               |               |
| <b>Total Depreciation, Amortisation and Impairment</b> | <b>32,261</b> | <b>30,135</b> |
| <b>(d). Finance Costs</b>                              |               |               |
| Interest on Leases                                     | 14            | -             |
| Local Govt. Finance Authority                          | 272           | 246           |
| <b>Total Finance Costs</b>                             | <b>286</b>    | <b>246</b>    |

#### Note 4. Asset Disposal & Fair Value Adjustments

##### Infrastructure, Property, Plant & Equipment

|   |                |                |
|---|----------------|----------------|
| <b>(i) Assets Renewed or Directly Replaced</b>              |                |                |
| Proceeds from Disposal                                      | 684            | 680            |
| Less: Carrying Amount of Assets Sold                        | (2,294)        | (7,685)        |
| <b>Gain (Loss) on Disposal</b>                              | <b>(1,610)</b> | <b>(7,005)</b> |
| <b>Net Gain (Loss) on Disposal or Revaluation of Assets</b> | <b>(1,610)</b> | <b>(7,005)</b> |



## City of Port Adelaide Enfield

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

#### Note 5. Current Assets

| \$ '000  | 2020         | 2019          |
|--|--------------|---------------|
| <b>(a). Cash &amp; Cash Equivalent Assets</b>                |              |               |
| Deposits with Local Govt. Finance Authority                  | 3,019        | 9,725         |
| Cash on Hand   | 7            | 7             |
| Cash at Bank   | 3,745        | 1,374         |
| <b>Total Cash &amp; Cash Equivalent Assets</b>               | <b>6,771</b> | <b>11,106</b> |
| <b>(b). Trade &amp; Other Receivables</b>                    |              |               |
| Rates - General & Other                                      | 2,935        | 2,705         |
| Debtors - General  | 1,794        | 1,588         |
| GST Recoupment   | 399          | 640           |
| Prepayments  | 435          | 385           |
| Fuel Tax Claimable   | 12           | 9             |
| <b>Subtotal</b>  | <b>5,575</b> | <b>5,327</b>  |
| Less: Allowance for Doubtful Debts                           | (272)        | (342)         |
| <b>Total Trade &amp; Other Receivables</b>                   | <b>5,303</b> | <b>4,985</b>  |
| <b>Provision for Doubtful Debts</b>                          |              |               |
| <b>Opening Provision</b>                                     | 342          | 221           |
| Add: Increase/(Decrease) in Provision                        | (70)         | 121           |
| <b>Closing Provision for Doubtful Debts</b>                  | <b>272</b>   | <b>342</b>    |
| <b>Nature of Impaired Trade Receivables 90 Days and Over</b> |              |               |
| Rates Receivable   | 178          | 174           |
| Sundry Debtors   | 94           | 168           |
| <b>Closing Provision for Doubtful Debts</b>                  | <b>272</b>   | <b>342</b>    |

Rates are secured over the subject land and the balance outstanding represents 2.75% of gross rate income for the period. Rates were able to be paid in full on or before the due date, 2nd September 2019, or over four instalments payable on or before the 2nd day of September 2019, 2nd December 2019, 2nd March 2020 and 2nd June 2020. Amounts unpaid after these dates were considered overdue. Fines and interest have been charged monthly at a rate of 2% and 0.5083% respectively on any overdue amount excluding legal fees.

Sundry debtors have been charged in accordance with Council's Schedule of Fees & Charges. Majority are unsecured and do not bear interest. The balance outstanding represents 23% of fee income for the period (2018-2019: 23%). Collection is achieved on average in 84 days (2018-2019: 86 days). Of the outstanding balance, 29% of the invoices were raised in June 2020. 29% of the outstanding balance is greater than 90 days.

## City of Port Adelaide Enfield

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

#### Note 5. Current Assets (continued)

| \$ '000                           | 2020         | 2019         |
|-----------------------------------|--------------|--------------|
| (c). Inventories                  |              |              |
| Stores & Materials                | 280          | 235          |
| Other Real Estate Held for Resale | 4,702        | 4,702        |
| <b>Total Inventories</b>          | <b>4,982</b> | <b>4,937</b> |

#### Note 6. Non-Current Assets

##### (a). Financial Assets

###### Receivables

|                               |           |          |
|-------------------------------|-----------|----------|
| Rates & General               | 10        | 7        |
| <b>Total Receivables</b>      | <b>10</b> | <b>7</b> |
| <b>Total Financial Assets</b> | <b>10</b> | <b>7</b> |

##### (b). Other Non-Current Assets

|                                       |              |               |
|---------------------------------------|--------------|---------------|
| Capital Works-in-Progress             | 2,496        | 23,382        |
| <b>Total Other Non-Current Assets</b> | <b>2,496</b> | <b>23,382</b> |



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

Note 7a (i). Infrastructure, Property, Plant & Equipment

| \$ '000  | Fair Value<br>Level | as at 30/6/2019  |            |             |            |                   | Asset Movements during the Reporting Period |                  |          |                              |                                      |                            |   |   |   | as at 30/6/2020  |            |             |            |                   |
|--|---------------------|------------------|------------|-------------|------------|-------------------|---|------------------|----------|------------------------------|--------------------------------------|----------------------------|---|---|---|------------------|------------|-------------|------------|-------------------|
|  |                     | At<br>Fair Value | At<br>Cost | Accumulated |            | Carrying<br>Value | Transition<br>adjustment -<br>AASB 16       | Asset Additions  |          | WDV<br>of Asset<br>Disposals | Depreciation<br>Expense<br>(Note 3c) | Adjustments<br>& Transfers | Tfrs from/(to)<br>"Held for<br>Sale" category | Revaluation<br>Decrements<br>to Equity<br>(ARR)<br>(Note 9) | Revaluation<br>Increments<br>to Equity<br>(ARR)<br>(Note 9) | At<br>Fair Value | At<br>Cost | Accumulated |            | Carrying<br>Value |
|  |                     |                  |            | Dep'n       | Impairment |                   |   | New /<br>Upgrade | Renewals |                              |                                      |                            |   |   |   |                  |            | Dep'n       | Impairment |                   |
| Land   | 2                   | 37,016           | -          | -           | -          | 37,016            | -   | 4,460            | -        | -                            | -                                    | (1,023)                    | -   | -   | -   | 40,379           | 74         | -           | -          | 40,453            |
| Land   | 3                   | 366,006          | -          | -           | -          | 366,006           | -   | -                | -        | (1,550)                      | -                                    | 1,023                      | -   | (1,944)   | -   | 363,535          | -          | -           | -          | 363,535           |
| Buildings  | 2                   | 39,418           | 18,265     | 30,147      | -          | 27,536            | -   | 24,843           | 4,114    | (394)                        | (8,401)                              | (6,357)                    | -   | (3,755)   | 2,617   | 37,168           | 29,076     | 26,041      | -          | 40,203            |
| Buildings  | 3                   | 276,151          | -          | 111,820     | -          | 164,331           | -   | -                | -        | -                            | -                                    | 6,357                      | -   | -   | -   | 290,296          | -          | 119,608     | -          | 170,688           |
| Infrastructure                                       |                     | 1,464,620        | 33,215     | 536,693     | -          | 961,142           | -   | 12,281           | 19,573   | -                            | (20,934)                             | -                          | -   | -   | 8,896   | 1,511,769        | 31,854     | 562,665     | -          | 980,958           |
| Right-of-Use Assets                                  |                     | -                | -          | -           | -          | -                 | 141   | -                | 497      | -                            | (190)                                | -                          | -   | -   | -   | 759              | -          | 311         | -          | 448               |
| Plant & Equipment                                    |                     | -                | 21,404     | 9,235       | -          | 12,169            | -   | 263              | 694      | (350)                        | (1,877)                              | -                          | -   | -   | -   | -                | 21,293     | 10,394      | -          | 10,899            |
| Furniture & Fittings                                 |                     | -                | 4,795      | 3,857       | -          | 938               | -   | 1,513            | 519      | -                            | (360)                                | -                          | -   | -   | -   | -                | 6,826      | 4,216       | -          | 2,610             |
| Waste Bins   |                     | -                | 4,709      | 3,909       | -          | 800               | -   | 109              | -        | -                            | (209)                                | -                          | -   | -   | -   | -                | 4,818      | 4,118       | -          | 700               |
| Software   |                     | -                | 2,183      | 1,457       | -          | 726               | -   | -                | 71       | -                            | (290)                                | -                          | -   | -   | -   | -                | 2,254      | 1,747       | -          | 507               |
| Total Infrastructure, Property,<br>Plant & Equipment |                     | 2,183,211        | 84,571     | 697,118     | -          | 1,570,664         | 141   | 43,469           | 25,468   | (2,294)                      | (32,261)                             | -                          | -   | (5,699)   | 11,513  | 2,243,906        | 96,195     | 729,100     | -          | 1,611,001         |
| Comparatives   |                     | 2,129,652        | 68,548     | 672,906     | -          | 1,525,294         | -   | 33,845           | 26,063   | (7,685)                      | (30,135)                             | -                          | (4,702)                                       | -   | 27,984  | 2,183,211        | 84,571     | 697,118     | -          | 1,570,664         |

Note 7a (ii). Investment Property

Nil

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

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

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##### Valuation of Assets

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

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

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

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

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

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

##### Information on Valuations

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

*Fair value hierarchy level 3 valuations of 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. Accordingly, formal sensitivity analysis does not provide useful information.



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

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

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##### Valuation of Assets (continued)

###### *Transfers between fair value hierarchy levels*

In the course of revaluing (name the asset classes), the nature of the inputs applied was reviewed in detail for each asset and where necessary, the asset reassigned to the appropriate fair value hierarchy level. Such transfers take effect as at the date of the revaluation.

###### **Other Information**

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to AASB 1.D5 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

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, current replacement cost is taken to be the fair value.

###### **Highest and best use**

All of Council's non financial assets are considered as being utilised for their highest and best use.

###### **Transition to AASB 13 - Fair Value Measurement**

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Fair value hierarchy level 2 valuations: land and buildings is 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, 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.

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

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

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##### Valuation of Assets (continued)

###### Land & Land Improvements

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

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

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the cost basis, originally deriving from a valuation at 30 June 1997 at current replacement cost. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset. Currently there are no assets that require this treatment.

Revaluation of Land was undertaken by Brooke Parish, FAPI & Tom Cooper, AAPI. Valuations were made on the basis of market value as at 30 June 2020.

Land assets free of charge totalling \$4,387,000 were brought to account as at 30 June 2020 at Fair Value as as determined by Brooke Parish, FAPI & Tom Cooper, AAPI.

###### Buildings & Other Structures

A desktop revaluation was carried out by independent valuation for this reporting period, 30 June 2020.

Revaluations were undertaken by Brooke Parish, FAPI & Tom Cooper, AAPI. Valuations were made on the basis of written down replacement cost as at 30 June 2020.

###### Infrastructure

Infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) were valued by Council Staff as at 30 June 2020.

A comprehensive independent revaluation was carried out for Pump Stations for the reporting period, ended 30 June 2017. Revaluations were undertaken by APV Valuers & Asset Management . Valuations were made on the basis of written down replacement costs as at 30 June 2017.

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

An Independent review and certification of units rates and total useful lives was undertaken by, Andrea Carolan, FAPI, Certified Practicing Valuer API No 6398.

Valuations were made on the basis of written down replacement cost as at 30 June 2020.

Infrastructure assets received free of charge totalling \$5,208,808 (2018/19: \$5,121,901 ) were brought to account as at 30 June 2020 at a valuation consistent with other infrastructure valuations as determined by the Director City Assets.

###### Plant & Equipment

These assets are recognised on the cost basis.



# City of Port Adelaide Enfield

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

### Note 8. Liabilities

| \$ '000  | Notes | 2020<br>Current | 2020<br>Non Current | 2019<br>Current | 2019<br>Non Current |
|--|-------|-----------------|---------------------|-----------------|---------------------|
| <b>(a). Trade and Other Payables</b>           |       |                 |                     |                 |                     |
| Payments Received in Advance                   |       |                 |                     |                 |                     |
| - Grants, Subsidies, Contributions - Operating |       | 147             | -                   | -               | -                   |
| - Grants & Contributions - Capital             |       | 1,198           | -                   | -               | -                   |
| Deposits, Retentions & Bonds                   |       | 93              | -                   | 298             | -                   |
| Trade Creditors                                |       | 8,915           | -                   | 11,529          | -                   |
| Payroll  |       | 1,439           | -                   | 1,688           | -                   |
| Accrued Expenses - Interest on Loans           |       | 38              | -                   | 31              | -                   |
| Sundry Creditors                               |       | 303             | -                   | 423             | -                   |
| <b>Total Trade and Other Payables</b>          |       | <b>12,133</b>   | <b>-</b>            | <b>13,969</b>   | <b>-</b>            |

Liabilities are recognised for amounts to be paid in the future for goods and services received. These liabilities are settled in 50 days on average (2018-19: 44 days).

Council has risk management policies in place to ensure that all payables are paid within credit timeframes.

### (b). Borrowings

|   |    |            |              |              |               |
|---|----|------------|--------------|--------------|---------------|
| Lease Liabilities                               | 17 | 195        | 279          | -            | -             |
| Local Government Finance Authority Debenture    |    | 759        | 636          | 1,052        | 1,395         |
| Local Government Finance Authority Cash Advance |    | -          | 6,400        | -            | 10,600        |
| <b>Total Borrowings</b>                         |    | <b>954</b> | <b>7,315</b> | <b>1,052</b> | <b>11,995</b> |

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

### (c). Provisions

|                         |  |               |            |               |            |
|-------------------------|--|---------------|------------|---------------|------------|
| Long Service Leave      |  | 6,519         | 726        | 5,976         | 811        |
| Productivity Incentive  |  | 1,166         | -          | 1,312         | -          |
| Annual Leave            |  | 4,246         | -          | 3,877         | -          |
| <b>Total Provisions</b> |  | <b>11,931</b> | <b>726</b> | <b>11,165</b> | <b>811</b> |

### (d). Liability Accounted Investments in Council Businesses

|  |    |  |            |  |          |
|--|----|--|------------|--|----------|
| CAWRA  | 19 |  | 117        |  | -        |
| <b>Total Liability Accounted Investments in Council Businesses</b> |    |  | <b>117</b> |  | <b>-</b> |

## City of Port Adelaide Enfield

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

#### Note 9. Reserves

| \$ '000                                | 1/7/2019       | Increments<br>(Decrements) | Transfers      | Impairments | 30/6/2020      |
|--|----------------|----------------------------|----------------|-------------|----------------|
| <b>(a). Asset Revaluation Reserve</b>  |                |                            |                |             |                |
| Land                                   | 58,978         | (1,944)                    | 612            | -           | 57,646         |
| Buildings                              | 95,196         | (1,138)                    | 553            | -           | 94,611         |
| Infrastructure                         | 591,444        | 8,896                      | -              | -           | 600,340        |
| <b>Total Asset Revaluation Reserve</b> | <b>745,618</b> | <b>5,814</b>               | <b>1,165</b>   | <b>-</b>    | <b>752,597</b> |
| <b>Comparatives</b>                    | <b>722,573</b> | <b>27,984</b>              | <b>(4,939)</b> | <b>-</b>    | <b>745,618</b> |

| \$ '000                             | 1/7/2019      | Tfrs to<br>Reserve | Tfrs from<br>Reserve | Other<br>Movements | 30/6/2020     |
|-------------------------------------|---------------|--------------------|----------------------|--------------------|---------------|
| <b>(b). Other Reserves</b>          |               |                    |                      |                    |               |
| Committed Projects                  | 2,371         | 7,089              | (2,371)              | -                  | 7,089         |
| John Hart Reserve                   | 109           | 9                  | -                    | -                  | 118           |
| Employee Services Reserve           | 500           | -                  | -                    | -                  | 500           |
| Long Term Financial Plan Reserve    | 2,076         | -                  | -                    | -                  | 2,076         |
| Open Space Development Special Fund | 1,939         | 408                | -                    | -                  | 2,347         |
| <b>Total Other Reserves</b>         | <b>6,995</b>  | <b>7,506</b>       | <b>(2,371)</b>       | <b>-</b>           | <b>12,130</b> |
| <b>Comparatives</b>                 | <b>21,139</b> | <b>2,910</b>       | <b>(17,054)</b>      | <b>-</b>           | <b>6,995</b>  |

#### PURPOSES OF RESERVES

##### Asset Revaluation Reserves

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

##### Committed Projects Reserve

The Committed Projects Reserve has been established to provide funds for the completion of capital and other material projects carried over from one financial year to the next.

##### John Hart Reserve

The John Hart Reserve receives under an agreement, contributions from the Port Adelaide District Hockey Club Inc. to fund the future replacement of the synthetic hockey pitch located on the John Hart Reserve, Swan Terrace, Ethelton. Interest accrues throughout the year on the balance of the reserve. The pitch was last replaced during the 2012-13 financial year.



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

#### Note 9. Reserves (continued)

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##### **Employee Services Reserve**

The Employee Services Reserve has been established to fund employee entitlements including long service leave, productivity and parenting leave not provided for in working capital.

##### **Long Term Financial Plan Reserve**

The Long Term Financial Plan Reserve has been established to assist with funding of initiatives not identified in Council's Annual Budget and Long Term Financial Plan at the time of establishment.

##### **Open Space Development Special Fund**

The Open Space Development Special Fund as required under section 50 of the Development Act 1993, receives contributions from Developers in lieu of the provision of open space as part of land sub-divisions. As required under the Act, the funds will be applied by the Council for the purpose of acquiring or developing land as open space as appropriate opportunities arise. Interest accrues throughout the year on the balance of the reserve.

##### **Land Revaluation Reserve**

Reserve movement is a result of current Revaluation and write-off portion of increment/decrement for disposed assets from Revaluation reserve.

##### **Buildings Revaluation Reserve**

Reserve movement is a result of current Revaluation and write-off portion of increment/decrement for disposed assets Revaluation reserve.

## City of Port Adelaide Enfield

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

#### Note 10. Assets Subject to Restrictions

| \$ '000   | 2020         | 2019         |
|---|--------------|--------------|
| <p>The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.</p> |              |              |
| <b>Cash &amp; Financial Assets</b>  |              |              |
| <b>Unexpended amounts received</b>  |              |              |
| Local Government Grants Commission Grant (Advance Payment)  | 2,292        | 3,512        |
| Kilburn Blair Athol Public Realm Project  | 1,385        | 1,500        |
| Kilburn Blair Athol Renewal Projects  | 1,000        | 1,000        |
| McLaren Parade Shared Space & Streetscape   | 573          | -            |
| Grassroots Football, Cricket & Netball Facility Program   | 487          | -            |
| Hotchkiss Playground Accommodation  | 130          | -            |
| Kerbside Performance Food Waste Incentive   | 104          | -            |
| LGAWCS Risk Incentive Program   | 59           | -            |
| LGAMLS Risk Incentive Program   | 56           | -            |
| Home and Community Care - Commonwealth  | 25           | 56           |
| Kerbside Performance (Food Waste) System  | 51           | -            |
| Home and Community Care - COVID Recovery  | 40           | -            |
| Port Adelaide Organics Market Research  | 24           | -            |
| Contribution - Ottoway  | 23           | -            |
| Port River Public Realm Design Strategy   | 20           | 20           |
| Black Spot Funding - Hookings Tce & Seventh Ave   | 8            | -            |
| Home and Community Care - State ILC NDIS Jurisdictional Funding   | 6            | -            |
| Active Neighbourhood for Older Australians  | 2            | -            |
| Fish Feeders SA Project   | 2            | -            |
| Men's Shed Project  | -            | 148          |
| Whicker Road/Magazine Creek GPT Upgrade   | -            | 64           |
| Port River East Maintenance   | -            | 13           |
| Safety Improvements Hardy St Rosewater  | -            | 6            |
| <b>Total Cash &amp; Financial Assets</b>  | <b>6,287</b> | <b>6,319</b> |



## City of Port Adelaide Enfield

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

#### Note 10. Assets Subject to Restrictions (continued)

| \$ '000  | 2020          | 2019          |
|--|---------------|---------------|
| Grants which were recognised as revenues during the previous reporting period and which were expended in the current period in the manner specified by the grantor were: |               |               |
| Local Government Grants Commission Grant (Advance Payment)   | 3,512         | 2,135         |
| Kilburn Blair Athol Public Realm Project   | 1,500         | 3,000         |
| Kilburn Blair Athol Renewal Projects   | 1,000         | 1,000         |
| Men's Shed Project   | 148           | -             |
| Whicker Road/Magazine Creek GPT Upgrade  | 64            | -             |
| Home and Community Care - Commonwealth   | 56            | -             |
| Port River Public Realm Design Strategy  | 20            | -             |
| Port River East Maintenance  | 13            | 6             |
| Safety Improvements Hardy St Rosewater   | 6             | -             |
| Lightsview Indoor Recreation Hub   | -             | 2,180         |
| Roads to Recovery  | -             | 1,915         |
| St Albans Reserve  | -             | 151           |
| Barton Reserve Ramp & Stairs Project   | -             | 150           |
| Duncan Fraser Reserve Playground & Playspace Project   | -             | 150           |
| Northfield Dog Park Upgrade Project  | -             | 150           |
| Big Slouch Hat Project   | -             | 140           |
| Duncan Fraser Reserve  | -             | 128           |
| Gearing Up For Girls Football Project  | -             | 120           |
| Accessible Beach Mat Project   | -             | 100           |
| Barton Reserve Fencing Project   | -             | 80            |
| Whicker Road/Magazine Creek GPT Upgrade  | -             | 64            |
| Safety Improvements Newman St Semaphore  | -             | 54            |
| Shared Use Path Funding Causeway Rd Bower Rd to Railway Station  | -             | 50            |
| Greenacres Community Garden  | -             | 48            |
| Shared Use Path Funding Causeway Rd Semaphore Rd to Sutherland St  | -             | 47            |
| FJ Garrard Reserve   | -             | 40            |
| Shared Use Path Funding Warren St to Days Rd   | -             | 30            |
| Shared Use Path Funding Heath St, Fletcher Rd, Port Loop   | -             | 24            |
| ACE Training Program   | -             | 24            |
| Children & Schooling Strategic Investment  | -             | 20            |
| Safety Improvements Hardy St Rosewater   | -             | 14            |
| Solar Photovoltaic Panels  | -             | 10            |
| Youth Network Grant  | -             | 5             |
| Resident WIN Grant - Newman St Semaphore Park  | -             | 3             |
| <b>Total Receivables</b>   | <b>6,319</b>  | <b>11,838</b> |
| <b>Total Assets Subject to Externally Imposed Restrictions</b>   | <b>12,606</b> | <b>18,157</b> |

# City of Port Adelaide Enfield

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

### Note 11. Reconciliation to Statement of Cash Flows

| \$ '000  | Notes | 2020          | 2019          |
|--|-------|---------------|---------------|
| <b>(a). Reconciliation of Cash</b>   |       |               |               |
| Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows: |       |               |               |
| Total Cash & Equivalent Assets   | 5     | 6,771         | 11,106        |
| <b>Balances per Statement of Cash Flows</b>  |       | <b>6,771</b>  | <b>11,106</b> |
| <b>(b). Reconciliation of Change in Net Assets to Cash from Operating Activities</b>   |       |               |               |
| <b>Net Surplus/(Deficit)</b>   |       | <b>14,827</b> | <b>9,972</b>  |
| Non-Cash Items in Income Statements  |       |               |               |
| Depreciation, Amortisation & Impairment  |       | 32,261        | 30,135        |
| Equity Movements in Equity Accounted Investments (Increase)/Decrease   |       | 117           | -             |
| Non-Cash Asset Acquisitions  |       | (10,009)      | (10,663)      |
| Grants for Capital Acquisitions (Treated as Investing Activity Receipts)   |       | (832)         | (1,873)       |
| Net (Gain) Loss on Disposals   |       | 1,610         | 7,005         |
|  |       | <b>37,974</b> | <b>34,576</b> |
| <b>Add (Less): Changes in Net Current Assets</b>   |       |               |               |
| Net (Increase)/Decrease in Receivables   |       | (251)         | 461           |
| Change in Allowances for Under-Recovery of Receivables   |       | 70            | (121)         |
| Net (Increase)/Decrease in Inventories   |       | (45)          | 54            |
| Net (Increase)/Decrease in Other Current Assets  |       | (140)         | 242           |
| Net Increase/(Decrease) in Trade & Other Payables  |       | (2,829)       | 3,989         |
| Net Increase/(Decrease) in Other Provisions  |       | 681           | (137)         |
| <b>Net Cash provided by (or used in) operations</b>  |       | <b>35,460</b> | <b>39,064</b> |
| <b>(c). Non-Cash Financing and Investing Activities</b>  |       |               |               |
| <b>Acquisition of assets by means of:</b>  |       |               |               |
| - Physical Resources Received Free of Charge   | 21    | 10,009        | 10,663        |
| <b>Amounts recognised in Income Statement</b>  |       | <b>10,009</b> | <b>10,663</b> |
| <b>Total Non-Cash Financing &amp; Investing Activities</b>   |       | <b>10,009</b> | <b>10,663</b> |
| <b>(d). Financing Arrangements</b>   |       |               |               |
| <b>Unrestricted access was available at balance date to the following lines of credit:</b>   |       |               |               |
| Bank Overdrafts  |       | 250           | 250           |
| Corporate Credit Cards   |       | 190           | 190           |
| Cash Advance Facilities  |       | 27,900        | 27,900        |

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



## City of Port Adelaide Enfield

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

#### Note 12a. Functions

| Functions/Activities              | Income, Expenses and Assets have been directly attributed to the following Functions / Activities.<br>Details of these Functions/Activities are provided in Note 12(b). |                |                |                |                             |                |                           |                |   |                  |
|-----------------------------------|---|----------------|----------------|----------------|-----------------------------|----------------|---------------------------|----------------|---|------------------|
|                                   | INCOME  |                | EXPENSES       |                | OPERATING SURPLUS (DEFICIT) |                | GRANTS INCLUDED IN INCOME |                | TOTAL ASSETS HELD (CURRENT & NON-CURRENT) |                  |
|                                   | Actual<br>2020  | Actual<br>2019 | Actual<br>2020 | Actual<br>2019 | Actual<br>2020              | Actual<br>2019 | Actual<br>2020            | Actual<br>2019 | Actual<br>2020                            | Actual<br>2019   |
| <b>\$ '000</b>                    |   |                |                |                |                             |                |                           |                |   |                  |
| Business Undertakings             | 177   | 160            | 52             | 53             | 125                         | 107            | -                         | -              | -   | -                |
| Community Services                | 3,385   | 3,991          | 11,561         | 11,466         | (8,176)                     | (7,475)        | 1,989                     | 2,311          | 1   | 1                |
| Culture                           | 1,071   | 1,145          | 8,648          | 8,768          | (7,577)                     | (7,623)        | 880                       | 846            | 3   | 1                |
| Economic Development              | 182   | 151            | 2,840          | 3,035          | (2,658)                     | (2,884)        | 46                        | 46             | -   | -                |
| Environment                       | 4,033   | 3,103          | 36,600         | 35,385         | (32,567)                    | (32,282)       | 78                        | 143            | 218,986                                   | 231,254          |
| Recreation                        | 5,463   | 1,021          | 20,689         | 18,315         | (15,226)                    | (17,294)       | 4,045                     | 57             | 644,869                                   | 601,453          |
| Regulatory Services               | 2,799   | 2,799          | 7,172          | 6,946          | (4,373)                     | (4,147)        | -                         | -              | 128                                       | 273              |
| Transport & Communication         | 3,035   | 4,311          | 22,850         | 21,476         | (19,815)                    | (17,165)       | 2,866                     | 3,968          | 742,346                                   | 754,258          |
| Plant Hire & Depot/Indirect       | 513   | 718            | 3,143          | 2,502          | (2,630)                     | (1,784)        | -                         | -              | 11,191                                    | 12,413           |
| Council Administration            | 108,245   | 104,645        | 9,752          | 9,657          | 98,493                      | 94,988         | 2,888                     | 2,601          | 13,039                                    | 15,428           |
| <b>Total Functions/Activities</b> | <b>128,903</b>  | <b>122,044</b> | <b>123,307</b> | <b>117,603</b> | <b>5,596</b>                | <b>4,441</b>   | <b>12,792</b>             | <b>9,972</b>   | <b>1,630,563</b>                          | <b>1,615,081</b> |

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

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

### Note 12b. Components of Functions

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**The activities relating to Council functions are as follows:**

#### **BUSINESS UNDERTAKINGS**

Private Works, Investment Property.

#### **COMMUNITY SERVICES**

Public Order and Safety, Crime Prevention, Emergency Services, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Preventive Health Services, Other Health Services, Community Support, Home Assistance Scheme, Other Services for the Aged and Disabled, Children and Youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support, Other Community Support, Community Amenities, Bus Shelters, Public Conveniences, Car Parking – non-fee-paying, and Other Community Amenities.

#### **CULTURE**

Library Services, Static Libraries, Other Library Services, Cultural Services, Cultural Venues, Heritage, and Other Cultural Services.

#### **ECONOMIC DEVELOPMENT**

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

#### **ENVIRONMENT**

Waste Management, Domestic Waste, Green Waste, Recycling, Transfer Stations, 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**

Other Marine Facilities, Parks and Gardens, Sports Facilities – Indoor, Sports Facilities – 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**

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

#### **COUNCIL ADMINISTRATION**

Governance, Administration, Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, 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.



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

Note 13. Financial Instruments

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**Recognised Financial Instruments**

**Bank, Deposits at Call, Short Term Deposits**

**Accounting Policy:**

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

**Terms & Conditions:**

Deposits are returning fixed interest rates between 0.5% and 1.5% (2019: 1.25% and 1.75%). Short term deposits have an average maturity of 1 days and an average interest rate of 1% (2019: 1 day and 1.5%).

**Carrying Amount:**

Approximates fair value due to the short term to maturity.

**Receivables**

**Rates & Associated Charges**

**Accounting Policy:**

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

**Terms & Conditions:**

Secured over the subject land, arrears attract interest of 0.5083% (2019: 0.541%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

**Receivables**

**Fees & Other Charges**

**Accounting Policy:**

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

**Terms & Conditions:**

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

**Carrying Amount:**

Approximates fair value (after deduction of any allowance).

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

Note 13. Financial Instruments (continued)

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**Recognised Financial Instruments**

**Receivables**

**Other Levels of Government**

**Accounting Policy:**

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

**Terms & Conditions:**

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

**Carrying Amount:**

Approximates fair value.

**Liabilities**

**Creditors and Accruals**

**Accounting Policy:**

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

**Terms & Conditions:**

Liabilities are normally settled on 30 day terms.

**Carrying Amount:**

Approximates fair value.

**Liabilities**

**Interest Bearing Borrowings**

**Accounting Policy:**

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

**Terms & Conditions:**

Secured over future revenues, borrowings are repayable at varying intervals; interest is charged at fixed and variable rates between 2.20% and 7.65% (2019: 3.35% and 7.65%).

**Carrying Amount:**

Approximates fair value.

**Liabilities**

**Leases**

**Accounting Policy:**

Accounted for in accordance with AASB 16 as stated in Note 17.



# City of Port Adelaide Enfield

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

### Note 13. Financial Instruments (continued)

| \$ '000                       | Due<br>< 1 year | Due > 1 year<br>& ≤ 5 years | Due<br>> 5 years | Total Contractual<br>Cash Flows | Carrying<br>Values |
|-------------------------------|-----------------|-----------------------------|------------------|---------------------------------|--------------------|
| <b>2020</b>                   |                 |                             |                  |                                 |                    |
| <b>Financial Assets</b>       |                 |                             |                  |                                 |                    |
| Cash & Equivalents            | 6,771           | -                           | -                | 6,771                           | 6,771              |
| Receivables                   | 4,469           | 10                          | -                | 4,479                           | 4,479              |
| <b>Total Financial Assets</b> | <b>11,240</b>   | <b>10</b>                   | <b>-</b>         | <b>11,250</b>                   | <b>11,250</b>      |

|                                    |               |              |              |               |               |
|------------------------------------|---------------|--------------|--------------|---------------|---------------|
| <b>Financial Liabilities</b>       |               |              |              |               |               |
| Payables                           | 10,788        | -            | -            | 10,788        | 10,788        |
| Current Borrowings                 | 986           | -            | -            | 986           | 759           |
| Non-Current Borrowings             | -             | 1,250        | 7,661        | 8,911         | 7,036         |
| Lease Liabilities                  | 206           | 287          | -            | 493           | 474           |
| <b>Total Financial Liabilities</b> | <b>11,980</b> | <b>1,537</b> | <b>7,661</b> | <b>21,178</b> | <b>19,057</b> |

| \$ '000                       | Due<br>< 1 year | Due > 1 year<br>& ≤ 5 years | Due<br>> 5 years | Total Contractual<br>Cash Flows | Carrying<br>Values |
|-------------------------------|-----------------|-----------------------------|------------------|---------------------------------|--------------------|
| <b>2019</b>                   |                 |                             |                  |                                 |                    |
| <b>Financial Assets</b>       |                 |                             |                  |                                 |                    |
| Cash & Equivalents            | 11,105          | -                           | -                | 11,105                          | 11,106             |
| Receivables                   | 3,960           | -                           | -                | 3,960                           | 3,967              |
| <b>Total Financial Assets</b> | <b>15,065</b>   | <b>-</b>                    | <b>-</b>         | <b>15,065</b>                   | <b>15,073</b>      |

|                                    |               |              |               |               |               |
|------------------------------------|---------------|--------------|---------------|---------------|---------------|
| <b>Financial Liabilities</b>       |               |              |               |               |               |
| Payables                           | 13,969        | -            | -             | 13,969        | 13,969        |
| Current Borrowings                 | 1,559         | -            | -             | 1,559         | 1,052         |
| Non-Current Borrowings             | -             | 2,952        | 14,136        | 17,088        | 11,995        |
| <b>Total Financial Liabilities</b> | <b>15,528</b> | <b>2,952</b> | <b>14,136</b> | <b>32,616</b> | <b>27,016</b> |

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

|                      | 30 June 2020                  |                   | 30 June 2019                  |                   |
|----------------------|-------------------------------|-------------------|-------------------------------|-------------------|
|                      | Weighted Avg<br>Interest Rate | Carrying<br>Value | Weighted Avg<br>Interest Rate | Carrying<br>Value |
| Other Variable Rates | 2.20%                         | 6,400             | 3.35%                         | 10,600            |
| Fixed Interest Rates | 7.09%                         | 1,395             | 6.90%                         | 2,447             |
|                      |                               | <b>7,795</b>      |                               | <b>13,047</b>     |

### 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.

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

#### Note 13. Financial Instruments (continued)

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##### 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.



## City of Port Adelaide Enfield

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

#### Note 14. Capital Expenditure and Investment Property Commitments

| \$ '000   | 2020          | 2019          |
|---|---------------|---------------|
| <b>(a). Capital Commitments</b>   |               |               |
| <b>Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:</b>                                   |               |               |
| Infrastructure  | 1,085         | 785           |
| Plant & Equipment   | 1,553         | 169           |
|   | <b>2,638</b>  | <b>954</b>    |
| <b>These expenditures are payable:</b>  |               |               |
| Not later than one year   | 2,488         | 900           |
| Later than one year and not later than 5 years  | 150           | 54            |
|   | <b>2,638</b>  | <b>954</b>    |
| <b>(b). Other Expenditure Commitments</b>   |               |               |
| <b>Other non-capital expenditure committed for (excluding inventories) at the reporting date but not recognised in the financial statements as liabilities:</b> |               |               |
| Audit Services  | 36            | 36            |
| Waste Management Services   | 65,970        | 33,192        |
| Other Maintenance Contracts   | 5,152         | 4,614         |
|   | <b>71,158</b> | <b>37,842</b> |
| <b>These expenditures are payable:</b>  |               |               |
| Not later than one year   | 15,572        | 12,057        |
| Later than one year and not later than 5 years  | 44,908        | 25,785        |
| Later than 5 years  | 10,678        | -             |
|   | <b>71,158</b> | <b>37,842</b> |

# City of Port Adelaide Enfield

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

### Note 15. Financial Indicators

|         | Amounts | Indicator | Prior Periods |      |
|---------|---------|-----------|---------------|------|
| \$ '000 | 2020    | 2020      | 2019          | 2018 |

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

#### 1. Operating Surplus Ratio

|                        |         |    |    |    |
|------------------------|---------|----|----|----|
| Operating Surplus      | 5,596   | 4% | 4% | 2% |
| Total Operating Income | 128,903 |    |    |    |

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

#### 2. Net Financial Liabilities Ratio

|                           |         |     |     |      |
|---------------------------|---------|-----|-----|------|
| Net Financial Liabilities | 20,975  | 16% | 19% | (1%) |
| Total Operating Income    | 128,903 |     |     |      |

*Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.*

#### Adjustments to Ratios

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

|  |     |     |      |
|--|-----|-----|------|
| Adjusted Operating Surplus Ratio         | 5%  | 3%  | 2%   |
| Adjusted Net Financial Liabilities Ratio | 16% | 19% | (1%) |

#### 3. Asset Renewal Funding Ratio

|   |        |      |      |     |
|---|--------|------|------|-----|
| Net Asset Renewals  | 24,855 | 102% | 104% | 62% |
| Infrastructure & Asset Management Plan required expenditure | 24,322 |      |      |     |

*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.*



## City of Port Adelaide Enfield

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

#### Note 16. Uniform Presentation of Finances

| \$ '000  | 2020           | 2019            |
|--|----------------|-----------------|
| <p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p> |                |                 |
| Income   | 128,903        | 122,044         |
| less Expenses  | (123,307)      | (117,603)       |
| <b>Operating Surplus / (Deficit)</b>   | <b>5,596</b>   | <b>4,441</b>    |
| <b>Net Outlays on Existing Assets</b>  |                |                 |
| Capital Expenditure on Renewal and Replacement of Existing Assets  | (24,855)       | (27,674)        |
| <i>add back</i> Depreciation, Amortisation and Impairment  | 32,261         | 30,135          |
| <i>add back</i> Proceeds from Sale of Replaced Assets  | 684            | 680             |
| <b>Subtotal</b>  | <b>8,090</b>   | <b>3,141</b>    |
| <b>Net Outlays on New and Upgraded Assets</b>  |                |                 |
| Capital Expenditure on New and Upgraded Assets<br>(including Investment Property & Real Estate Developments)   | (12,690)       | (33,895)        |
| <i>add back</i> Amounts Received Specifically for New and Upgraded Assets  | 2,707          | 1,873           |
| <b>Subtotal</b>  | <b>(9,983)</b> | <b>(32,022)</b> |
| <b>Net Lending / (Borrowing) for Financial Year</b>  | <b>3,703</b>   | <b>(24,440)</b> |

## City of Port Adelaide Enfield

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

#### Note 17. Leases

##### Council as a Lessee

##### Terms and conditions of leases

##### Plant and Machinery

Plant and Machinery leases includes right of use assets such as Motor Vehicles.

##### Information Technology

Information Technology lease includes right of use assets such as Servers, Network Equipment and Printers.

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

##### Right of use assets

|                                    | Plant and<br>Machinery<br>\$'000 | Information<br>Technology<br>\$'000 | Total<br>\$'000 |
|------------------------------------|----------------------------------|-------------------------------------|-----------------|
| <b>2020</b>                        |                                  |                                     |                 |
| Adoption of AASB 16 at 1 July 2019 | 10                               | 131                                 | 141             |
| Additions to right-of-use assets   | 14                               | 483                                 | 497             |
| Depreciation charge                | (11)                             | (179)                               | (190)           |
| <b>Balance at 30 June 2020</b>     | <b>13</b>                        | <b>435</b>                          | <b>448</b>      |

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

| \$ '000                       | 2020       | 2019     |
|-------------------------------|------------|----------|
| <b>Balance at 1 July 2019</b> | 161        | -        |
| Additions                     | 497        | -        |
| Accretion of interest         | 14         | -        |
| Payments                      | (198)      | -        |
| <b>Balance at 30 June</b>     | <b>474</b> | <b>-</b> |
| <b>Classified as:</b>         |            |          |
| Current                       | 195        | -        |
| Non Current                   | 279        | -        |

The maturity analysis of lease liabilities is included in Note 13.



## City of Port Adelaide Enfield

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

#### Note 17. Leases (continued)

| \$ '000   | 2020       | 2019     |
|---|------------|----------|
| The following are the amounts recognised in profit or loss: |            |          |
| Depreciation expense of Right-of-Use Assets                 | 190        | -        |
| Interest expense on lease liabilities                       | 14         | -        |
| Expense relating to leases of low-value assets              | 244        | -        |
| <b>Total amount recognised in profit or loss</b>            | <b>448</b> | <b>-</b> |

#### Council as a Lessor

##### Leases Providing Revenue to the Council

###### (i) Investment Property

Rentals received, and outgoings reimbursed, in relation to Investment Property are also disclosed in Note 2. These lease agreements, all of which are classified as operating leases, are made on a non-cancellable basis wherever practicable.

| \$ '000  | 2020         | 2019         |
|--|--------------|--------------|
| <b>Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:</b> |              |              |
| Not later than one year  | 242          | 226          |
| Later than one year and not later than 5 years   | 1,320        | 733          |
| Later than 5 years   | -            | 304          |
|  | <b>1,562</b> | <b>1,263</b> |

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

#### Note 18. Superannuation

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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 2019/20; 9.50% in 2018/19). 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 2017. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

##### **Contributions to Other Superannuation Schemes**

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



## City of Port Adelaide Enfield

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

#### Note 19. Interests in Other Entities

\$ '000

##### JOINT VENTURES, ASSOCIATES AND JOINT OPERATIONS

###### (a) Carrying Amounts

| Name of Entity  | Principal Activity                      | 2020         | 2019     |
|---|---|--------------|----------|
| CAWRA   | Waste Management and Recycling Services | (117)        |          |
| <b>Total Carrying Amounts - Joint Ventures &amp; Associates</b> |   | <b>(117)</b> | <b>-</b> |

###### CAWRA

The Cities of Port Adelaide Enfield and Charles Sturt jointly established the **Central Adelaide Waste and Recycling Authority** (CAWRA) which came into operation from 30 January 2020. This regional subsidiary has been established for the purposes of providing and exploring options to deliver waste management and recycling services including a Materials Recovery Facility and to provide services to the Constituent Councils.

#### Note 20. Non-Current Assets Held for Sale & Discontinued Operations

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

#### Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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

##### 1. LAND UNDER ROADS

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

##### 2. POTENTIAL INSURANCE LOSSES

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

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

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

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

#### Note 21. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

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##### 3. LEGAL MATTERS

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 two 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.

#### Note 22. Events After the Statement of Financial Position Date

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Events that occur after the reporting date of 30 June 2020, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Certification of Financial Statements as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 12/11/20.

**Council is unaware of any material or significant "non adjusting events" that should be disclosed.**

#### Note 23. Related Party Transactions

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| \$ '000 | 2020 | 2019 |
|---------|------|------|
|---------|------|------|

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##### Key Management Personnel

##### Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the *Local Government Act 1999*. In all, 45 persons were paid the following total compensation:

##### The compensation paid to Key Management Personnel comprises:

|   |              |              |
|---|--------------|--------------|
| Salaries, Allowances & Other Short-Term Employee Benefits | 3,931        | 3,606        |
| <b>Total</b>  | <b>3,931</b> | <b>3,606</b> |

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

##### Receipts from Key Management Personnel comprise:

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

|  |           |           |
|--|-----------|-----------|
| Contributions for Fringe Benefits Tax purposes | 46        | 47        |
| <b>Total</b>                                   | <b>46</b> | <b>47</b> |



## City of Port Adelaide Enfield

### Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

#### Note 23. Related Party Transactions (continued)

An employee is a board member on the LG Professionals Board which is a not-for-profit based association representing professionals in Local Government in South Australia. Council pays the association for training programs, conference attendance and memberships for a variety of staff. The amount paid to LG Professionals by Council during the year amounted to \$44,690.54.

An employee is an Environment Protection Authority board member, which sets and enforces standards and requirements that industries, companies and individuals must meet. Council receives legislative updates, training and refers some development applications to the EPA. The employee declares a conflict of interest to the board and does not take part in any decisions relating to Council.

An Elected Member is a director of a company that received a place making grant during the year. The Elected Member applied for the grant through the normal grant application process and had no involvement in the decision making process. The grant amount was \$3,300.

#### Note 24. Equity - Retained Earnings and Revaluation Reserves Adjustments

\$ '000

##### (a). Changes in Accounting Policies due to Adoption of New Accounting Standards - Not Retrospective

###### (i) Adoption of accounting standards other than AASB 15, AASB 1058 and AASB 16

During the year ended 30 June 2020, the Council has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 111 *Construction Contracts*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 1004 *Contributions* and associated Accounting Interpretations.

All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The impacts of adopting these standards and associated transition disclosures are provided below:

###### (ii) AASB 15 and AASB 1058

The adoption of AASB 15 and AASB 1058 has not materially changed the Statement of Cash flows for the year ended 30 June 2020.

##### Adjustments to the current year figures for the year ended 30 June 2020

|  | Original<br>Balance<br>30 June, 2019 | Impact<br>Increase/<br>(decrease) | Restated<br>Balance<br>30 June, 2019 |
|--|--------------------------------------|-----------------------------------|--------------------------------------|
| <b>Income Statement</b>                        |                                      |                                   |                                      |
| Grants, Subsidies and Contributions            | 9,972                                | 677                               | 10,649                               |
| <b>Total income from continuing operations</b> | <b>122,044</b>                       | <b>677</b>                        | <b>122,721</b>                       |
| <b>Net Operating Result for the Year</b>       | <b>122,044</b>                       | <b>677</b>                        | <b>122,721</b>                       |

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

Note 24. Equity - Retained Earnings and Revaluation Reserves Adjustments (con'd)

\$ '000

(ii) AASB 15 and AASB 1058 (continued)

|  | Original<br>Balance<br>1 July, 2019 | Impact<br>Increase/<br>(decrease) | Restated<br>Balance<br>1 July, 2019 |
|--|-------------------------------------|-----------------------------------|-------------------------------------|
| <b>Statement of Financial Position</b> |                                     |                                   |                                     |
| Accumulated Surplus                    | 823,476                             | 677                               | 824,153                             |
| <b>Total equity</b>                    | <b>1,576,089</b>                    | <b>677</b>                        | <b>1,576,766</b>                    |

(iii) AASB 16 Leases

**Council as a lessee**

Under AASB 117, Council assessed whether leases were operating or finance leases, based on its assessment of whether the significant risks and rewards of ownership had been transferred to Council or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the Statement of Financial Position (except for short-term leases and leases of low-value assets).

Council has used the exception to lease accounting for short-term leases and leases of low-value assets, and the lease expense relating to these leases is recognised in the Income Statement on a straight-line basis.

*Practical expedients used on transition*

AASB 16 includes a number of practical expedients which can be used on transition. Council has used the following expedients:

- Contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16.
- Lease liabilities have been discounted using the Council's incremental borrowing rate at 1 July 2019.
- Right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjustment by the any prepaid or accrued lease payments.
- A single discount rate was applied to all leases with similar characteristics.
- The right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset.
- Excluded leases with an expiry date prior to 30 June 2020 from the Statement of Financial Position, and lease expenses for these leases have been recorded on a straight-line basis over the remaining term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

**Financial statement impact of adoption of AASB 16**

Council has recognised right-of-use assets and lease liabilities at 1 July 2019 for leases previously classified as operating leases, or leases that are significantly below market value which were previously off balance sheet.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 3.35%

**Council as a lessor**

For the arrangements where Council is a lessor, there are no significant accounting policy changes on adoption of AASB 16 except for sub-leases, which have now been classified in relation to the right-of-use asset under the head lease rather than the underlying asset.



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF PORT ADELAIDE ENFIELD**

### **Opinion**

We have audited the accompanying financial report of the City of Port Adelaide Enfield, which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the City of Port Adelaide Enfield as of 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

### **Basis for Opinion**

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

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

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

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

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

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

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

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

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

### **BENTLEYS SA AUDIT PARTNERSHIP**



DAVID PAPA  
PARTNER

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



## **INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF THE CITY OF PORT ADELAIDE ENFIELD**

### **Opinion**

We have audited the compliance of the City of Port Adelaide Enfield (the Council) with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2019 to 30 June 2020 are in accordance with legislative provisions.

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

### **Limitation on Use**

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

### **Limitations of Controls**

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

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

### **Independence**

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

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

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

## Our Responsibility

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

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

## BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA  
PARTNER

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



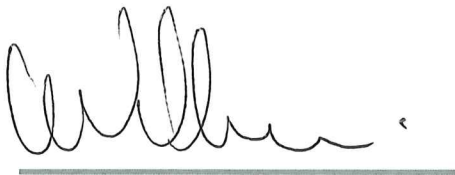
## City of Port Adelaide Enfield

### General Purpose 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 City of Port Adelaide Enfield for the year ended 30 June 2020, the Council's Auditor, Bentleys SA Audit Partnership has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Mark Withers  
**CHIEF EXECUTIVE OFFICER**



Claire Boan  
**PRESIDING MEMBER, AUDIT COMMITTEE**

**Date: 10 November 2020**

**Bentleys SA Audit Partnership**

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**Certification of Auditor Independence**

I confirm that, for the audit of the financial statements of City of Port Adelaide Enfield 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) Regulations 2011*.

**Bentleys SA Audit Partnership**

David Papa  
Partner

**Dated at Adelaide this 30<sup>th</sup> day of September 2020**



# CAWRA

Central Adelaide Waste  
and Recycling Authority



## Annual Report 2019/ 2020

## Table of Contents

|   |    |
|---|----|
| Introduction .....  | 3  |
| Chairperson's Report.....                                       | 3  |
| Governance.....   | 4  |
| Charter .....   | 4  |
| Legislation.....  | 4  |
| The Board .....   | 4  |
| Members – appointed during reporting period .....               | 5  |
| Meetings and Attendance .....                                   | 7  |
| Steering Group .....  | 7  |
| Audit and Risk Committee.....                                   | 8  |
| External Auditor .....  | 8  |
| Business Plan and Budget.....                                   | 8  |
| 2019/20 Achievements .....                                      | 9  |
| Charter .....   | 9  |
| Independent Chair Recruited .....                               | 9  |
| Development Approval granted .....                              | 9  |
| Call for Expressions of Interest - MRF plant and equipment..... | 9  |
| Procurement .....   | 9  |
| Funding model.....  | 10 |
| Prudential Review .....   | 10 |
| Governance .....  | 10 |
| General Purpose Financial Statements .....                      | 11 |
| Certification of Financial Statements.....                      | 13 |
| Statement Of Comprehensive Income .....                         | 14 |
| Balance Sheet .....   | 15 |
| Statement Of Cashflows .....                                    | 16 |
| Uniform Presentation Of Finances .....                          | 17 |
| Equity Statement .....  | 18 |
| Note 1 - Significant Accounting Policies .....                  | 19 |
| Note 2 - Income .....   | 22 |
| Note 3 - Expenses .....   | 22 |
| Note 4 - Assets .....   | 23 |
| Note 5 - Liabilities .....                                      | 23 |
| Note 6 - Reconciliation To Cash Flow Statement.....             | 24 |
| Note 7 - Related Party Disclosures .....                        | 25 |
| Independent Auditor's Report .....                              | 26 |



## **Introduction**

Central Adelaide Waste and Recycling Authority (CAWRA) is a regional subsidiary of the Cities of Charles Sturt and Port Adelaide Enfield, formally established and gazetted in January 2020. CAWRA was created to ensure the transparent management of the Councils kerbside recyclables. The primary objective of CAWRA is to establish a Material Recovery Facility (MRF) that not only processes recyclables, but works with local industries to support and encourage the circular economy, improve environmental outcomes and provide educational services

The business of CAWRA is in the start-up phase and therefore a business plan and budget were not prepared for the 2019/2020 Financial Year. To this end, the Annual Report focuses on the establishment of CAWRA and planning for the design and construction of the MRF.

## **Chairperson's Report**

This is the first annual report of CAWRA, a regional subsidiary established 30 January 2020 pursuant to the Local Government Act (SA).

The Board first met in May 2020. The Chair appointment was made early June 2020 and as at the end of June 2020, the Constituent Councils had yet to advertise the vacant Board positions. Given this, the report mainly reflects activities of the Steering Group leading up to the Board's first meeting.

In the four months since CAWRA was established, the Board and Steering Group have worked hard to lay the foundations for the work that lays ahead.

It is my pleasure as Chairperson of CAWRA to deliver the 2020 Annual Report.



Catherine Cooper

Chairperson

21 September 2020

## **Governance**

### **Charter**

The Charter governs the affairs of the Board by setting out its purpose, function and powers, including governance provisions of Schedule 2 of the Local Government Act. It also provides the Constituent Councils with a legally enforceable agreement specifying their rights and obligations in achieving common interests.

Section 3.1 of the Charter establishes the purpose of the regional subsidiary:

3.1.1 The Authority is established for the purpose of managing waste, including receiving, processing and disposing of recyclable and other waste materials collected, primarily within the areas of the Constituent Councils and has the following functions in this regard:

- (a) to provide waste management and recycling services whether in or (so far as the Act and this Charter allows) outside the area of any of the Constituent Councils in an environmentally responsible, effective, efficient, economic and competitive manner; noting that the Constituent Councils in establishing the Authority commit all of their kerbside collected recyclable waste materials to the Authority (excluding kerbside collected food and green organics).
- (b) to operate a facility to receive and (so far as is practicable) recycle waste materials;
- (c) to improve financial sustainability of the Constituent Councils by improving waste management practices;
- (d) to secure best value and value for money in waste management activities and services;
- (e) to explore and implement technology to reduce disposal of waste to landfill;
- (f) to keep the Constituent Councils informed about emerging opportunities, trends or issues in waste management, including to assist the Constituent Councils in achieving their objective of reducing and, to the extent possible, eliminating the exportation of recyclable waste;
- (g) to conduct its activities in compliance with all regulatory requirements and in a manner that minimises risks to the Constituent Councils; and
- (h) to be fully self-funding to the extent that this can be achieved.

### **Legislation**

Legislation relating to Central Adelaide Waste and Recycling Authority and the powers and responsibilities of interested parties are contained in the Local Government Act 1999 (Central Adelaide Waste and Recycling Authority – Charter 2019 Cities of Port Adelaide Enfield and Charles Sturt).

CAWRA was established as a Regional Subsidiary pursuant to Section 43 of and Schedule 2 to the Local Government Act 1999. Section 43 allows two or more councils to form a separately incorporated entity ('Regional Subsidiary') to provide specified services and/or activities, subject to obtaining Ministerial approval. The provisions relevant to a Regional Subsidiary are set out in Schedule 2 of the Act.

### **The Board**

CAWRA is governed by a Board of Management which is responsible for managing the business and other affairs of the CAWRA and ensuring that CAWRA acts in accordance with this Charter and any delegations to it.



### *Functions of the Board*

The functions of the Board are to

- formulate plans and strategies aimed at improving the business of the Authority;
- provide professional input and policy direction to the Authority;
- monitor, oversee and measure the performance of the Executive Officer;
- assist in the development of the Business Plan;
- exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons; and
- ensure that the Constituent Councils are advised, as soon as practicable, of any material development that affects the financial or operating capacity of the Authority.

### *Composition of the Board*

- the person occupying the offices of the Chief Executive Officer and the Mayor of each Constituent Council
- one person appointed for a two-year term by each Constituent Council who the Council considers to have expertise in a field or discipline relevant to the activities of the Authority; and
- person appointed by the Constituent Councils (acting jointly) for a three-year term who is not a member or officer of a Constituent Council but who is considered by the Councils, to have expertise in a field or discipline relevant to the activities of the CAWRA and who will be the Chair of the Authority.

### **Members – appointed during reporting period**

#### **Catherine Cooper- Independent Chair – Appointed 9 June 2020**

Catherine brings skills in strategy, public policy, risk management, and corporate governance. An experienced Executive, Catherine's background is in corporate and commercial law, working across diverse sectors including waste management, recycling and environmental sustainability.

Catherine has had over 20 years of experience, holding in excess of 50 Board positions including Chair of other local government subsidiary boards and is currently the Chair of the Environment Protection Agency SA.

#### **Mayor Clair Boan- Mayor City of Port Adelaide Enfield**

Claire is the Mayor of the City of Port Adelaide Enfield. Prior to the 2018 Local Government Elections, she was Deputy Mayor as well as a Ward Councillor for 8 years. Her involvement with Council committees, spanning 10 years, includes the Audit Committee, Development Assessment Panel/Council Assessment Panel, Grants and Sponsorship Committee, Aboriginal Advisory Panel as well as involvement with wider local government committees.

Claire is a leader with a strong background in education through teaching and leadership roles. She is committed to providing responsible governance, enhancing relationships and environmental sustainability whilst generating and influencing programs to connect individuals and community groups with one another.

#### **Mayor Angela Evans- Mayor City of Charles Sturt**

Angela was elected as Mayor of the City of Charles Sturt in the November 2014 Local Government Elections. She was previously the Deputy Mayor of Charles Sturt in 2010/11 and 2013/14, as well as Ward Councillor for the Woodville West Ward in Charles Sturt from 2006 to 2014. Her involvement with Council committees over eight years includes participation in the Gender Matters Panel, SA Local Government Women's Association, Policy and Delegations, Strategic Development, Audit and City Services.

With experience in the business sector as a small business operator, Angela's key areas of interest include developing effective governance frameworks for Council, implementing long term financial stability, facilitating economic development, positioning Council as a leader by creating partnerships with other levels of government, the community and the private sector.

#### **Mark Withers- Chief Executive Officer City of Port Adelaide Enfield**

Mark is currently the CEO of Port Adelaide Enfield. He has tertiary qualifications in Management and Social Science and has spent the last 36 years working in Local Government. Mark has worked in nine Adelaide Metropolitan Councils and held previous CEO positions at both Charles Sturt and Unley Councils. He is a Board Member of LG Professional SA and a past National President of LG Professional Australia. He is a current member of the CEO Advisory Group to the LGA. Mark is also a Board Member of Environmental Protection Authority SA.

#### **Paul Sutton- Chief Executive Officer City of Charles Sturt**

Paul works collaboratively with the Elected Council and executive team to provide strategic leadership for the City. He thrives on creating a passionate and ambitious environment where our community is central and staff development and fulfillment is achieved.

Paul has a passion for collaboration and working together across the Local Government sector to create a better South Australia. A past Governing Council member and Company Secretary of IPAA (Institute of Public Administration Australia SA) where he was a Board Member for 8 years, Paul was awarded a fellowship of IPAA in 2016. Paul is a Graduate of the Australian Institute of Company Directors, has an MBA from the University of Adelaide, as well as qualifications in Business and Engineering from the University of South Australia.



## Meetings and Attendance

| Name               | Meeting 24 May 2020 | Meeting 27 June 2020 |
|--------------------|---------------------|----------------------|
| Catherine Cooper   | Not yet appointed   | ✓                    |
| Mayor Claire Boan  | ✓                   | ✓                    |
| Mayor Angela Evans | ✓                   | ✓                    |
| Mark Withers       | ✓                   | ✓                    |
| Paul Sutton        | ✓                   | ✓                    |

## Executive Officer

Jan Cornish was appointed as Executive Officer in May 2020. Jan holds a Bachelor of Arts (Planning) and Graduate Diploma (Recreation). For the last 10 years Jan has held the position of General Manager Asset Management Services at the City of Charles Sturt. Jan was responsible for the Asset Management Committee of Council and the functions of Engineering Strategy and Assets; Open Space, Recreation and Property; Asset Management Planning; Waste and Sustainability and Field Services. The Division includes a workforce of 220 staff; an asset base of \$1.6 billion; and a major Capital Works Program of between \$45m (in a typical year) through to \$100m (during the Building for Tomorrow Program). In addition, Jan has held positions on the Board of WasteCareSA; Western Region Waste Management Authority (WRWMA) and West Beach Trust and a short period as Executive Officer of WRWMA.

## Steering Group

Prior to the Board becoming operational, the project was led by the Steering Group. The Steering group meet fortnightly from March to June to manage the establishment of CAWRA. The Steering Group has ceased at the end of June 2020 .

| Name           | Position  | Name             | Position  |
|----------------|---|------------------|---|
| Paul Sutton    | CEO City of Charles Sturt                                 | Mark Withers     | CEO of City of Port Adelaide Enfield                              |
| Matthew Kildea | Project Manager - Construction                            | Rebekah Schubert | Manager Waste Resource and Recovery City of Port Adelaide Enfield |
| Fiona Jenkins  | Coordinator Waste & Sustainability- City of Charles Sturt | Geoff Webster    | Waste Industry Specialist   |

| <b>Name</b>  | <b>Position</b>   | <b>Name</b>      | <b>Position</b>  |
|--------------|---|------------------|--|
| Jan Cornish  | Executive Officer CAWRA<br>(for June 2020) General<br>Manager Asset<br>Management Services<br>City of Charles Sturt | Leeanne McEwan,  | Director Community<br>Development City of Port<br>Adelaide Enfield |
| Alana Martin | Team Leader Governance<br>and Business Support<br>City of Charles Sturt   | Jamie Dunnicliff | Strategic Procurement<br>Lead- Strategic<br>Procurement Lead       |

### **Audit and Risk Committee**

In June 2020 both Constituent Councils delegated to CAWRA the authority to appoint an Audit Committee Chair and Members. June also saw the Board establish a term of reference for the Audit Committee and a recruitment strategy. Members were not appointed within the reporting period.

### **External Auditor**

Appointments of the External Auditors, BDO, did not take place until after the reporting period. BDO have been appointed as CAWRA's external Auditor for Financial Years 2019/2020

### **Business Plan and Budget**

A Business Plan and Budget was not developed for Financial Year 2019/2020. The 2020/2021 Business Plan and Budget was prepared (in consultation with the Constituent Councils) and adopted by the Board 29 June 2020.



## **2019/20 Achievements**

### **Charter**

CAWRA's charter was gazette by the Minister on the 30 January 2020.

### **Independent Chair Recruited**

Constituent Councils appointed Ms Catherine Cooper as the Independent Chair on 9 June 2020.

### **Development Approval granted**

A Development Application was prepared for the new facility, which is to be located alongside the City of Port Adelaide Enfield depot on Mill Court in Kilburn. While there were some initial objections to the Development Application, negotiation has seen those objections withdrawn and Planning Approval granted.

### **Call for Expressions of Interest - MRF plant and equipment**

- A call for Expressions of Interest was released to the open market in late 2019 and closed on 13 January 2020. The process specifically sought submissions from MRF plant and equipment suppliers.
- Based on the information received through that EOI process, the following conclusions were drawn:
  - Three major MRF plant and equipment supply companies are engaging in the process, and available to provide the required equipment, with precise delivery time frames yet to be confirmed;
  - There is a degree of consistency in the approaches put forward by the various industry players (and all reflect the recent COAG Waste Export Ban implications), and in their associated costs; and
  - The proposed facility size (which has been increased since the original project concept was developed) is suitably sized to accommodate the MRF plant and equipment, but additional space may be required if an additional glass processing plant is also incorporated.

### **Procurement**

The Request For Tender (RFT) for the Design and Construct (D&C) of the MRF was put to the market in April and closed on the 9th of June.

A total of 8 submissions were received and the tender assessment panel are currently reviewing these submissions. It is intended that a short list will be developed and following a round of clarifications, the shortlisted tenderers will be invited in for presentations to the assessment panel in early July

The structure of the RFT was that a principal contractor be appointed, to oversee the Design and Construction, including supply and installation of MRF plant and equipment, and manage all associated sub-contractors.

An independent Probity Advisor was appointed to oversee the procurement process.

## **Funding model**

Taking into account the outcomes of the EOI process, and the anticipated availability of grant funding at both a State and national level to assist in the achievement of enhanced Circular Economy (on-shore recycling) outcomes, a revised funding model was presented and endorsed by both Councils in early 2020, subject to final consideration before contract signing.

## **Prudential Review**

In addition to the Prudential reviews undertaken by Constituent Council CAWRA appointed HWL Ebsworth to undertake a Prudential Review on behalf of CAWRA.

## **Governance**

In its two meetings the Board approved a number of important policies and procedures including

- Endorsement of Business Plan and Budget 2020/2021
- Appointment of an Executive Officer
- Independent Members Remuneration
- Code of Practice Meeting Procedures
- Procurement Policy
- Delegations
- Prudential Management Policy
- Audit Committee Recruitment and Terms of Reference

# **General Purpose Financial Statements**



# **Central Adelaide Waste Recycling Authority**

## **General Purpose Financial Reports for the year ended 30 June 2020**

### **TABLE OF CONTENTS**

#### **Certification of Financial Statements**

#### **Principal Financial Statements**

- Statement of Profit and Loss and Other Comprehensive Income
- Statement of Financial Performance
- Cash Flow Statement
- Uniform Presentation of Finances
- Statement of Changes in Equity

#### **Notes to, and forming part of, the Principal Financial Statements**

- Note 1 - Significant Accounting Policies
- Note 2 - Income
- Note 3 - Expenses
- Note 4 - Current Assets
- Note 5 - Liabilities
- Note 6 - Reconciliation to Cash Flow Statement
- Note 7 - Related Party Disclosures

- Certificate of Audit Independence
- Audit Certificate of Audit Independence
- Audit Report

# Central Adelaide Waste Recycling Authority

## CERTIFICATION OF FINANCIAL STATEMENTS

for the period 1 July 2019 to 30 June 2020

I have been authorised by the Central Adelaide Waste Recycling Authority Board to certify the financial statements of the Central Adelaide Waste Recycling Authority in their final form.

In my 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 Central Adelaide Waste Recycling Authority's financial position at 30 June 2020 and the results of its operations and cash flows for the period 1 July 2019 to 30 June 2020, noting that the Central Adelaide Waste Recycling Authority was gazetted on 30 January 2020.
- Internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- The financial statements accurately reflect the Central Adelaide Waste Recycling Authority's accounting and other records.



Ms Catherine Cooper  
**Chair of The Board**

Dated: 25/09/2020

Central Adelaide Waste Recycling Authority

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**  
for the year ended 30 June 2020

|   | Notes | 2020<br>\$'000 |
|---|-------|----------------|
| <b>INCOME</b>   |       |                |
| User charges  |       | -              |
| Grants, subsidies and contributions   |       | -              |
| Investment income   |       | -              |
| Reimbursements  |       | -              |
| Other income  |       | -              |
| <b>Total Income</b>   | 2     | -              |
| <b>EXPENSES</b>   |       |                |
| Employee costs  |       | -              |
| Materials, contracts & other expenses   |       | 233            |
| Depreciation, amortisation & impairment   |       | -              |
| Finance costs   |       | -              |
| Net loss - equity accounted Council businesses                                  |       | -              |
| <b>Total Expenses</b>   |       | 233            |
| <b>OPERATING SURPLUS / (DEFICIT)</b>  |       | (233)          |
| Asset disposal & fair value adjustments   |       | -              |
| Amounts received specifically for new or upgraded assets                        |       | -              |
| Physical resources received free of charge                                      |       | -              |
| <b>NET SURPLUS / (DEFICIT)</b>  |       | (233)          |
| <b>Other Comprehensive Income</b>   |       |                |
| Changes in revaluation surplus - infrastructure, property,<br>plant & equipment |       | -              |
| <b>Total Other Comprehensive Income</b>   |       | -              |
| <b>TOTAL COMPREHENSIVE INCOME</b>   |       | (233)          |



**Central Adelaide Waste Recycling Authority**

**STATEMENT OF FINANCIAL POSITION**  
for the year ended 30 June 2020

|   |       | <b>2020</b>         |
|---|-------|---------------------|
|   | Notes | <b>\$'000</b>       |
| <b>ASSETS</b>                               |       |                     |
| <b>Current Assets</b>                       |       |                     |
| Cash and cash equivalents                   |       | -                   |
| Trade & other receivables                   |       | -                   |
| Inventories                                 |       | -                   |
|   |       | <u>-</u>            |
|   |       | <u>-</u>            |
| <b>Total Current Assets</b>                 |       | <u>-</u>            |
| <b>Non-current Assets</b>                   |       |                     |
| Infrastructure, property, plant & equipment |       | -                   |
| Other non-current assets                    |       | 45                  |
|   |       | <u>45</u>           |
| <b>Total Non-current Assets</b>             |       | <u>45</u>           |
| <b>Total Assets</b>                         | 4     | <u><u>45</u></u>    |
| <b>LIABILITIES</b>                          |       |                     |
| <b>Current Liabilities</b>                  |       |                     |
| Trade & other payables                      |       | 278                 |
| Borrowings                                  |       | -                   |
| Provisions                                  |       | -                   |
|   |       | <u>-</u>            |
| <b>Total Current Liabilities</b>            |       | <u>278</u>          |
| <b>Non-current Liabilities</b>              |       |                     |
| Borrowings                                  |       | -                   |
| Provisions                                  |       | -                   |
|   |       | <u>-</u>            |
| <b>Total Non-current Liabilities</b>        |       | <u>-</u>            |
| <b>Total Liabilities</b>                    | 5     | <u>278</u>          |
| <b>NET ASSETS</b>                           |       | <u><u>(233)</u></u> |
| <b>EQUITY</b>                               |       |                     |
| Accumulated Surplus                         |       | (233)               |
| Asset Revaluation Reserves                  |       | -                   |
|   |       | <u>-</u>            |
| <b>TOTAL EQUITY</b>                         |       | <u><u>(233)</u></u> |

**Central Adelaide Waste Recycling Authority**

**STATEMENT OF CASHFLOWS**  
**for the year ended 30 June 2020**

|   | 2020            |
|---|-----------------|
|   | \$'000          |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                   |                 |
| <u>Receipts</u>   |                 |
| User charges  | -               |
| Investment receipts   | -               |
| Grants - operating  | -               |
| Reimbursements  | -               |
| Other revenues  | -               |
| <u>Payments</u>   |                 |
| Employee costs  | -               |
| Materials, contracts & other expenses                         | -               |
| Finance payments  | -               |
| <b>Net Cash provided by (or used in) Operating Activities</b> | <hr/> -         |
| <br><b>CASH FLOWS FROM INVESTING ACTIVITIES</b>               |                 |
| <u>Receipts</u>   |                 |
| Amounts specifically for new or upgraded assets               | -               |
| Sale of replaced assets                                       | -               |
| Sale of surplus assets  | -               |
| <u>Payments</u>   |                 |
| Expenditure on renewal/replacement of assets                  | -               |
| Expenditure on new/upgraded assets                            | -               |
| <b>Net Cash provided by (or used in) Investing Activities</b> | <hr/> -         |
| <br><b>CASH FLOWS FROM FINANCING ACTIVITIES</b>               |                 |
| <u>Receipts</u>   |                 |
| Proceeds from borrowings                                      | -               |
| <u>Payments</u>   |                 |
| Repayments of borrowings                                      | -               |
| Repayment of finance lease liabilities                        | -               |
| <b>Net Cash provided by (or used in) Financing Activities</b> | <hr/> -         |
| <b>Net Increase (Decrease) in cash held</b>                   | <hr/> -         |
| <br>Cash & cash equivalents at beginning of period            | <br>-           |
| <b>Cash &amp; cash equivalents at end of period</b>           | <br><hr/> <hr/> |

Notes

**Central Adelaide Waste Recycling Authority**

**UNIFORM PRESENTATION OF FINANCES**  
**for the year ended 30 June 2020**

|   | <b>2020</b>   |
|---|---------------|
|   | <b>\$'000</b> |
| Income  | -             |
| <i>less Expenses</i>  | <b>(233)</b>  |
| <b>Operating Surplus / (Deficit)</b>  | <b>(233)</b>  |
| <i>less Net Outlays on Existing Assets</i>  |               |
| Capital Expenditure on renewal and replacement of Existing Assets   | -             |
| <i>less Depreciation, Amortisation and Impairment</i>   | -             |
| <i>less Proceeds from Sale of Replaced Assets</i>   | -             |
|   | -             |
| <i>less Net Outlays on New and Upgraded Assets</i>  |               |
| Capital Expenditure on New and Upgraded Assets<br>(including investment property & real estate developments)            | <b>45</b>     |
| <i>less Amounts received specifically for New and Upgraded Assets</i>   | -             |
| <i>less Proceeds from Sale of Surplus Assets</i><br><i>(including investment property and real estate developments)</i> | -             |
|   | <b>45</b>     |
| <b>Net Lending / (Borrowing) for Financial Year</b>   | <b>(278)</b>  |



Central Adelaide Waste Recycling Authority

**EQUITY STATEMENT**  
for the year ended 30 June 2020

|  | Accumulated<br>Surplus | Asset<br>Revaluation<br>Reserve | Other<br>Reserves | TOTAL<br>EQUITY |
|--|------------------------|---------------------------------|-------------------|-----------------|
| 2020   | \$'000                 | \$'000                          | \$'000            | \$'000          |
| Balance at end of previous reporting period  | -                      | -                               | -                 | -               |
| Adjustment due to compliance with revised Accounting Standards                         |                        |                                 |                   | -               |
| Adjustment to give effect to changed accounting policies                               |                        |                                 |                   | -               |
| Restated opening balance   | -                      | -                               | -                 | -               |
| <b>Net Surplus / (Deficit) for Year</b>  | <b>(233)</b>           |                                 |                   | <b>(233)</b>    |
| <b>Other Comprehensive Income</b>  |                        |                                 |                   | -               |
| Gain on revaluation of infrastructure, property, plant & equipment                     |                        |                                 |                   | -               |
| Transfer to accumulated surplus on sale of infrastructure, property, plant & equipment |                        |                                 |                   | -               |
| Transfer to accumulated surplus on sale of available-for-sale Financial Instruments    |                        |                                 |                   | -               |
| Share of other comprehensive income - equity accounted Council businesses              |                        |                                 |                   | -               |
| Transfers between reserves   | -                      |                                 | -                 | -               |
| <b>Balance at end of period</b>  | <b>(233)</b>           | -                               | -                 | <b>(233)</b>    |

# Central Adelaide Waste Recycling Authority

## Notes to and forming part of the Financial Statements

for the period ending 30 June 2020

### Note 1 - Significant Accounting Policies

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, from the gazetting of the authority on 30 January 2020.

Central Adelaide Waste Recycling Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils and their respective share of equity are as follows:

|                               |     |
|-------------------------------|-----|
| City of Charles Sturt         | 50% |
| City of Port Adelaide Enfield | 50% |

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

#### 1 Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs. All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

#### 2 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the transaction gives rise to a liability of other performance obligations related to an asset received by the entity. Special purpose grants for which there is a reasonable likelihood that the grants will have to be refunded if obligations are not discharged in accordance with terms and conditions will be recognised as a liability until funds are expended in accordance with relevant agreements.

#### 3 Cash, Cash Equivalents and other Financial Instruments

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

#### 4 Infrastructure, Property, Plant & Equipment

The Authority capitalised Project Management costs into non-current assets during the reporting period.

#### 5 Employee Benefits

As at 30 June 2020, there were no employees.

# Central Adelaide Waste Recycling Authority

## Notes to and forming part of the Financial Statements

for the period ending 30 June 2020

### 6 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.

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

### 7 Comparative Information

2019/20 being the first year of reporting, there is no equivalent information in the prior year to compare.

### 8 Critical Accounting Estimates and Judgements

The Authority evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the authority.

Accounts receivable are reviewed at each reporting date to establish the collectability.



# Central Adelaide Waste Recycling Authority

## Notes to and forming part of the Financial Statements

for the period ending 30 June 2020

### Note 2 - INCOME

2020  
Notes \$'000

#### USER CHARGES

Facilities & Equipment Hire  
Waste Management Fees  
Other User Charges  
Sundry

0

### Note 3 - EXPENSES

2020  
Notes \$'000

#### MATERIALS, CONTRACTS & OTHER EXPENSES

##### Prescribed Expenses

Auditor's Remuneration

- Auditing the financial reports

3

Subtotal - Prescribed Expenses

3

##### Other Materials, Contracts & Expenses

Contractors

94

Legal Expenses

49

Parts, accessories & consumables

-

Travel

4

Consultants

79

Advertising & Promotional

4

Subtotal - Other Materials, Contracts & Expenses

230

233

#### FINANCE COSTS

Interest on overdraft and short-term drawdown

-

-

# Central Adelaide Waste Recycling Authority

## Notes to and forming part of the Financial Statements

for the period ending 30 June 2020

### Note 4 - ASSETS

|                                      | 2020<br>\$'000 |
|--------------------------------------|----------------|
| Cash on Hand and at Bank             | -              |
| <b>TRADE &amp; OTHER RECEIVABLES</b> |                |
| Accrued Revenues                     | -              |
| Debtors - general                    | -              |
| GST Recoupment                       | -              |
| Prepayments                          | -              |
| Less: Allowance for Doubtful Debts   | -              |
|                                      | -              |
| <b>INVENTORIES</b>                   |                |
| Stores & Materials                   | -              |
| Trading Stock                        | -              |
|                                      | -              |
| <b>FINANCIAL ASSETS</b>              |                |
| <b>OTHER NON-CURRENT ASSETS</b>      |                |
| Capital Works-in-Progress            | 45             |
|                                      | 45             |

### Note 5 - LIABILITIES

|                                   | 2020<br>\$'000 |
|-----------------------------------|----------------|
| <b>Current Liabilities</b>        |                |
| <b>TRADE &amp; OTHER PAYABLES</b> |                |
| Goods & Services                  | 278            |
|                                   | 278            |

# Central Adelaide Waste Recycling Authority

## Notes to and forming part of the Financial Statements

for the period ending 30 June 2020

### Note 6 - RECONCILIATION TO CASH FLOW STATEMENT

#### (a) Reconciliation of Cash

2020  
\$'000

Total cash & equivalent assets  
Less: Short-term borrowings  
Balances per Cash Flow Statement

-

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

Net Surplus (Deficit)  
Non-cash items in Income Statement  
Depreciation, amortisation & impairment

(233)

(233)

Add (Less): Changes in Net Current Assets  
Net increase (decrease) in trade & other payables

233

**Net Cash provided by (or used in) operations**

-

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

Acquisition of assets by means of:

- Physical resources received free of charge
- Non-cash grants & contributions

*Amounts recognised in Income Statement*

-

-

#### (d) Financing Arrangements

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

Bank Overdrafts

-

Corporate Credit Cards

-

LGFA Cash Advance Debenture facility

-



# Central Adelaide Waste Recycling Authority

## Notes to and forming part of the Financial Statements

for the period ending 30 June 2020

### Note 7 - RELATED PARTY DISCLOSURES

#### KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Entity include the Chair of the Board, the Board, and the General Manager.

Salaries, allowances & other short term benefits paid by CAWRA to KMP were \$0k.

The following qualifying related party disclosures have been identified:

| Related Party Entity          | Amounts paid on CAWRA<br>behalf by related parties<br>as at 30/6/2020 \$0,000 | Amounts outstanding from<br>related parties as at<br>30/6/2020 \$0,000 | Amounts outstanding to<br>related parties as at<br>30/6/2020 \$0,000 |
|-------------------------------|---|--|--|
| City of Charles Sturt         | 178   |  | 178  |
| City of Port Adelaide Enfield | 97  |  | 97   |

The above amounts received represent reimbursements of designated project costs paid by the above listed Constituent Councils to CAWRA.

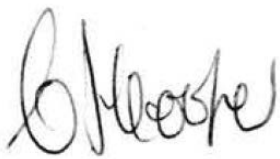
These amounts have been approved by the Board and reported on as part of the ongoing annual budget setting and budget review process.

**Central Adelaide Waste Recycling Authority**

**CERTIFICATION OF AUDITOR INDEPENDENCE  
for the year ended 30 June 2020**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Central Adelaide Waste Recycling Authority for the year ended 30 June 2020, the Auditor, BDO Australia, 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) (b) Local Government (Financial Management) Regulations 2011.



**Catherine Cooper**  
Chair - CAWRA  
Date: 25/09/2020



**Paul Sutton**  
CEO - City of Charles Sturt  
Date: 25/09/2020



**Mark Withers**  
CEO - City of Port Adelaide Enfield  
Date: 25/09/2020

## CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the Central Adelaide Waste Recycling Authority 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.



Andrew Tickle  
Director

**BDO Audit (SA) Pty Ltd**

Adelaide, 29 September 2020



## **INDEPENDENT AUDITOR'S REPORT TO THE PRINCIPAL MEMBER OF CENTRAL ADELAIDE WASTE RECYCLING AUTHORITY**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the financial report of Central Adelaide Waste Recycling Authority (the Authority), which comprises the statement of financial position as at 30 June 2020, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the certification of the financial statements.

In our opinion the financial report of Central Adelaide Waste Recycling Authority, presents fairly, in all material respects, the Authority's financial position as at 30 June 2020 and its financial performance for the year ended on that date in accordance with Australian Accounting Standards, the Local Government Act 1999, and the Local Government (Financial Management) Regulations 2011.

#### **Basis for opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Authority in accordance with the Local Government Act 1999 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Local Government Act 1999, which has been given to the Authority, would be in the same terms if given to the Authority as at the time of this auditor's report.

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

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

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the annual report for the year ended 30 June 2020.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report of the Central Adelaide Waste Recycling Authority, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Authority's Responsibility for the Financial Report**

The Authority's officers are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 and for such internal control as the Authority's officers determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority's officers are responsible for assessing the Authority'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 the Authority's officers either intend to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: [http://www.auasb.gov.au/auditors\\_files/ar4.pdf](http://www.auasb.gov.au/auditors_files/ar4.pdf).

This description forms part of our auditor's report.

A stylized, handwritten-style logo of the letters 'BDO' in blue ink.

**BDO Audit (SA) Pty Ltd**

A handwritten signature in blue ink, appearing to read 'Andrew Tickle'.

Andrew Tickle  
Director

Adelaide, 29 September 2020





CITY OF  
Port Adelaide Enfield