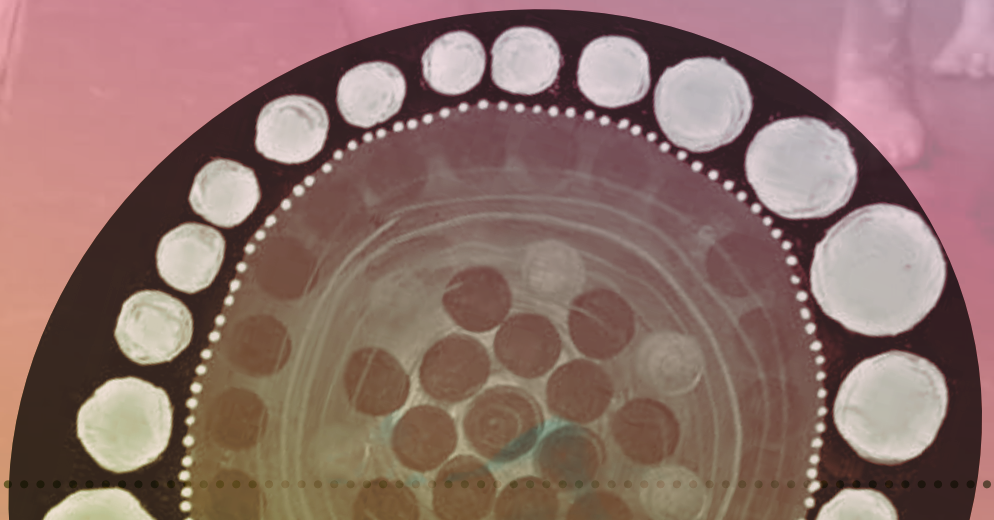
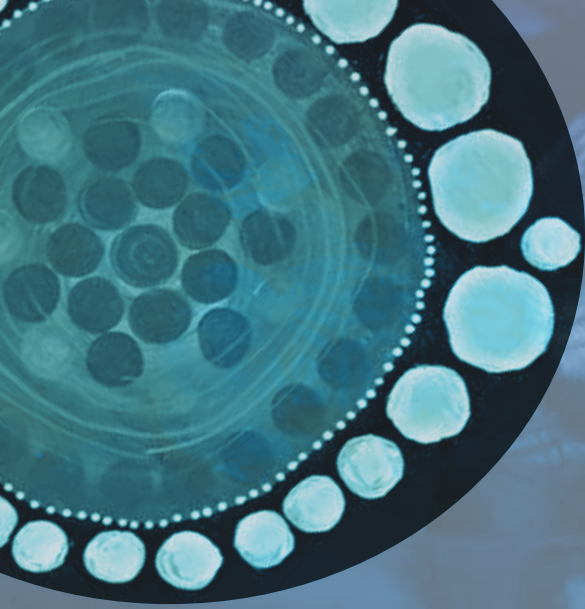




CITY OF
Port Adelaide Enfield

Annual Report 2021–22





Kurna Acknowledgment

We acknowledge and pay respect to the Traditional Owners of the land on which we stand, the Kurna People of the Adelaide Plains. It is upon their ancestral lands that the Port Adelaide Enfield Council meets. It is also the Place of the Kardi, the Emu, whose story travels from the coast inland. We pay respect to Elders past, present and emerging.

We respect their spiritual beliefs and connections to land which are of continuing importance to the living Kurna People of today. We further acknowledge the contributions and important role that Aboriginal and Torres Strait Islander People continue to play within our shared community.

Table of Contents

Kaurna Acknowledgement	3
CEO Message	6
SECTION ONE: Our City	8
City Plan 2030 Vision	10
Our Planning Framework	11
Strategic Management Framework	11
Our City at a Glance	13
Connecting with Council	14
Ways to Have Your Say	14
Get Connected	15
Voice of the Community	16
City Scorecard	16
Major Projects 2021–22	18
City Plan Theme: Economy	22
City Plan Theme: Community	26
City Plan Theme: Environment and Heritage	30
City Plan Theme: Placemaking	34
City Plan Theme: Leadership	38
Sustainable Development Goals	42
SECTION TWO: Our Council	44
Our Council	46
Elected Members Representing Our Community	47
Local Government Reform	47
Council Decision-Making Structure	47
Council and Committee Meetings	47
Council and Committee Roles and Functions	48
Attendance at Meetings	51
CAWRA – Central Adelaide Waste and Recycling Authority	52
Informal Gatherings	52
Elected Member Allowances	52
Elected Member Training and Development	52
Confidential Items	52
Confidential Provisions	56
Opportunities to be Heard by Council	57

Review of Council Decisions under Section 270 of the Local Government Act 199.....	57
Our Elected Members	58
SECTION THREE Our Organisation	60
Our Organisation	62
Corporate Services	62
Community Development.....	63
City Assets.....	63
Our Staff.....	64
Senior Executive Officers	64
Enterprise Bargaining.....	64
Risk Management	64
Auditor	64
Credit Card Expenditure.....	64
Legal Expenditure	64
Work Health and Safety	64
Diversity and Inclusion.....	65
Employee Training and Development.....	65
Our Organisational Values	66
Working Parties and Groups.....	66
Building Fire Safety Panel.....	66
National Competition Policy	66
Delegations and Policy Manual.....	66
Use of Local Goods and Services	67
Competitive Tendering.....	67
Reporting Required under the Local Nuisance and Litter Control Act 2016.....	67
Management Plans for Community Land.....	67
Codes.....	68
Registers and Other Documents	68
Council Policies	68
Access to Council Documents	68
Freedom of Information.....	69
SECTION FOUR Appendices	70
General Purpose Financial Statements	72
CAWRA Annual Report	121

CEO Message

Welcome to the City of Port Adelaide Enfield 2021–22 Annual Report.

On behalf of all of us at the City of Port Adelaide Enfield (PAE), I am pleased to present our 2021–22 Annual Report.

Each year, through our Annual Report, we provide our community with information about what we have been working on over the last financial year, as well as how we are progressing with our longer-term projects. This is part of our commitment to transparent reporting and to being accountable to the people who live, work, learn and play in PAE.

There has been significant growth around our City this year, and we have made great strides towards achieving the vision we laid out in our City Plan 2030. Our population itself has grown; in fact, in 2021 it was estimated to have increased to 134,202.

Additional data from the 2021 Census tells us that we are one of the most culturally diverse councils in South Australia. Our Aboriginal and Torres Strait Islander population of 3,296 makes up 2.5% of our entire population, and over 35% of our residents

were born overseas, with 15% having arrived in Australia in the last five years. This diversity is integral to our culture and character, which is why, in June 2022, we were pleased to be officially recognised as an Established Level Welcoming City.

Another area of growth we have seen across the City this year is in the job sector and our economy. Over the last 12 months our Gross Regional Product increased by 2.0% and the total number of registered businesses in PAE went up more than 850 (between March 2021 and March 2022).

Also in the last 12 months, we have seen progress on many of the long-term projects that we will deliver over the coming years. Our vision for an Aboriginal Cultural Centre came closer to fruition this year, with a business case being adopted and endorsed. The official name for the Centre will be Yitpi Yartapuultiku, which in Kurna means 'Soul of Port Adelaide'. The Centre will be a place of community and connection for both First Nations and non-First Nations people.



During 2021–22, we also delivered on our significant capital works program, with upgrades to local playgrounds and sports facilities and improved roads and stormwater management infrastructure. One example of how we invested in stormwater improvements this year is the long-term works we completed to upgrade and improve Birkenhead Naval Reserve.

In early July 2022, we celebrated the first stage of the works that we have been undertaking along Prospect Road in Kilburn and Blair Athol. The upgrades include more outdoor dining spaces to encourage people to shop and stay longer and new trees for shade and landscaping. The area has also been brought alive with new public artworks, including a major contemporary artwork by Sam Songailo, which incorporates pavers and LED lighting pillars. The unique pavers pay homage to the traditional cultural designs of the different groups of people who live and work here, while the lighting pillars shine brightly at night with hope and optimism.

Meanwhile, the BIG Picture Series, our 2022 Adelaide Fringe offering, gave visitors to the Port the chance to interact with some of the popular street art from the Wonderwalls series. The BIG Picture series uses augmented reality technology to bring murals to life, and it received the John Chataway Innovation Award at the Adelaide Fringe.

Another aspect of our work this year has been the expansion of our Living Environment Project, which will help us to accelerate our climate change response. We are investing in local environmental projects, partnering with other organisations and supporting community and business-led responses. Protection of the environment is crucial for the physical, social and economic health of everyone in our community, and we are passionate about our work in this area, both now and in the future.

Indeed, the wellbeing of our community will always be of paramount importance to us, as we work to ensure that everyone has access to services that support people in our community to be healthy and connected. One example of this is the more than \$3 million that we invested during 2021–22 on walking and cycling projects, along with the \$3 million we invested on local area traffic management and road safety.

This report truly highlights the important work we do around the seven wards and more than 40 suburbs that make up the City of PAE. We will continue to harness every opportunity that is presented to us to progress our City and make it a place where people love to be.

Mark Withers | CEO



1 :: Our City



City Plan 2030 Vision

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 and Heritage, Placemaking, and Leadership. Each theme has an outcome statement and strategies, and outlines how we will achieve the projected outcome.



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



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

Our Planning Framework

The PAE Strategic Management Framework demonstrates how our plans deliver on our vision. We undertake regular performance reporting and reviews of our plans to ensure that we deliver on our commitments and are accountable to our community.

The City Plan 2030 captures our vision and aspirations for PAE and is underpinned by a suite of strategic, financial and asset management plans. These plans have more detailed objectives and activities aimed at ensuring that we deliver important services, programs and facilities for the community and are sustainable in the long term.

A full list of our plans can be found at:

www.cityofpae.sa.gov.au/council/corporate-documents/plans

Each year we develop an Annual Business Plan that outlines how we will budget for and deliver on our vision. We track our progress and report back to our community through quarterly reviews to ensure that we will deliver this plan.

The Annual Report enables us to close the loop on our actions and present a summary of what has been achieved for the year. It provides information to our community about what services, facilities and programs we are delivering for ratepayers, residents and visitors.

Strategic Management Framework

City Plan 2030

- Economy
- Community
- Environment & Heritage
- Placemaking
- Leadership

Four yearly review

Strategic Plans

- Long Term Financial Plan
- Asset Management Plans
- Public Health and Wellbeing Plan
- Emergency Response Plan
- Inclusive Communities Plan
- Strategic Management Plans

Annual review

Annual Business Plan

Quarterly review

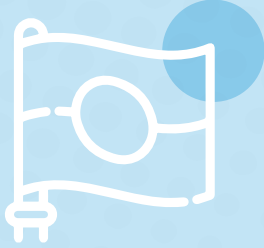
Operational Plans

- Section Plans
- Performance Development Review

Annual review



Our City at a glance...



2.5%

Aboriginal and Torres
Strait Islander population



134,202

Estimated resident population
(2021)



81,779

Local Jobs**



89,105

Electors*



35%

Residents born overseas



9,412^{ha}

Total land area



\$10.4b

Gross Regional Product**



37 years

Median age



9,348

Persons needing assistance



10,088

Local businesses**



35%

Households renting







110,096

Population over 15 years



Connecting with Council

We are always working to make it easier for our ratepayers and community to get in touch. To contact us you can:

- visit one of our Council offices at:
 - **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**
- call our friendly Customer Relations Team on
 **(08) 8405 6600**
- lodge an online request or comment via our website
- connect via social media
- chat with us via webchat

When you contact us, we will:


- treat you with courtesy and respect
- assist and facilitate communication with you where this is needed (for example, by arranging an interpreter or involving an advocate)
- advise you that we have received your query and provide you with a timeframe in which you can expect a response
- consider your query quickly and fairly
- handle your query confidentially where appropriate
- give you information about other options that are available
- advise you on the outcome to your query

Ways to Have Your Say

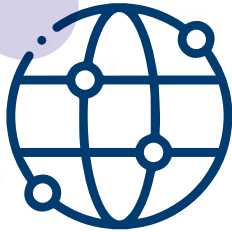
We are focusing on getting a better understanding of what our community thinks. We seek feedback from our community about the level of service they have received, which allows us to reflect on how we can improve.

We are committed to providing more opportunities for our community to tell us what they think about our services, facilities and programs.

The Have Your Say online engagement platform uses interactive maps, surveys, conversation tools and more to provide opportunities for everyone who lives, works, learns or plays in the City of PAE to contribute to our projects, planning and decisions.

To stay updated on new projects, to share ideas and to have your say on projects in areas as diverse as transport, community art and placemaking, register with Have Your Say PAE at  haveyoursay.cityofpae.sa.gov.au

Get Connected



1.28m

Website page views



88,900

Inbound phone calls



4,583

Online consultation contributions



64,789

Emails received by
service@cityofpae.sa.gov.au



50,775

Customer requests



323

Compliments



10m

Social media views



88.6%

Incoming calls answered
within 30 seconds



3,363

Contributors to
Have Your Say

Voice of the Community

The most important and valuable information that shapes the direction of our services, facilities and programs is the information provided by our community — the people who live, work, learn and play in our City. We gather and assess feedback from a combination of engagement activities, community forums, perception surveys, the data we hold and our day-to-day contact with residents, businesses, groups, clubs, government and visitors.

In 2021 we conducted our biennial Community Survey, in which more than 3,500 community members participated. This survey informs our work and the delivery of our aspirations.

You have told us that:

- You believe that Council plays a critical part in creating community wellbeing — especially for people between 50–84 years of age
- You generally feel safer when you are more connected with your community
- You continue to believe in the importance of protecting, maintaining and promoting built and cultural heritage, especially if you live in the western part of our City
- You think that our performance in managing heritage has improved, and you also feel that protecting heritage buildings and character remains critical, particularly in Port Adelaide and Semaphore
- You experienced fewer opportunities to participate in and experience local arts and cultural activities during periods of COVID-19 restrictions
- You prefer to access Council information through our website
- You feel that we could improve our community engagement practice further by involving you more in decision making

City Scorecard

We continually strive to lead the way as a City of opportunity that supports community wellbeing, cares for our natural environment and heritage, and is a place where people love to be. We want our City to be a vibrant and inclusive place, well positioned to meet the opportunities and challenges of a growing and changing City for decades to come.

Since 2016 we have been surveying our community to seek feedback to help inform our decision making for the year ahead and to help us ensure we are delivering the programs, services and facilities that you value most. The City Scorecard enables us to track our community's perception of our performance against the City Plan.



City Scorecard

Tracking our community's perception of performance of the PAE City Plan

OUTCOME	INDICATOR	2016 Baseline	2017	2018	2019	2021	Change from Prev.Year
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ECONOMY A City of opportunity

Prosperous	gross regional product	\$8.8b	\$9.0b	\$9.3b	\$9.3b	\$10.16b	+\$0.9b
Growing	proportion who feel that they can easily access information and organisation	3.4	3.8	3.8	3.8	3.7	-0.1
Connecting	number of local jobs	74,831	76,330	77,048	80,637	81,799	+1,162

COMMUNITY A City that supports community wellbeing

Healthy	proportion who say they are healthy	3.4	3.9	3.9	3.9	3.9	-
Inclusive	proportion who feel they are part of their local community	3.4	3.5	3.5	3.5	3.5	-
Cohesive	proportion who say they feel safe in their neighbourhood or community	73%	3.6	3.7	3.6	3.6	-

ENVIRONMENT & HERITAGE A City which cares for its natural environment and heritage

Distinctive	proportion who say the City's heritage is effectively managed	3.2	3.1	3.0	2.9	3.1	+0.2
Sustainable	proportion who say the City's natural environment is effectively protected	3.3	3.3	3.2	3.1	3.1	-

PLACEMAKING A City where people love to be

Belonging*	City net promoter score		+25	+19	+15	+16	+1
Accessible	proportion who say they can easily access places and services across the City	4.1	3.8	3.8	3.8	3.8	-
Creative ^a	proportion who feel they had an opportunity to participate in/experience local arts and cultural activities	57%	62%	62%	57%	47%	-10%

LEADERSHIP A City confident in its leaders

Strategic	proportion who say Council delivers value for the rate dollar	3.1	3.2	3.2	3.2	3.2	-
Accountable	proportion who are satisfied with Council services	3.5	3.5	3.5	3.5	3.5	-
Engaged	proportion who say Council is engaging with residents and ratepayers	3.1	3.0	3.0	3.0	3.1	+0.1
	proportion who say Council is engaging with organisations	3.0	3.3	3.0	3.3	3.2	-0.1
	proportion who say Council is engaging with businesses	2.9	3.0	2.7	3.1	3.0	-0.1

Note: City Scorecard indicators are perception-based and provide a range 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

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

Major Projects



Progress designs and planning for Yitpi Yartapuultiku to promote and celebrate Aboriginal culture and heritage

- We prepared a detailed business case for the Aboriginal Cultural Centre and presented it to Council in March 2022
- The Aboriginal Cultural Centre has been named Yitpi Yartapuultiku, meaning 'Soul of Port Adelaide'. It will be a community place providing a range of activities and opportunities for both First Nations and non-First Nations people



Create vibrant new community spaces in Blair Athol through the Dover Street Open Space project

- We began work to create an exciting open space for games and sports, along with an upgraded play space for children to enjoy
- We installed retaining walls, rockwork, irrigation and turf, and we completed underground stormwater pipe works and footpaths



Work with the community to progress streetscape works to Prospect Road and strengthen community connections

- We completed works on Prospect Road, and held a community celebration event on 9 July
- The upgrades included more outdoor dining spaces to encourage people to shop and stay longer and new shady local 'nodes' to enhance the amenity and create more 'places for people'
- We installed public artworks along the street, together with new trees for shade and landscaping
- We improved the safety of the area with better lighting, lower speed zones, a road reseal and new on-street bike lanes



Deliver the Regency Park sporting facilities upgrade to increase community access to state-of-the-art facilities

- We completed buildings at Regency Park Reserve, while the car park, main pitch and practice pitch are now nearing completion
- We expect to complete this project by October 2022



Redevelop Polonia Reserve to reinvigorate the open space in Croydon Park

- Council endorsed the final design
- We expect construction works to start in October/November 2022
- We expect to complete this work in late June 2023



Complete work on the Birkenhead Naval Reserve to provide active recreation opportunities, placemaking and stormwater management outcomes

- We completed an upgrade at Birkenhead Naval Reserve, installing an underwater stormwater detention basin to hold water during heavy rains
- The upgraded site also features a nature play space, playground, BBQ area and basketball hoop
- Residents helped us plant 2,500 trees and shrubs at the launch of the site in June 2022



Deliver eight new and upgraded play spaces across the City

- We completed eight playground upgrades and installations, including two at Harry Wierda Reserve in Oakden
- We added 3 on 3 basketball courts at J B Dearing Reserve in North Haven and Dingley Dell Reserve in Blair Athol
- We also upgraded W A L Kilpatrick Reserve in North Haven and Birkenhead Naval Reserve, and we will soon complete major upgrades at Dover Street Reserve in Blair Athol and E S P Rogers Reserve in North Haven



Work with the community to develop a master plan for the Semaphore Foreshore that will also stimulate economic opportunities for the precinct

- Council approved the Semaphore Foreshore concept plan for consultation in May 2022
- Throughout June and July 2022, we travelled around our community to share the draft master plan and seek feedback to ensure that we are on the right track. We received 260 responses to our community survey
- We held two foreshore community pop-ups, which attracted 150 people
- We held workshops at Le Fevre High School and Alberton Primary School and received an additional 53 survey responses from local children and young people
- We presented the outcomes of the community engagement in August 2022, which will inform further development of the design



Invest \$2.3 million across three years in sustainability initiatives to green our City, reduce carbon emissions and adapt to climate change

- We established the multi-faceted Living Environment Program as well as a Green Business Incentive Scheme
- We provided 150 residents in our hottest suburbs with free mature trees to plant in their gardens
- We provided \$20,000 in grant funding to support local groups to deliver projects focusing on marine education, trapping micro-plastics, controlling Coastal False Caper and gardening organically

Further strengthen our promotion of local tourism to stimulate the visitor economy

- We delivered a marketing campaign around packaged visitor experiences, called the PAEWay
- Just over 60 people attended the Western Adelaide Tourism Alliance quarterly tourism networking event in March 2022 at Glanville Hall
- In partnership with local stakeholders, we delivered and facilitated a variety of exhibitions, tours and guided walks for the South Australian History Festival 2022, involving a total of approximately 680 participants who were keen to learn more about our rich history



Increase our investment in place-based arts and cultural experiences

- We supported local artists, musicians and businesses to get involved in arts and cultural activities of statewide significance, including the Adelaide Fringe, the Umbrella Festival and SALA (the South Australian Living Artists Festival)
- We delivered the inaugural Living Landscapes Writers' Festival in April 2022

Commence operation of the Materials Recovery Facility (MRF)

- The MRF commenced operating on 31 January 2022 and has the capacity to process 50,000 tonnes of recyclables per year from household yellow bins
- The MRF enables us to manage waste more effectively and participate in the local circular economy





City Plan Theme **Economy**

In 2030 PAE is a thriving economy and a business-friendly City. Existing and new businesses are growing, and we attract new investment and embrace innovation and start-ups. We are national leaders in waste minimisation, collaborating to create a local circular economy and green business opportunities. We purchase locally while maintaining value and quality for the community. Known as the home of Australia's defence ship building program and the State's sea freight hub, PAE boasts a range of employment opportunities and is the engine room of the South Australian economy.

Our City is an attractive and affordable place to live and work and has a range of training, education and learning opportunities.

Urban renewal has stimulated new economic activity and employment. Our public and private transport network is well integrated and supports economic growth. Our City's infrastructure and assets meet the needs of existing and new businesses and communities. As a preferred tourist destination, Port Adelaide's local tourism industry is booming. Adelaide Airport and the CBD are only 20 minutes away from this great waterfront City, which is also the gateway for cruise ship passengers to discover our maritime, cultural and built heritage.

The Port River estuary is home to ancient mangroves, the Adelaide Dolphin Sanctuary and Adelaide International Bird Sanctuary, and white, sandy beaches on our coast.



Connecting business with jobseekers

Western Adelaide Jobs Expo

Unemployment levels in PAE were around 6.1% at the end of 2021. The Western Adelaide Jobs Expo, which we held in conjunction with the City of Charles Sturt at the Lights Community and Sports Centre on 25 May 2022, gave us an excellent opportunity to respond to local employment needs and workforce challenges. We are committed to supporting local jobseekers who may be experiencing greater barriers to employment than others, and to developing partnerships with business to equip local industry to respond to areas with growing demand.

More than 1,100 jobseekers attended the event, including 300 high school students. Jobseekers had a chance to meet local employers, learn about job opportunities and participate in job-readiness workshops. Information sessions about interview success tips, resume writing assistance and LinkedIn were particularly popular. An impressive 85 businesses were present, setting up information booths and being present to chat with jobseekers. A total of 200 jobs were advertised on jobs boards and 110 jobs were offered on the day. This outstanding result was not just good news for people commencing in their new roles. The impact of adding these jobs to the western region will have further flow-on supply chain effects, increased demand for goods and services, and an increase in wages and salaries spent in the local economy.

Related Plans:
Economic Development Strategy

2021–22 Priority	Achievements	Status
Collaborate with the Adelaide Business Hub to support businesses and the local tourism industry through its recovery following COVID-19	<ul style="list-style-type: none"> Continued work with the Adelaide Business Hub to support startups and existing businesses Developed and implemented the PAE Local Shopper Grant program Hosted digital marketing and networking event for tourism operators 	
Through our collaborative 'Business Friendly' approach, actively encourage inward investment into the region, especially international Defence supply businesses	<ul style="list-style-type: none"> Delivered the Western Adelaide Jobs Expo in partnership with the City of Charles Sturt, attended by 1,100 jobseekers Joined the Defence Training Centre and French–Australian Chamber of Commerce to support opportunities for growth and development of local defence and advanced manufacturing businesses 	
Further strengthen our promotion of local tourism through marketing and events to stimulate the visitor economy	<ul style="list-style-type: none"> Employed a Tourism and Visitor Economy Officer Reviewed the Economic Development Strategy and the Tourism Strategy and Action Plan Promoted the Adelaide Beaches website to showcase regional visitor opportunities 	
Operate a Materials Recovery Facility in partnership with the City of Charles Sturt	<ul style="list-style-type: none"> Completed construction of the MRF in December 2021 and commenced operation in January 2022 	
Foster Council's commitment to 'Buy Local' procurement principles and obtain value for money for the community	<ul style="list-style-type: none"> Created procedures to mandate Local Supplier evaluation criteria Implemented local expenditure reporting Implemented VendorPanel marketplace 	
Deliver \$14.1 million (28km) renewal of our 695km road network to maintain our roads to support industry and business in accordance with our Asset Management Plan	<ul style="list-style-type: none"> Delivered 95% of road projects for the 2021–22 period 	

Economy at a glance...



700

Businesses supported by
Business Advisors



571

Attendance at Libraries' 'Being
Digital' technology programs



11,114

Visitor enquiries handled



\$60,000

Funding allocated for Green
Business Incentive Scheme



\$1.40b

Value of Development
Applications lodged



104

Business owners involved in
Western Adelaide Tourism
Alliance events



\$591,629

Total provided across all
grant categories



59,903

Employed residents



17

Businesses receiving PAE Local
Shopper grants



City Plan Theme **Community**

In 2030 residents, businesses and visitors describe PAE as a safe, vibrant, inclusive and welcoming City.

No matter your age, ability or stage of life PAE is a community where it's easy to be active, get involved, and enjoy a good life. There's a sense of care and cohesion as people look out for each other and the neighbourhoods in which they live. It's easy to connect with friends, neighbours, activities, opportunities, and services that support individual and community health, wellbeing, safety and aspirations.

We are proud of our diversity. The rich heritage of our First Nations people, together with those from countries around the globe, is reflected in our food, art, enterprise, traditions and celebrations. We are active in advocating for and on behalf of our community, and work with agencies and tiers of government to address individual and community needs and aspirations.

Our green open spaces, sporting facilities, libraries, centres, halls and hubs are places where people come together and learn skills for life and employment. They are contemporary, high quality, well maintained examples of community infrastructure, which are well positioned across PAE.

New and old neighbourhoods are developed in ways which reflect an expectation of good lives for individuals and communities. Our City offers a range of affordable housing choices and essential health services are easily accessible. Our community is resilient and faces challenges together.



Sowing the seeds of community

Grant funding for CareWorks SA

We recognise that the social and cultural environment in which a person lives, works, learns and plays can have a significant impact on their current and future health and wellbeing and quality of life. During 2021–22, we provided more than \$179,700 in funding to community groups through our Community Grants program. Through this funding we support projects that enhance community wellbeing by ensuring our community is strong, connected, resilient and inclusive at a local level.

CareWorks SA used their Community Project Grant to establish a community garden at their Connect at Enfield site on Warwick Street. 'The grant has made this empty piece of land green and alive, and it has allowed us to have greater visibility in the community,' said CEO Geoff. 'It started that process of us connecting with the locals in meaningful and fun ways.'

With our support, they transformed a run-down outdoor space into a green and thriving community site. The funding also helped them to purchase and install a tool shed, shading, marquees and seating. Now keen gardeners meet each week to tend to the garden beds, propagate seeds and share small plants around the community.

Supporting the establishment of community gardens where there is strong community interest and where the open space is appropriate and available helps us to achieve our targets around the creation of butterfly and bee-friendly environments, while raised garden beds and interpretive signage make the space accessible and welcoming.

Related Plans:

Public Health and Community Wellbeing Plan

Inclusive Communities Plan

Open Space Strategy 2021–26

2021–22 Priority	Achievements	Status
Support community recovery following COVID-19	<ul style="list-style-type: none"> Distributed over 8,600kg of dry goods and 5,680kg of fresh fruit and vegetables at the Parks Library and Lefevre Community Stadium food relief markets Established two physical health, wellbeing and resilience programs—Connect at the Lights for residents and the Connect Education Program for students Installed a bocce court at Catherine Hutton Reserve, North Haven, as a place for the community to gather and be active 	
Deliver the Regency Park Sporting Facilities Upgrade to increase community access to state-of-the-art facilities	<ul style="list-style-type: none"> Commenced construction in early 2022 Constructed a synthetic soccer pitch and community grassed area Car park and plaza to be completed October 2022 	
Develop a Social Infrastructure Strategy for Libraries and Community Centres and Halls to meet current and future needs	<ul style="list-style-type: none"> Completed the Social Infrastructure review, which identified priority precincts for business case development 	
Implement the 2021–2022 Action Plan for Inclusive Sports Facilities across the City	<ul style="list-style-type: none"> Assessed sporting facilities operating at or near maximum capacity to determine how clubs can be assisted to support their growing participation Received funding from the Office for Recreation and Sport for the Greenacres Reserve Club Facility, Largs Reserve Sports Lighting project and Port Adelaide Reserve Cricket Net Facility 	
Complete feasibility study and site investigations for the development of an Aboriginal Cultural Centre	<ul style="list-style-type: none"> Worked closely with project Custodians through a co-design process to develop a concept design for the Aboriginal Cultural Centre — now known as Yitpi Yartapuultiku ('Soul of Port Adelaide') Council adopted a comprehensive Business Case and Prudential Report in March 2022 Design development and planning is continuing towards late 2024 project completion 	
Support the development of strong sustainable sporting clubs through regular, quality club development activities	<ul style="list-style-type: none"> Launched the PAE Sports Network Increased engagement with clubs to improve sustainability and governance practices via workshops, website resources and newsletters 	

Community at a glance...



18,784

Dogs registered



6,280

Community transport
volunteer hours



12,000

Hours of attendance at our
social support programs



4,852

Vaccines administered at
community and school clinics



106

At risk young people
supported



9

Young people sponsored to
participate in Youth Parliament



\$179,745

Total provided in grants



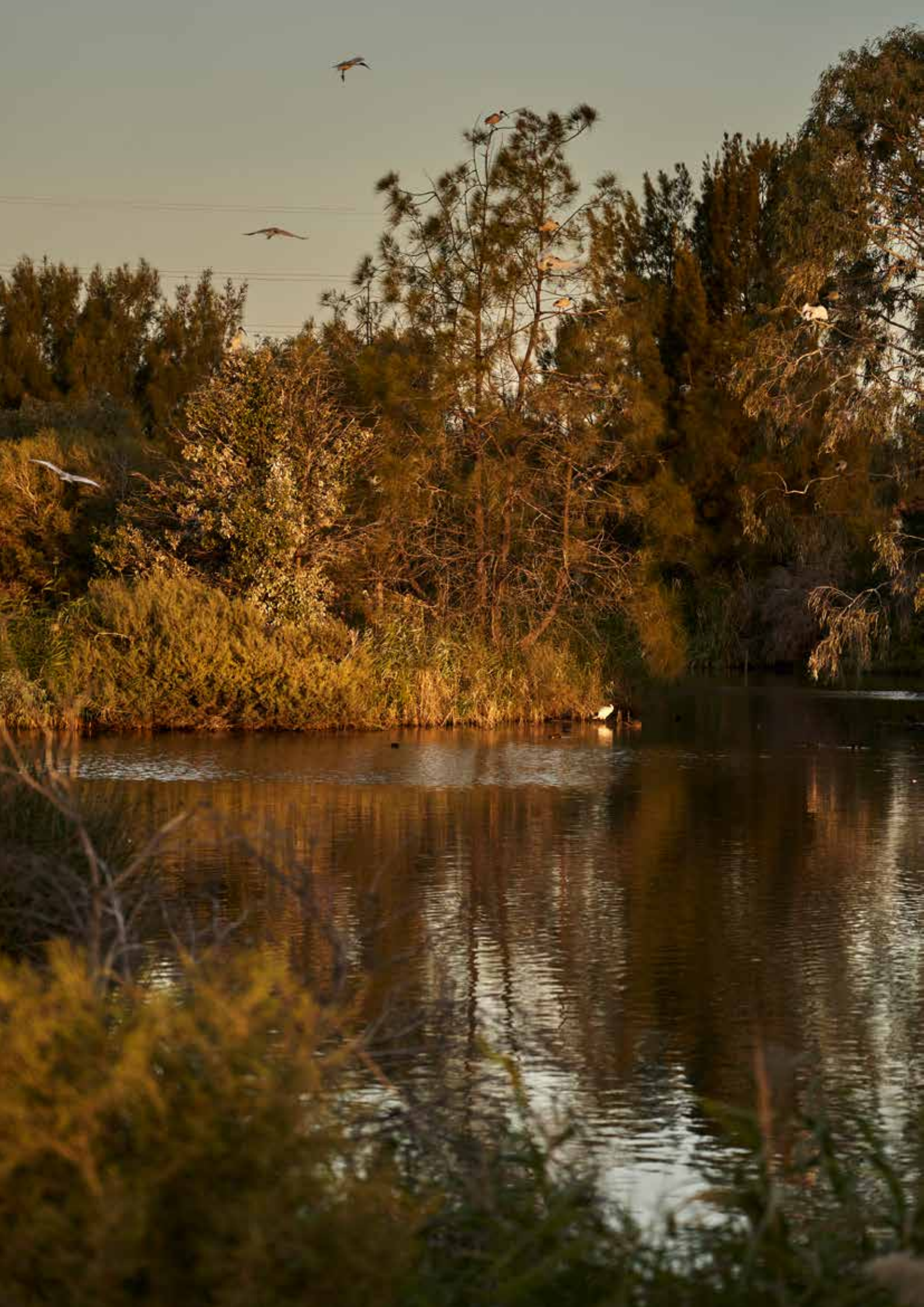
565,000

Library items loaned



435,583

Visits to our libraries



City Plan Theme Environment and Heritage

In 2030 PAE is a low carbon, water sensitive and climate resilient City and our built heritage is protected, embraced and celebrated throughout the region.

Green streets are a dominant feature of our urban landscapes, and our tree canopy on private and public land is healthy, connected and expanding. Our green corridors and conservation areas also create habitat for wildlife and our biodiversity is improving.

We manage our energy, water and waste resources wisely and we strive to find new ways to keep reducing our greenhouse gas emissions. Our transport networks encourage environmentally sensitive modes of transport.

Our coast, estuaries, waterways and wetlands are healthy. We collaborate to protect and restore the ecological and cultural values of our coastal environments and the catchments of the Port River and Torrens River.

Existing and new communities continue to come together to share their knowledge about our natural and built heritage. We also work with our community to ensure that we are well prepared to manage the impacts and mitigate the risks of natural hazards and disasters.



Related Plans:
[Arts and Culture Strategy](#)
[Living Environment Strategy](#)

Inspirational places

Thinking + writing about nature

On 9–10 April 2022, we held the inaugural Living Landscapes Writers' Festival, which brought together nationally and internationally renowned writers, poets and thinkers on nature. This wonderful weekend was full of performances and family activities, with more than 1,000 people attending to share and reflect on the ways we interact with our natural environment.

With historic Port Adelaide as its backdrop, the festival celebrated our rich and diverse region — a shared collection of coastlines, dunes, rivers, wetlands, mangroves, parks and reserves. The festival program focused on the written and spoken word as a vital platform for interrogating our relationship with nature in these uncertain and changing times. The panel discussions explored the purpose of nature in creativity and the ways in which art can help us forge meaningful connections with our environment. Acclaimed authors and poets led workshops for budding writers about the craft of writing about nature, giving everyone who attended a chance to see the natural world anew.

We also announced the winners of our Nature Writing Competition at the Festival. Junior joint winners were Leah Manders for 'Dark Lagoon Disaster' and Xavier Murdoch for 'Ball Lightning on Port Adelaide River'. The winner of the middle grade category was Esther Lawry with 'No Man is an Island', while Christopher Page won the adult category for 'Sanctuary'.

2021–22 Priority	Achievements	Status
Develop a Heritage Strategy which defines and prioritises heritage protection and conservation in our built environment	<ul style="list-style-type: none"> Consulted on our draft Built Heritage Strategy between April and May 2022 Council formally endorsed the PAE Built Heritage Strategy on 12 July 2022 	
Drive emissions reduction by setting a zero emissions target for the organisation and participate in the National Cities Power Partnership	<ul style="list-style-type: none"> Provided \$60,000 of grant funding to small and medium-sized businesses in PAE for solar PV, energy storage, electric vehicle stations and rainwater tanks Prepared a corporate Net Zero Emissions Plan that was endorsed on 9 August 2022 Installed 34 kW of solar PV and 40kW of battery storage on Council operated and leased buildings Completed energy audits of high-energy use buildings 	
Deliver climate change adaptation priorities at a local level	<ul style="list-style-type: none"> Accelerated our street tree planting program with an additional \$270,00 to support urban canopy targets Provided 150 mature trees to targeted suburbs that have high urban heat and low tree canopy in the initial round of the Get Shady Tree give-away Collaborated with the State Government and CSIRO to deliver the national pilot project that tested the Enabling Resilient Investments approach to mitigate future risks of coastal inundation in the Port River system Secured \$2,180,000 in federal funding towards the design and construction of a climate resilient living shoreline at the site of the Yitpi Yartapuultiku 	
Deliver on our waste minimisation and circular economy commitments	<ul style="list-style-type: none"> Converted dog waste bags from bio-degradable to compostable Provided new labelled and addressed bins to businesses along Prospect Road Received a grant from Green Industries South Australia to trial 100% recycled bins 	
Increase the City's tree canopy coverage and greening in hot spots and public spaces	<ul style="list-style-type: none"> Planted 2,731 street trees and 802 reserve trees Provided residents with 150 advanced trees and 55 tubestock trees to plant on their own properties 	
Collaborate to improve the management of the Port River, Torrens River and the City's wetlands as healthy living ecosystems	<ul style="list-style-type: none"> Maintenance crews and volunteer groups undertook weed and vegetation management activities in coastal dunes, wetlands and riparian corridors 	
Deliver a Council-owned and operated Materials Recovery Facility in collaboration with the City of Charles Sturt to take back control of recycling	<ul style="list-style-type: none"> Officially opened the MRF on 31 January 2022 	
Embed sustainability practices in Council services including procurement to support energy, water and waste efficiency outcomes	<ul style="list-style-type: none"> Endorsed the Building Sustainability Policy, Guidelines and Checklist in December 2021 Applied the policy, guidelines and checklists to building renewals and maintenance projects including at Gepps Cross Change Room and Largs Bay toilets 	
Invest \$12.9 million in stormwater infrastructure to assist in reducing the flood impact on our City	<ul style="list-style-type: none"> Delivered more than 80% of our proposed stormwater projects despite delays in the availability of resources 	
Partner with community groups, government and the private sector to support the Green Adelaide priorities	<ul style="list-style-type: none"> Continued to collaborate with Green Adelaide regarding co-funding for the Port Environment Centre Provided advice on greening options for the State Sports Park development Contributed to the Mutton Cove risk assessment Participated in master planning and reviewing governance arrangements for the Metropolitan Seaside Councils Committee 	

2021–22 Priority	Achievements	Status
Provide opportunities for our community to become informed and learn about climate change and its impact	<ul style="list-style-type: none"> Delivered AdaptNow resilience workshops, which more than 250 participants attended 	
Develop a strategic approach to coastal adaptation, protection and management	<ul style="list-style-type: none"> Collaborated with State Government agencies to progress a submission to Infrastructure Australia to have Port Adelaide's flood mitigation infrastructure requirements included on the national priorities list 	

Environment and Heritage at a glance...



24,482

Tonnes of waste diverted from landfill



4,627,256

Bins emptied



19,871

Bird observations by our Citizen Scientists



14,825

Tonnes of green waste collected



3,533

Street and reserve trees planted



205

Advanced canopy and tubestock canopy trees provided to residents



4.17

MWh electricity provided by our electric vehicle charging stations



49.2%

Material from wheelie bins recycled or composted



\$139,889

Environment and Heritage grants provided



City Plan Theme Placemaking

In 2030 PAE is a unique, creative and distinctive collection of places, created, and cared for through strong partnerships between Council, community and other stakeholders.

Our places enable people to connect with each other, with nature and through their unique, local identity. We are also recognised for supporting and empowering local artists, and their creative and artistic expressions can be found throughout PAE.

Our places attract people to PAE because they are well planned, designed, and maintained to encourage activity. They are places where our community connects through recreation, business and pleasure to support individual and community wellbeing and prosperity.

The people of PAE have a strong sense of ownership in their places because they have a say in how they are imagined, shaped and transformed.

We use placemaking as a way to focus our work and to ensure strong community, economic and environmental benefits are derived from the places we own and manage for the community.



Related plans:
Arts and Culture Strategy

Celebrating place through public and community art

Tapestry mural in Semaphore

A tapestry is typically made by several people working together to create multiple woven layers. Tapestries are traditionally hung on walls and displayed where everyone can enjoy them, thereby keeping the stories they depict alive. This year, participants in a community art project came together to brighten a wall in Birkenhead, naming it Tapestry to reflect the rich and colorful nature of their creation.

We commissioned local artist Mandi Glynn-Jones to work with a diverse range of residents, elders, families, children and school students to design and install the huge mural on the corner of Semaphore and Causeway Roads. They took their inspiration from all that is distinctive about the place, with the mural depicting the sea, sky, earth, trees, coastline and people of Semaphore. Mandi said of the project: 'It was a fantastic experience running the workshops and meeting so many wonderful members of the community. The ages ranged from 6–70 years. Thank you to all who shared their love of Semaphore!'

The mural acts as a welcoming entry point so that everyone who visits Semaphore can share this story and see the richness and diversity of the local community. We thank the landowner for the opportunity to display the mural on this prominent wall.

2021–22 Priority	Achievements	Status
Support COVID-19 recovery for our community and businesses through arts and cultural activities across our City	<ul style="list-style-type: none"> Supported SALA in August 2021 and the Adelaide Fringe in February and March 2022 Provided grants and other support to businesses and artists to assist them to get involved in the Umbrella Festival Completed new murals at Osborne House, Prospect Road and Eric Sutton Reserve Engaged five artists for the Tiny Gem project, which included community workshops and art installations across the City Hosted the Bamboozled Tent at Semaphore, engaging local performing artists for cabaret performances Supported the Semaphore Main Street Association to deliver the Semaphore AI Fresco series Hosted a writing competition as part of the Living Landscapes Festival 	Completed
Deliver the Vibrant Places and Spaces — Arts, Culture and Creative Placemaking initiatives	<ul style="list-style-type: none"> Reinvigorated Port Adelaide Laneways with festoon lighting, street furniture and public art, and hosted activations Hosted the Nature Festival at Stockade Park Delivered the BIG Picture Series, using augmented reality to activate Port Adelaide's Wonderwalls and landmarks Delivered the Living Landscapes Writers' Festival in April 2022, with more than 1,000 people attending over two days Completed major artworks on Prospect Road 	Continuing
Complete a Place Development Plan for the Port which enables us to realise the Port's potential as a regional centre for arts and culture activity	<ul style="list-style-type: none"> Developed the Creative Port Plan to support local venues, artists and businesses, increase live music and art opportunities, and grow the Port as a vibrant, creative place known for its arts and culture 	Completed
Build community capacity for placemaking and events which involve community members or are community-led	<ul style="list-style-type: none"> Provided PAE Places and Event Grants to support a broad range of community-led placemaking and activation 	Ongoing
Work collaboratively with the community to develop a master plan for the Semaphore Foreshore and economic stimulus opportunities for the precinct	<ul style="list-style-type: none"> Council approved the draft Semaphore Foreshore concept plan for consultation in May 2022 Conducted community engagement during May and June 2022 Presented results of the community engagement to Council to inform further development of the designs in 2023 	Continuing
Work with the community to progress streetscape works to enliven the retail precinct on Prospect Road and strengthen community connections	<ul style="list-style-type: none"> Completed upgrades and installed public art on Prospect Road Celebrated the completion of the project at a community event on 9 July 2022 	Completed
Create vibrant new community spaces in Blair Athol through the Dover Street Open Space Project	<ul style="list-style-type: none"> Progressed works to create soccer goals, half-court basketball and BBQs Progressed construction of a playground and nature play area Work is continuing and we are aiming to finish by 30 October 2022 	Continuing
Redevelop Polonia Reserve to reinvigorate the open space in Croydon Park	<ul style="list-style-type: none"> Presented final design for the Polonia Reserve upgrade to Council in July 2022 We aim to complete this project in 2023 	Continuing

2021–22 Priority	Achievements	Status
Work collaboratively with the community to develop a master plan for E P Nazer and John Hart Reserves	<ul style="list-style-type: none"> Completed draft concept plans for E P Nazer and John Hart Reserves Conducted community engagement on the draft plans in May and June 2022 Presented final concept plans to Council in August 2022 	
Develop and implement Council's Events Strategy	<ul style="list-style-type: none"> Council drafted and endorsed a Placemaking Model and Activation Principles in August 2022 	

Placemaking at a glance...



\$223,232

Placemaking & events grants provided



5,209

Hours booked on reserves



\$24,000

Fringe subsidies and support



90

Poles approved for painting as part of Paint Ya Pole



1,702

Library events and activities offered



1,000

Attendees at Living Landscapes Writers Festival



28,631

Library event attendees



2,229

BIG Picture app downloads



13,735

Hours booked in halls



City Plan Theme Leadership

In 2030, PAE is known as an innovative, collaborative and high performing leader within local government. We are innovative in the ways in which we connect, engage with and listen to our community in order to make good decisions.

Our community is empowered and has trust in our decisions and we deliver on our promises. We communicate with our community on a regular basis, in a variety of ways using clear and consistent messages that reflect who we are.

We are responsive in addressing current community needs whilst also planning for future generations and requirements. We have well established relationships at all levels of government and effectively advocate for the current and future needs of our community.

We excel in providing an exceptional customer experience, offering services which are responsive, inclusive and provide choice.

We make responsible financial decisions, and invest prudently for the future of PAE. Our assets and infrastructure are planned for and managed sustainably with equity of provision across the region. We use technology and data to enable us to work smarter and deliver value. We continue to attract and retain highly skilled and motivated staff and volunteers, who are passionate about working with and for our community.



Related Plans:
People and Culture Strategy

Women in PAE

Achieving positive change for women in PAE

We are committed to gender equality and diversity inclusion. In August 2021 we furthered this commitment by appointing a Women's Advocacy Officer to lead the Women in PAE project.

The initial stages of the project included data collection, analysis and research, and we will use this data to identify where we require greater gender diversity. Undaunted by forecasts that it will take over 100 years to close gender gaps for women, we have identified strengths and opportunities and we are improving HR practices that currently disadvantage women. For example, we are working to provide equal study leave entitlements for full time and part time employees and flexible working conditions, which will enable women at all levels to aspire to senior leadership. We have also updated our recruitment documentation and processes to be more gender-inclusive.

In March 2022, we held several fully subscribed activities to mark International Women's Day, including a film screening and craft and coding sessions. We delivered Financial Fitness and Smart Money sessions focusing on the unique financial challenges that women face. The Port Adelaide Lighthouse was lit purple in honour of the day.

While we still have work to do, the benefit of a focus on gender opens up discussion and challenges entrenched processes and thinking. This important work is making a difference in the lives of the women who live, work, learn and play in PAE.

2021–22 Priority	Achievements	Status
Review performance indicators and systems to improve public reporting on our performance	<ul style="list-style-type: none"> Commenced a review, which we will continue as part of a broader review and development of the Strategic Management Framework 	
Implement actions within the Communications and Engagement strategy to improve engagements with our community and improve our Social Licence to operate	<ul style="list-style-type: none"> Adopted and began implementing the Communications and Engagement Framework on 12 July 2022 	
Review Council's website to improve online communication and accessibility of information	<ul style="list-style-type: none"> Conducted a comprehensive audit of our existing website with improvements that we will deliver during 2022–23 	
Collaborate with other councils and key stakeholders to deliver improved outcomes for PAE and the local government sector	<ul style="list-style-type: none"> Collaborated with the City of Charles Sturt on a Customer Relationship Management Tool with a go-live date of June 2023 Undertook an expression of interest with the City of Charles Sturt for an Enterprise Planning Resource system Conducted an Open Space Maintenance Service Review with the Cities of Charles Sturt and Marion 	
Improve project management to ensure our commitments are delivered on time and within budget	<ul style="list-style-type: none"> Put in place a Project Management Framework and implemented a supporting Project Management System Provided 'Introduction to Project Management' training to 60 staff 	
Establish a data analytics function in conjunction with our Service Review program to deliver increased efficiencies and improved community outcomes	<ul style="list-style-type: none"> Continued collaborative service reviews with the Cities of Charles Sturt and Marion Recruited a Business Intelligence Analyst and commenced reviewing our current data analytics capability 	
Deliver our ICT strategy to support greater efficiencies and improve customer experience and service delivery	<ul style="list-style-type: none"> Established governance structures and established project teams for the Customer Relationship Management system Migrated our intranet to a Cloud-based solution Implemented Cloud-based Health Manager 	
Deliver our People and Culture strategy to develop our people and drive performance	<ul style="list-style-type: none"> Progressed work in line with our People and Culture Strategy with a focus on improved information systems, organisational development and alignment of our Corporate Values 	

Leadership at a glance...



491

Total FTE employees



9

Deputations heard



1,421

New Australian
Citizens conferred



430

Council resolutions



\$1.7b

Assets managed



59

Council workshops held



275

Volunteers



1,794

Minutes of Council
meetings



35







PAE Have Your Say
engagement opportunities







Helping make the United Nations Sustainable Development Goals a reality

The 2030 Agenda for Sustainable Development is a global plan of action for people, planet and prosperity, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries. The SDGs are built into our City Plan, which reflects our

community's aspirations for the future and is the blueprint for everything we do. When we deliver on our City Plan, we do our bit to make the SDGs a reality.

The actions identified in the table below exemplify how we contributed to delivering on the SDGs in 2021–22.

Actions	SDGs	For more information See page
Doing our bit to ensure that people in our community have access to safe, nutritious food through delivering meals and food supplies at Lefevre Community Stadium	2 ZERO HUNGER 	28
Providing spaces and opportunities where people can be active and can connect to improve their health and wellbeing, through programs such as the Connect at the Lights program and Connect Education Program in schools, as well as through upgrading our sporting facilities	3 GOOD HEALTH AND WELL-BEING 	18, 19 & 28
Providing free, practical, hands-on adult education programs to do our bit to increase the number of youth and adults who have technical, vocational and other skills that are relevant to employment, decent jobs and entrepreneurship	4 QUALITY EDUCATION 	25 & 29
Committing to gender equality through our Women in PAE Project, which aims to improve practices that disadvantage women, both in the PAE workforce and across the City	5 GENDER EQUALITY 	39
Increasing the share of renewable energy across our City by providing grants to small and medium-sized local businesses for solar power, energy storage and electric vehicle stations	7 AFFORDABLE AND CLEAN ENERGY 	25 & 32
Promoting economic development within our City by supporting the Adelaide Business Hub, implementing the PAE Local Shopper Grant program, delivering digital marketing and networking for Tourism Operators, and delivering the Western Adelaide Jobs Expo in partnership with the City of Charles Sturt	8 DECENT WORK AND ECONOMIC GROWTH 	20, 24 & 25

Actions	SDGs	For more information see pg
Achieving official accreditation as a Welcoming City after becoming the first council in South Australia to join the Welcoming Cities Network, thereby demonstrating our commitment to empowering and promoting the social, economic and political inclusion of all members of our community	10 REDUCED INEQUALITIES 	6
Working with the community to safeguard cultural heritage. Together with local Elders our project group decided on the Kurna name Yitpi Yartapuultiku ('Soul of Port Adelaide') for the Aboriginal Cultural Centre that we will be building at Western Region Park, and on Tuesday 16 August we held an official naming ceremony for the Centre	11 SUSTAINABLE CITIES AND COMMUNITIES 	18,28 & 32
Reducing waste generation through prevention, reduction, recycling and reuse initiatives, including opening the Materials Recovery Facility in collaboration with the City of Charles Sturt and switching over from biodegradable dog waste bags to compostable bags	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	20 & 32
Increasing the City's tree canopy to improve urban cooling and help strengthen resilience and adaptive capacity to climate change. In 2021–22 we planted 2,731 street trees and 802 reserve trees and provided residents with 150 advanced trees and 55 tubestock trees to plant on their properties	13 CLIMATE ACTION 	32
Taking action to reduce natural habitat degradation and reduce the impact of invasive alien species through weed and vegetation management activities in coastal dunes, wetlands and riparian corridors	15 LIFE ON LAND 	32
Participating in local government reform to drive efficient and transparent Local Government representation	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	47



2: Our Council





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. It provides vital economic, social, cultural and environmental support to communities.

The legal context

The following pieces of legislation create the legal framework that we operate within. These laws also outline the four-yearly election process underpinning the representative nature of local councils:

- Constitution Act 1934 (SA)
- Local Government Act 1999 (SA)
- Local Government (Elections) Act 1999 (SA)

The role of Elected Members

Our community elects the Council, consisting of the Mayor and 17 Ward Members, who regularly connect with our community and represent its interests.

As a decision-making body, the Mayor and Elected Members set the strategic direction to make the City of PAE a better place in which to live, work and play. While Elected Members receive an allowance for their expenses, they act in a voluntary capacity.

Our Elected Members are responsible for:

- Civic leadership and setting the strategy for the future of the City
- Managing the natural and built environment
- Fostering economic development in partnership with other local government authorities and with state and federal governments
- Creating and developing meaningful social and cultural services and programs to enhance the wellbeing of residents and visitors
- Making decisions about the complex and important matters that are brought before Council and determining the action to be taken

They are assisted by the Chief Executive Officer and administrative staff, who carry out Council decisions in line with the relevant legislation.

Elected Members Representing Our Community

The City of PAE currently has approximately 89,105 electors across seven wards, equating to one Elected Member per 4,950 electors. In comparison, other councils of a similar size and type have average representation quotas ranging from 5,309 to 6,564 electors 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 review cycle, the next Elector Representation Review will occur in 2025.

At this time, the Council will examine:

- Whether the Council area should continue to be divided into wards, or whether the wards should be abolished
- How many Elected Members are required to provide fair and adequate representation
- Whether area Councillors are needed in addition to ward Councillors (under a ward structure)
- How to identify an appropriate ward structure (if it is required) and what level of ward representation is necessary
- How to name/identify any proposed future wards

Local Government Reform

The City of PAE has been active in the Local Government Reform discussions from 2019 to date. The key reform areas are:

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 and the Local Government Association (LGA) to achieve service improvements and efficiencies. 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

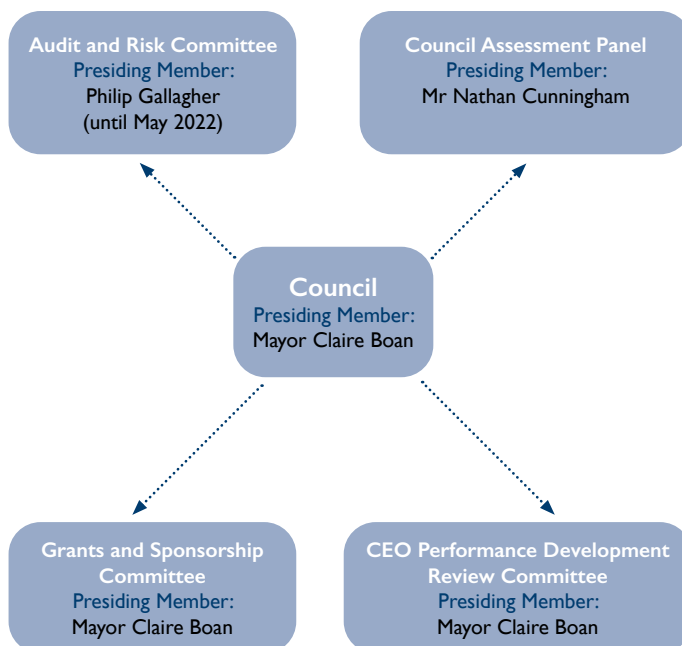
Our Elected Council meets monthly to carry out the ordinary business of the City of PAE. Special meetings are held when required, in accordance with the Local Government Act 1999. We have established four committees to assist in streamlining our work.

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. We place Council, committee and Council Assessment Panel Agendas 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. The agenda, reports and minutes for each meeting are public documents. They are available at the Council Office, at our libraries and on our website at

cityofpae.sa.gov.au/council/council-meetings/agendas-and-minutes

During 2020, the Minister issued a Notice which enabled councils to hold Council, committee and Council Assessment Panel (CAP) meetings electronically. We live streamed all Council meetings on our YouTube channel

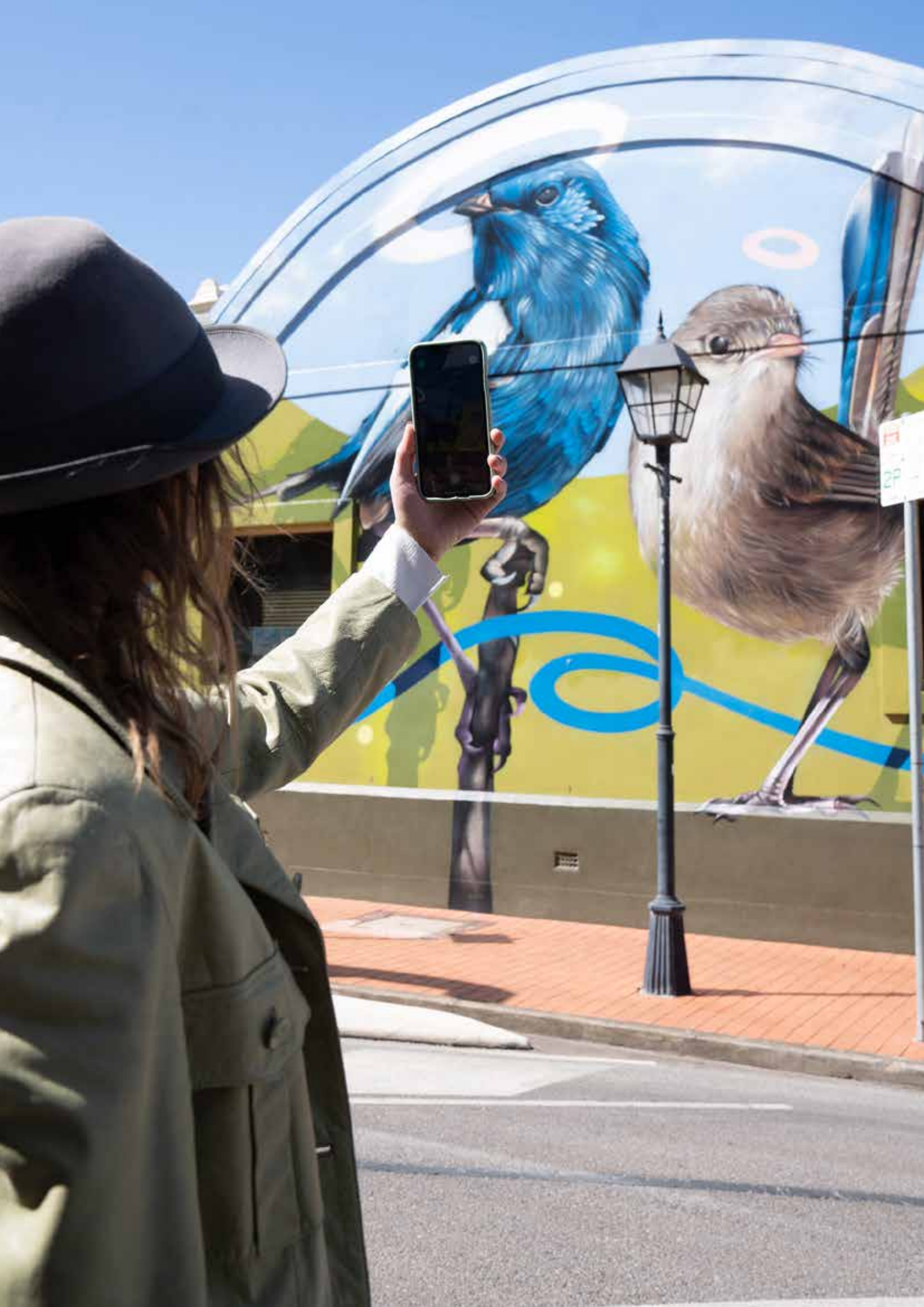
youtube.com/cityofpae



Council and Committee Roles and Functions

Committee/Panel	Roles and Functions	Membership
Council	<ul style="list-style-type: none"> To act as a representative, informed and responsible decision-maker in the interests of its community 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 To encourage and develop initiatives within its community for improving the quality of life of the community To represent the interests of its community to the wider community; and 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 	Mayor and all 17 Elected Members
Audit and Risk Committee	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.	Independent Chair; two Elected Members and two Independent Members
		Philip Gallagher resigned as Chair following 18 May 2022 committee meeting
		Lisa Bishop Acting Chair at June 2022 meeting
Chief Executive Officer Performance Development Review Committee (CEO PDR Committee)	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.	Mayor and 17 Elected Members
Grants and Sponsorship Committee	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.	Mayor and 17 Elected Members
Council Assessment Panel (CAP)	<p>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:</p> <ul style="list-style-type: none"> Consider all development applications referred by Council Officers for decision. 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 	One Elected Member and four Independent Members

Type Regulatory/Decision making/Advisory	Meetings	Delegation
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	Established under the Local Government Act 1999
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
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
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
Regulatory/Decision-making	Held on fourth Wednesday of every month at 6.30pm in the Town Hall, 34 Nile Street, Port Adelaide	Established under Section 83 Planning, Development and Infrastructure Act 2016



Attendance at Meetings

	Council	Audit and Risk Committee	CEO Professional Development Committee	Grants and Sponsorship Committee	Council Assessment Panel	Special Council Meetings
Mayor Boan	9	-	1	2	-	2
Cr Barca	10	-	2	1	-	2
Cr Basham	12	-	1	1	-	2
Cr Clayton	10	-	2	2	-	2
Cr Colombo	11	4	2	1	-	2
Cr Croci	7	-	2	1	-	0
Cr den Hartog	12	-	2	1	-	2
Cr Dinh	10	-	2	2	-	1
Cr Evans	12	-	1	1	-	2
Cr Martin	12	-	1	2	-	1f
Cr Mitchell	12	6	2	2	3	2
Cr Osborn	12	-	2	2	-	2
Cr Russell	9	-	2	1	-	1
Cr Tulloch	11	-	1	2	6	1
Cr Vines	12	-	1	1	-	2
Cr Wilkins	12	-	1	1	-	2
Cr Wright	12	-	2	2	-	2
Cr Wotton	11	-	2	2	-	2

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

CAWRA — Central Adelaide Waste and Recycling Authority

CAWRA was established by the Cities of Charles Sturt (CCS) and Port Adelaide Enfield (PAE). Its Charter was initially endorsed by both councils in late 2019 and was updated in November 2021. The CAWRA Annual Report for 2021–22 forms part of this Annual Report and is available as an appendix to this document.

Informal Gatherings

Informal gatherings are held for Elected Members in the form of a workshop or information briefing. Informal gatherings are usually open to the public, but they may occasionally be closed if the information being presented is confidential.

Informal gatherings are not held for decision-making purposes. Rather, they provide an opportunity for Elected Members to learn more about a topic before making decisions about it at a Council meeting. We publish the details of upcoming informal gatherings on our website weekly.

Elected Member and Committee Allowances

The Remuneration Tribunal sets Elected Member allowances, which are reviewed every four years prior to the Local Government General Election. The following allowances were paid to members:

- **Mayor:** \$99,461 per annum
- **Deputy Mayor:** \$31,082 per annum
- **Councillors:** \$24,866 per annum

Members of the Council Assessment Panel received a sitting fee of \$580 for each meeting they attended, while the Presiding Member received \$690.

Independent Members of the Audit and Risk Committee received a sitting fee of \$740 for each meeting they attended, while the Independent Chair received \$900.

Elected Member Training and Development

The Elected Members’ Conferences, Seminars, Training and Development Policy was endorsed on 27 November 2018. The following training programs were completed in 2021–22. Due to COVID-19, which resulted in fewer training opportunities, Elected Member attendance at training and development sessions was lower than normal.

Date	Training Program	Number of Attendees
29 October 2021	2021 LGA Conference and Annual General Meeting	1
25 November 2021	South Australia Coastal Councils Alliance (SACCA) Coastal Forum	1

Confidential Items

The Local Government Act 1999 specifies that Council meetings be held in a public place. However, 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 2021–22, there were 27 instances in which Council or a committee was satisfied of the necessity to consider an agenda item in confidence. These items were considered in accordance with Section 90(2) and Section 90(3) of the Local Government Act 1999. In all 27 instances, Council resolved under section 91(7) of the Local Government Act 1999 that these documents were to remain confidential for either a specified period of time or until an event occurs.

These matters are listed in the table on page 51.

During 2021–22, a total of 25 items lapsed or were released, meaning that Council determined to remove the confidential order over the information and made it available to the public. Meanwhile, 32 orders remained in confidence.

Meeting and Date	Item	Title	Reference from the Act	Confidentiality Order Applied
Council Meeting 13 July 2021	16.2	Pre Action Claim Legal Advice	90(2) and 90(3)(h)	Yes
Chief Executive Officer Performance Development Review 4 August 2021	5.2	Chief Executive Officer's Performance Development Review — Feedback on Performance	90(2) and 90 (3)(a)	Yes
Chief Executive Officer Performance Development Review 4 August 2021	5.6	Chief Executive Officer's Performance Development Review — Remuneration Proposal	90(2) and 90(3)(a)	Yes
Chief Executive Officer Performance Development Review 4 August 2021	5.9	Recommendation for Consultant to Support the Committee	90(2) and 90(3)(b)(i)(ii)	Yes
Council Meeting 10 August 2021	16.2	Renewal SA Land Transfers	90(2), 90(3)(d)(i)(ii) and 90(3)(j)(i)(ii)	Yes
Council Meeting 14 September 2021	16.2	Newhaven Village Recycled Water Scheme	90(2) and 90(3)(b)(i)(ii)	Yes
Council Meeting 14 September 2021	16.5	Semaphore Waterslide	90(2) and 90(3)(h)	Yes
Council Meeting 14 September 2021	16.8	Acquisition of Land at Port Adelaide	90(2), 90(3)(d)(i)(ii) and and 90(3)(j)(i)(ii)	Yes
Council Meeting 12 October 2021	16.2	Aboriginal and Torres Strait Islander Awards	90(2) and 90(3)(o)	Yes
Council Meeting 12 October 2021	16.5	Land Acquisitions Port Adelaide	90(2), 90(3)(d)(i)(ii) and and 90(3)(j)(i)(ii)	Yes
Council Meeting 12 October 2021	16.8	Renewal SA Land Transfers	90(2), 90(3)(d)(i)(ii) and and 90(3)(j)(i)(ii)	Yes
Council Meeting 14 December 2021	16.2	Australia Day Awards 2022 — Citizen of the Year	90(2) and 90(3)(o)	Yes

Meeting and Date	Item	Title	Reference from the Act	Confidentiality Order Applied
Council Meeting 14 December 2021	16.3	Australia Day Awards 2022 — Service to Community Awards	90(2) and 90(3)(o)	Yes
Council Meeting 14 December 2021	16.4	Australia Day Awards 2022 — Young Citizen and Junior Citizen of the Year	90(2) and 90(3)(o)	Yes
Council Meeting 14 December 2021	16.5	Australia Day Awards 2022 — Community Event and Emerging Community Event/Group of the Year	90(2) and 90(3)(o)	Yes
Council Meeting 25 January 2022	16.2	Review of Open Space around McLaren Parade, Port Adelaide	90(2) and 90(3)(b)(i)(ii)	Yes
Council Meeting 8 February 2022	16.2	Gepps Cross Reserve Change Rooms Project Update	90(2) and 90(3)(b)(i)(ii)	Yes
Audit Committee 16 February 2022	6.2	Appointment of External Auditors	90(2) and 90(3)(k)	Yes
Chief Executive Officer Performance Development Review 2 March 2022	6.2	2021–22 CEO Performance Review Process and Appointment of Consultants	90(2) and 90(3)(d)(i)(ii)	Yes
Council Meeting 8 March 2022	16.2	Appointment of External Auditors	90(2) and 90(3)(k)	Yes
Council Meeting 12 April 2022	16.2	Land Acquisition Birkenhead	90(2), 90(3)(d)(i)(ii) and 90(3)(j)(i)(ii)	Yes
Council Meeting 12 April 2022	16.5	Council Chambers Audio and Visual Equipment	90(2) and 90(3)(k)	Yes
Council Meeting 12 April 2022	16.8	Tour Down Under 2023 Bid	90(2) and 90(3)(d)(i)(ii)	Yes
Council Meeting 10 May 2022	16.2	LGA Consultation Feedback — Local Government Rates Oversight Scheme (ESCOSA)	90(2) and 90(3)(j)(i)(ii)	Yes

Meeting and Date	Item	Title	Reference from the Act	Confidentiality Order Applied
Council Meeting 10 May 2022	16.5	Intersection Upgrade — Pym Street and Exeter Terrace, Dudley Park	90(2) and 90(3)(b)(i)(ii)	Yes
Council Meeting 14 June 2022	16.2	Disposal of Land at Polonia Reserve, Croydon Park	90(2) and 90(3)(b)(i)(ii)	Yes
Council Meeting 14 June 2022	16.5	CAWRA — Draft Operating Budget 2022–23	90(2) and 90(3)(b)(i)(ii)	Yes

Confidential Provisions

The table below details the number of times that each section of the Local Government Act 1999 was used as the basis to consider confidential matters in private.

Relevant Item in the Local Government Act 1999	Description	Number of 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)	27
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)	2
90(3)(b)	Information the disclosure of which — (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 (ii) would, on balance, be contrary to the public interest	7
90(3)(d)	Commercial information of a confidential nature (not being a trade secret) the disclosure of which — (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 (ii) would, on balance, be contrary to the public interest	7
90(3)(j)	Tenders for the supply of goods, the provision of services or the carrying out of works	6
90(3)(h)	Legal advice	1
90(3)(k)	Tenders for the supply of goods, the provision of services or the carrying out of works	3
90(3)(o)	Information relating to a proposed award recipient before the presentation of the award.	5

Opportunities to be Heard by Council

Petitions

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 should:

- Be legibly written or typed
- Be an original document
- Set out the request/submission of the petitioners
- Be delivered to the principal office of the Council

During 2021–22, Council received 10 petitions.

A standard petition form is available on our website at  cityofpae.sa.gov.au/council/corporate-documents/forms

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.

During 2020–2021, Council considered 9 deputations.

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

During 2021–22, we received six applications for a review of a Council decision under Section 270. The applications and the outcomes are outlined in the table below:

Matter	Outcome
Driveway Crossover Review	Decision Remains
Tree Placement Review	Decision Remains
Intent to Issue Order Review	Decision Remains
Narrow Streets Signage Review	Decision Remains
Narrow Streets Signage Review	Decision Remains
Narrow Streets Signage Review	Decision Remains

Applicants were notified that if they were dissatisfied with the findings of the Section 270 review, they had the option to apply to the Ombudsman for assistance.

Our Elected Members

Outer Harbor Ward



Cr Vanessa Tulloch • 0427 480 790
vanessa.tulloch@cityofpae.sa.gov.au



Cr Adrian Wotton • 0459 355 869
adrian.wotton@cityofpae.sa.gov.au

Semaphore Ward



Cr David Wilkins • 0444 501 539
david.wilkins@cityofpae.sa.gov.au



Cr Helen Wright • 0439 485 737
helen.wright@cityofpae.sa.gov.au

Port Adelaide Ward



Cr Joost den Hartog • 0416 845 204
joost.denhartog@cityofpae.sa.gov.au



Cr Steve Vines • 0413 975 064
steve.vines@cityofpae.sa.gov.au

Parks Ward



Cr John Croci JP • 0481 091 022
john.croci@cityofpae.sa.gov.au



Cr Kim Dinh • 0410 729 255
kim.dinh@cityofpae.sa.gov.au



Cr Kat Mitchell • 0430 275 922
kat.mitchell@cityofpae.sa.gov.au



Mayor City of PAE



Mayor Claire Boan ● 8405 6773
claire.boan@cityofpae.sa.gov.au

Northfield Ward



Cr Mark Basham JP ● 0418 809 364
mark.basham@cityofpae.sa.gov.au



Cr Hannah Evans JP ● 0433 385 002
hannah.evans@cityofpae.sa.gov.au



Cr Matt Osborn ● 0402 760 028
matt.osborn@cityofpae.sa.gov.au

Klemzig Ward



Cr Tony Barca ● 0418 891 321
tony.barca@cityofpae.sa.gov.au



Cr Paul Russell ● 0407 500 881
paul.russell@cityofpae.sa.gov.au

Enfield Ward



Cr Carol Martin OAM JP
● 0417 828 195
carol.martin@cityofpae.sa.gov.au



Cr Barbara Clayton ● 0411 816 800
barbara.clayton@cityofpae.sa.gov.au



Cr Olivia Colombo
olivia.colombo@cityofpae.sa.gov.au



3: Our Organisation



Corporate Services

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

Externally, the Directorate provides Customer Service and runs the Visitor Information Centre, Communications and Engagement along with services to positively influence environmental sustainability, our local economy and the urban development of our City.

The services provided by the Corporate Services Directorate include:

- Communications and Engagement
- Corporate and Civic Governance
- Customer Relations
- Economic Development
- Elected Member Support
- Environmental Sustainability
- Finance and Property Rating
- ICT and Records Management
- Internal Audit
- People and Culture
- Policy and Strategy
- Project Management
- Risk Management
- Urban Planning and City Development
- Valuations
- Visitor Information Centre
- Work Health and Safety

Our Organisation

The function of Council Administration is to support and carry out the decisions of the Council. Each of our employees contributes to our constructive workplace culture by being supportive, taking on challenges, seizing opportunities and building strong relationships.

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

The structure of the City of PAE's Administration consists of three directorates – Corporate Services, Community Development and City Assets. Each of these three directorates reports through their Directors to the Chief Executive Officer.

Community Development

The Community Development Directorate provides and promotes a range of opportunities for the community. Its services, programs, information and facilities enhance the community's quality of life, celebrate culture and support social growth and change.

The Directorate also manages activities that impact 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:

- Animal Management
- Community Centres and Halls
- Community Grants
- Community Safety
- Community Transport
- Development and Building Assessment and Advice
- Food and Health Inspections
- Heritage Building Advice
- Home Support Services for Older People
- Immunisation
- Libraries and Community Learning
- Placemaking and Events
- Recreation and Sport
- Volunteers
- Waste Management
- Youth Programs

City Assets

Our City Assets Directorate plans, provides and maintains sustainable infrastructure to enable the community to enjoy a high quality of life. It works to support business to flourish in the City.

The services provided by the City Assets Directorate include:

- Asset Management Systems
- Car Parking
- Engineering and Planning Services
- Infrastructure Maintenance
- Linemarking
- New Infrastructure Projects
- Open Space Management and Construction
- Property Maintenance and Management
- Public Lighting
- Recreational Facilities
- Road & Footpath Upgrades
- Road Construction and Repair
- Road Safety Improvements
- Stormwater Management
- Streetscape Management
- Transport, Pedestrian and Cycling Infrastructure

Our Staff

	Female	Male	Total	Full Time Equivalent (FTE)
Contract Full Time	29	25	54	54
Contract Part Time	15	3	18	11.66
Full Time	103	277	380	380
Part Time	62	4	66	45.24
Total	209	309	518	490.90

Senior Executive Officers

There are four Senior Executive Officers at the City of PAE — 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.

Enterprise Bargaining

Two industrial instruments define the employment conditions for Council employees working under the Local Government Workers Award and the Salaried Municipal Officers Award.

Our Enterprise Agreements are created to ensure that our employees are productive and that they can perform the responsibilities of their role in a safe, positive and constructive work environment. These agreements provide direction and clarity for employees and Council to ensure great service outcomes for our community.

- The City of Port Adelaide Enfield Municipal Officers Workplace Agreement No. 5 — 2020 was certified on 17 June 2020 and will expire on 31 December 2022
- The City of PAE Field Staff Enterprise Agreement No. 11 — 2021 was certified on 7 June 2021 and will expire on 30 June 2024

Risk Management

We continue to work hard to refine and monitor Strategic Risks. The 22 Strategic Risks are those that we believe may have an impact on our ability to deliver on the 2030 vision for our community via the City Plan.

At least four times a year, we present regular reports to the Audit and Risk Committee on the effectiveness of the controls we have applied to reduce the occurrence or impact of these strategic risks. We also scan our broader environment to ensure that we are aware of external changes that may impact our ability to deliver on our commitments to the community. We implement strategies to ensure that we stay on track.

Auditor

In accordance with Section 128(9) of the Local Government Act, during the 2021–22 financial year, Council's external auditor was remunerated \$30,200 for the audit of Council's financial statements and \$1,500 for other services.

Credit Card Expenditure

In accordance with Schedule 4 of the Local Government General Regulations 2013, we spent \$336,371.37 using corporate credit cards.

Legal Expenditure

In accordance with Section 131 (1a) of the Local Government Act 1999, we spent \$650,427 on legal expenses.

Work Health and Safety

Work Health and Safety (WHS) is a priority for the City of PAE. We strive to create an environment and culture where safety is at the forefront of everything we do.

WHS sits within the People and Culture section, which is part of the Corporate Services Directorate. WHS is supported by:

- The WHS and Return To Work Management Framework
- The Strategic Improvement Plan
- A suite of policies, procedures, task-specific risk assessments, guides and forms

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

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

We participate in the annual Healthy Lifestyle program sponsored by Local Government Risk Services. This program includes employee skin screening, fitness assessments and seminars on health and nutrition.

Diversity and Inclusion

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

Equal Opportunity Officers support their colleagues in many ways, including giving advice about the interpretation of policies and understanding expectations around the code of conduct. They are also available to be present in a neutral capacity at meetings. Our Recruitment and Selection Policy and our recruitment training for employees guide equal opportunity employment.

During 2021–22, we also continued work on our Aboriginal Employment Strategy and a broader Diversity and Inclusion Strategy.

Employee Training and Development

The City of PAE encourages and supports its employees' training and development. This includes support with and access to:

- Further education
- Job-relevant conference/seminar attendance
- Leadership development programs
- Industry-specific networking events
- Internal training programs

Such opportunities enable employees to perform at their best within both the local government sector and their related discipline.

Investment in our people is key to continuous improvement, and it enhances our capability to deliver our City Plan priorities. We also collaborate with our local government partners to provide opportunities for our employees to participate in learning and development initiatives more broadly across the sector. These opportunities include the Local Government Professionals Emerging Leaders Program and the Management Challenge Program.

Our traineeships and work experience program offer young people residing or attending school within PAE an opportunity to study and learn 'on the job' through experiencing roles and functions across Council.

Three employees attended Interstate Conferences in the 2021–22 Financial Year, with a total cost of \$5,179.86. This figure includes conference costs, accommodation, flights, meal allowance and cabcharges.



Our Organisational Values

We continue to grow our workplace culture at PAE with initiatives that support and encourage a constructive workplace environment.

A constructive workplace environment focuses on being productive, positive, supportive and encouraging. We empower our employees to deliver the objectives of our City Plan in considered, effective and innovative ways. We strive for excellence, celebrate our successes and address issues in an open, honest and fair way.

We encourage our employees to build good relationships with our customers and to act in their best interests. We are committed to making decisions focused on the public good.

We work towards improvement and innovation in the way we deliver public good, and we believe in the importance of working together through collaboration and open communication, and providing care and support for one another. Our organisational values are:

- Make a Difference
- Grow and Improve
- Better Together

During 2021–22, we implemented a new web-based tool that enables us to check how we are tracking in terms of our organisational values. Teams receive the results each month, creating an opportunity to discuss our values at team meetings, so that we can identify what is working well and where we feel we can improve.

Working Parties and Groups

Our working parties and groups examine and investigate specific issues and facilitate or oversee a range of activities. These include the:

- Aboriginal Advisory Panel (comprising community members and Elected Members)
- Domestic and Family Violence Workgroup
- Emergency Planning Committee
- Executive Leadership Team
- Green Buildings Working Group
- Incident Management Team — COVID-19
- IT Strategy and Policy Group
- Major Projects Group
- Senior Leadership Team
- Workplace Health and Safety Committee (staff)

We also form internal workgroups focused on exploring specific topics as required.

Building Fire Safety Committee

The Building Fire Safety Committee investigates and ensures that owners are maintaining proper levels of fire safety in their buildings. Where the Committee identifies deficiencies, it requires owners to improve fire safety standards to a minimum acceptable level.

To achieve this, the Building Fire Safety Committee undertakes proactive inspections, responds to public concerns and takes action on South Australian Metropolitan Fire Service reports relating to identified deficiencies.

National Competition Policy

We do not operate any significant business activities within either Category 1 or Category 2 under the National Competition Policy. We received no complaints about the application of competitive neutrality during 2021–22.

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

Delegations

Delegations are the powers that Council delegates to committees (for example, the Council Assessment Panel) and to the Chief Executive Officer. They enable the delegate to conduct activities within their authorisation without referring to Council.

Under Section 44 of the Local Government Act 1999, Council may delegate a power or a function vested or conferred under this or another Act. Other Acts also contain specific powers of delegation. Delegations that the Council makes 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 from those specified in the Local Government Act 1999. A delegation made under Section 44 of the Local Government Act 1999 is revocable at will and does not prevent the Council from acting on a matter. We review the delegations throughout the year, ensuring consistency with legislative and organisational requirements.

The PAE Delegations Manual contains all delegations to the Chief Executive Officer and committees by Council and is available on our website at:

 cityofpae.sa.gov.au/council/corporate-documents/delegations

Use of Local Goods and Services

Under Section 49(1) of the Local Government Act 1999, we have recently updated and strengthened the Council Policy — Procurement. 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.

Our updated policy focuses more closely on utilising local goods manufacturers and local goods and services suppliers, in consideration with a range of other factors, to assist us in delivering all contracted requirements. Through this policy we are giving local suppliers the opportunity to tender and quote for the supply of goods and services.

In late 2021 we also implemented an eMarketplace portal, to connect local businesses to deliver goods and services to meet our requirements.

Competitive Tendering

Our 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, we 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 the estimated gross value of expenditure exceeds \$100,000 (excluding GST).

Throughout the year, we released 31 tenders via Tenders SA to the market to support the deliverables of Council.

Reporting Required under the Local Nuisance and Litter Control Act 2016

One of our 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 2016.

During 2021–22, we received a total of 3,064 littering and 963 local nuisance reports. The following table indicates the number and subject of abatement notices we issued throughout the reporting period:

Reason	Abatement Notices Issued
Litter	1
Nuisance Animal	2
Unightly Premises	2

The following table illustrates the reason for, and number of, expiations issued by Council, in relation to local nuisance and litter matters throughout the 2021–22 reporting period:

Matter	Number of Expiations
Litter Dispose of more than 50L of Class B or General Litter (<i>Body Corporate</i>)	1
Litter Dispose of more than 50L of Class B or General Litter (<i>Person</i>)	13
Litter Dispose of up to 50L of Class B Litter	5
Litter Dispose of up to 50L of General Litter	17
Litter — Fail to remove litter if asked	1
Bill Posting — Post a bill on property without consent	3
Fail to comply with nuisance abatement notice (<i>Person</i>)	1
Carry on activity that results in local nuisance (<i>Person</i>)	2
Carry on activity that results in local nuisance (<i>Body Corporate</i>)	1

Management Plans for Community Land

Community Land Management Plans (CLMPs) are fundamental documents that ensure that we are managing some of our most important community assets — open spaces. CLMPs demonstrate our commitment to the community to manage our land in an effective, transparent and orderly way. We continue to review our performance under the objectives of the CLMPs. We currently operate 14 CLMPs for the following locations and precincts:

- Active Recreation Reserves
- Alberton Oval
- Beaches
- Coastal 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

Codes

We maintain codes of conduct or practice to provide guidelines and to support accountability as well as to meet various requirements under the Local Government Act 1999 and Local Government (Elections) Act 1999.

The list of codes is 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 the use of Confidentiality Provisions under the Local Government Act — Section 92
- Code of Practice — Meeting Procedures
- Ministers Code of Conduct — Council Assessment Panel

Registers and Other Documents

We maintain several registers to enable accountability and transparency. The list of registers that we are required to keep 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) (Sections 68 and 70)
- Register of Interest (Members) — Excerpt (Section 68)
- Register of Interests (Officers) (Section 116)
- Register of Public Roads (Section 231)
- Register of Remuneration, Salaries and Benefits (Section 105)
- Gifts and Benefits Register — Employee (Section 110(1))
- Gifts and Benefits Register — Elected Member (Section 63)
- Delegations Manual (Section 44(6))

We also maintain 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 resources. They guide our activities and inform our customers and the community about the scope of decisions or actions relating to our programs, responsibilities and services. We regularly review each policy.

We also operate under a suite of administrative policies that we manage internally and that do not require endorsement by the Council.

We review policies under the Framework 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 to be considered during a policy review
- Whether there have been customer complaints about policy content and whether these concerns should be considered when reviewing the policy

Departments review relevant Council Policies, and the Executive Leadership Team confirms proposed amendments prior to the policies being forwarded to Council for endorsement.

People can make enquiries with our Customer Relations team about accessing and inspecting procedures related to our policy documents or administrative policies.

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. Some documents are also available on our website at www.cityofpae.sa.gov.au

We can provide many of these documents free of charge to the public. Where a fee is payable for a copy of a document, that fee is set out in the Schedule of Fees and Charges (subject to review by Council in June each year). A list of documents available for inspection is provided in our Freedom of Information Statement, which is available on our website at:



www.cityofpae.sa.gov.au/connect/contact-us/freedom-of-information

Freedom of Information

We are pleased to provide information to residents and 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 under the Freedom of Information Act 1991. Under this legislation, an application fee must be forwarded with the request, although exemptions may be granted in some cases. If the applicant requires copies of any documents requested under 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 as follows:

- **Online at:** www.cityofpae.sa.gov.au/connect/contact-us/freedom-of-information
- **In person at the Civic Centre and Greenacres and Enfield Libraries**

Applicants can send back forms and enquiries in the following ways:

- **By post:** Freedom of Information Officer, City of Port Adelaide Enfield, PO Box 110, Port Adelaide SA 5015
- **By email:** service@cityofpae.sa.gov.au

FOI applications will receive a response as soon as possible. It is a statutory requirement that we respond within 30 days of 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, the applicant must complete a Freedom of Information Request for Access form (as described above), outlining the records that the applicant wishes to inspect. The applicant should forward the completed form to the Freedom of Information Officer.

We received 32 applications under the Freedom of Information Act 1991 for the 12 months to 30 June 2022:

- 2 applications were refused, as the information sought was publicly available
- 2 applications failed to find any documents in Council's systems relevant to the scope of the FOI request
- 1 application was withdrawn by an applicant before information could be provided

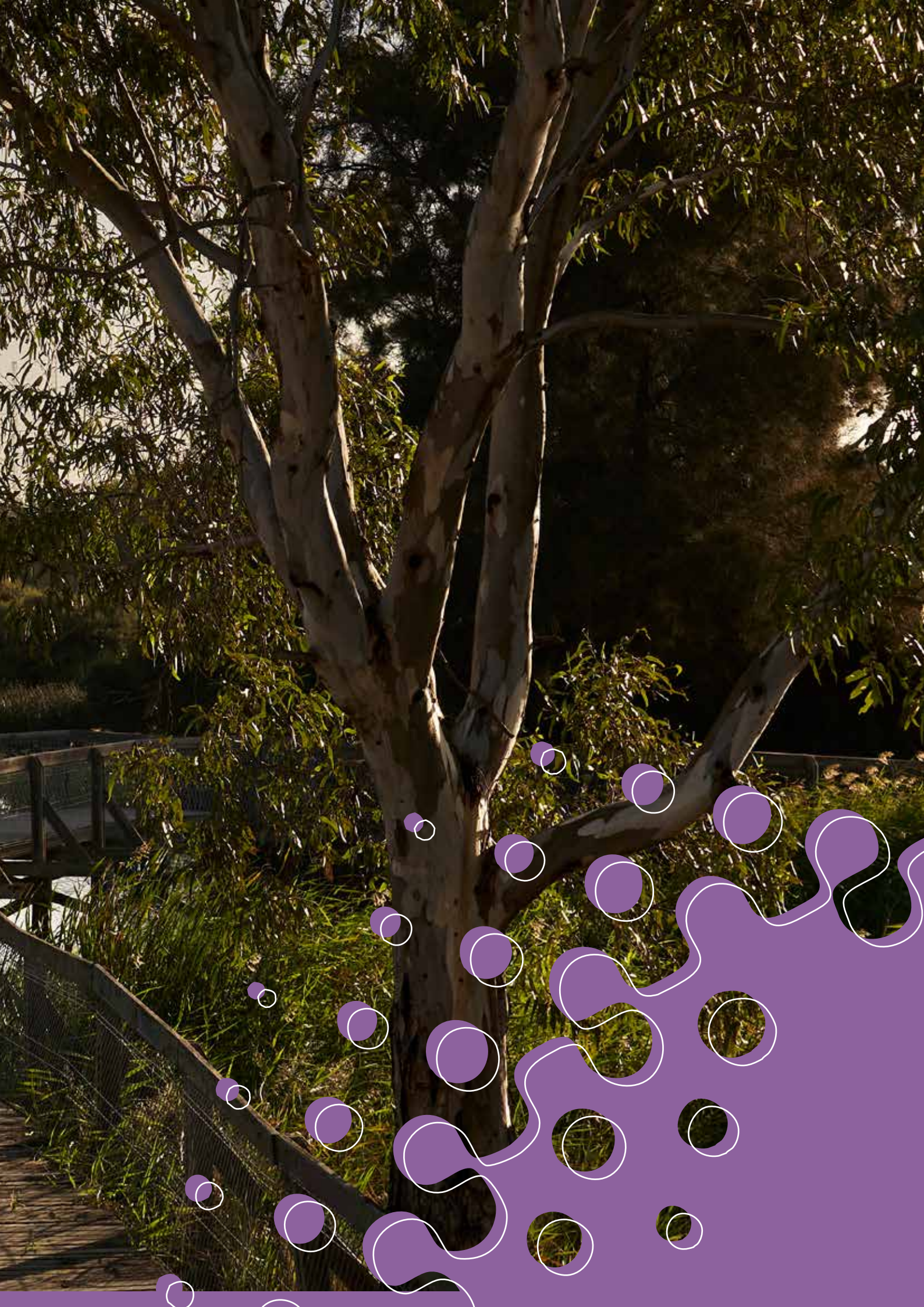
Application outcomes:

- 8 applications were determined to be released in full
- 19 applications had partial release granted under Schedule 1 of the Act
- 14 applications had partial release granted under Clause 6 (Documents affecting personal affairs)
- 3 applications had partial release granted under Clause 6 (Documents affecting personal affairs) and also contained plans deemed copyright
- 1 application was partially released under both Clause 6 (Documents affecting personal affairs) and Clause 7 (Documents affecting business affairs)
- 1 application was partially released under both Clause 6 (Documents affecting personal affairs) and Clause 13 (Documents containing confidential material)

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



4 :: Appendices



City of Port Adelaide Enfield

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2022

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



City of Port Adelaide Enfield

General Purpose Financial Statements

for the year ended 30 June 2022

Contents	Page
Council Certificate	2
Understanding Council's Financial Statements	3
Principal Financial Statements	
Statement of Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to and forming part of the Financial Statements	8
Independent Auditor's Report – Financial Statements	43
Independent Auditor's Report – Internal Controls	45
Certificates of Audit Independence	
Council Certificate of Audit Independence	47
Audit Certificate of Audit Independence	48

City of Port Adelaide Enfield

General Purpose Financial Statements

for the year ended 30 June 2022

Certification of Financial Statements

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

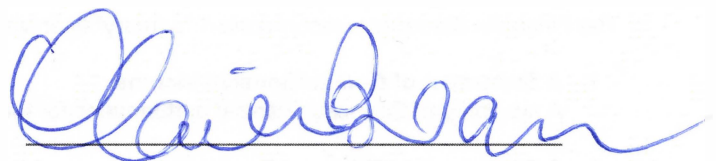
In our opinion:

- 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 2022 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

08 November 2022



Claire Boan
Mayor

08 November 2022

City of Port Adelaide Enfield

General Purpose Financial Statements

for the year ended 30 June 2022

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 2022.

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 balance sheet, 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 specialise 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 2022

\$ '000	Notes	2022	2021
Income			
Rates	2a	113,606	109,874
Statutory Charges	2b	4,812	4,120
User Charges	2c	2,982	2,485
Grants, Subsidies and Contributions	2f	11,620	10,293
Investment Income	2d	23	26
Reimbursements	2e	4,170	3,700
Net Gain - Equity Accounted Council Businesses	19(a)	—	804
Total Income		137,213	131,302
Expenses			
Employee costs	3a	49,062	47,058
Materials, Contracts and Other Expenses	3b	47,643	45,497
Depreciation, Amortisation and Impairment	3c	35,095	34,237
Finance Costs	3d	160	270
Net loss - Equity Accounted Council Businesses	19(a)	207	—
Total Expenses		132,167	127,062
Operating Surplus / (Deficit)		5,046	4,240
Physical Resources Received Free of Charge	2g	6,811	15,150
Asset Disposal & Fair Value Adjustments	4	(6,117)	(3,248)
Amounts Received Specifically for New or Upgraded Assets	2f	3,744	2,175
Net Surplus / (Deficit)		9,484	18,317
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	2,547	(10,909)
Total Amounts which will not be reclassified subsequently to operating result		2,547	(10,909)
Total Other Comprehensive Income		2,547	(10,909)
Total Comprehensive Income		12,031	7,408

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

City of Port Adelaide Enfield

Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	Restated 2021
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	3,006	2,185
Trade & Other Receivables	5b	4,451	4,059
Inventories	5c	289	302
Other Current Assets	5d	—	7,633
<u>Subtotal</u>		<u>7,746</u>	<u>14,179</u>
Total current assets		<u>7,746</u>	<u>14,179</u>
Non-current assets			
Financial Assets	6a	21	16
Equity Accounted Investments in Council Businesses		1,778	1,985
Other Non-Current Assets	6b	21,151	10,197
Infrastructure, Property, Plant & Equipment	7a(i)	1,631,987	1,619,595
Total non-current assets		<u>1,654,937</u>	<u>1,631,793</u>
TOTAL ASSETS		<u>1,662,683</u>	<u>1,645,972</u>
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	19,172	13,349
Borrowings	8b	1,120	1,362
Provisions	8c	12,763	12,083
<u>Subtotal</u>		<u>33,055</u>	<u>26,794</u>
Total Current Liabilities		<u>33,055</u>	<u>26,794</u>
Non-Current Liabilities			
Borrowings	8b	10,627	12,247
Provisions	8c	769	730
Total Non-Current Liabilities		<u>11,396</u>	<u>12,977</u>
TOTAL LIABILITIES		<u>44,451</u>	<u>39,771</u>
Net Assets		<u>1,618,232</u>	<u>1,606,201</u>
EQUITY			
Accumulated surplus		868,029	850,798
Asset revaluation reserves	9a	734,386	739,608
Other reserves	9b	15,817	15,795
Total Council Equity		<u>1,618,232</u>	<u>1,606,201</u>
Total Equity		<u>1,618,232</u>	<u>1,606,201</u>

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

City of Port Adelaide Enfield

Statement of Changes in Equity

for the year ended 30 June 2022

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2022					
Balance at the end of previous reporting period		850,798	739,608	15,795	1,606,201
Restated opening balance		850,798	739,608	15,795	1,606,201
Net Surplus / (Deficit) for Year		9,484	—	—	9,484
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	2,547	—	2,547
- Land & Buildings Asset Revaluation Reserve		—	—	—	—
- Infrastructure Asset Revaluation Reserve		—	—	—	—
Other comprehensive income		—	2,547	—	2,547
Total comprehensive income		9,484	2,547	—	12,031
Transfers between Reserves		7,747	(7,769)	22	—
Balance at the end of period		868,029	734,386	15,817	1,618,232
2021					
Balance at the end of previous reporting period		832,660	752,597	12,130	1,597,387
Adjustments (due to voluntary changes in Accounting Policies)	24	1,406	—	—	1,406
Restated opening balance		834,066	752,597	12,130	1,598,793
Net Surplus / (Deficit) for Year		18,317	—	—	18,317
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	(10,909)	—	(10,909)
- Land & Buildings Asset Revaluation Reserve		2,080	(2,080)	—	—
- Infrastructure Asset Revaluation Reserve		—	—	—	—
Other comprehensive income		2,080	(12,989)	—	(10,909)
Total comprehensive income		20,397	(12,989)	—	7,408
Transfers between Reserves		(3,665)	—	3,665	—
Balance at the end of period		850,798	739,608	15,795	1,606,201

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

City of Port Adelaide Enfield

Statement of Cash Flows

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Cash flows from operating activities			
<u>Receipts</u>			
Operating Receipts		145,656	141,177
Investment Receipts		23	26
<u>Payments</u>			
Operating Payments to Suppliers and Employees		(107,210)	(101,675)
Finance Payments		(191)	(239)
Net cash provided by (or used in) Operating Activities	11b	<u>38,278</u>	<u>39,289</u>
Cash flows from investing activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		12,035	3,147
Sale of Replaced Assets		675	1,839
Sale of Non Current Assets "held for sale"		8,451	–
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(27,884)	(30,455)
Expenditure on New/Upgraded Assets		(28,808)	(18,514)
Capital contributed to Equity Accounted Council Businesses		–	(1,297)
Net cash provided (or used in) investing activities		<u>(35,531)</u>	<u>(45,280)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Borrowings		52,400	41,315
<u>Payments</u>			
Repayments of Borrowings		(53,332)	(38,974)
Repayment of Lease Liabilities		(931)	(936)
Repayment of Bonds & Deposits		(63)	–
Net Cash provided by (or used in) Financing Activities		<u>(1,926)</u>	<u>1,405</u>
Net Increase (Decrease) in Cash Held		<u>821</u>	<u>(4,586)</u>
plus: Cash & Cash Equivalents at beginning of period		<u>2,185</u>	<u>6,771</u>
Cash and cash equivalents held at end of period	11a	<u>3,006</u>	<u>2,185</u>
Additional Information:			
Total Cash, Cash Equivalents & Investments		<u>3,006</u>	<u>2,185</u>

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Contents of the Notes accompanying the General Purpose Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	9
2	Income	15
3	Expenses	17
4	Asset Disposal & Fair Value Adjustments	19
5	Current Assets	20
6	Non-Current Assets	21
7	Infrastructure, Property, Plant & Equipment & Investment Property	22
8	Liabilities	25
9	Reserves	25
10	Assets Subject to Restrictions	27
11	Reconciliation to Statement of Cash Flows	27
12(a)	Functions	29
12(b)	Components of Functions	30
13	Financial Instruments	30
14	Capital Expenditure and Investment Property Commitments	34
15	Financial Indicators	35
16	Uniform Presentation of Finances	36
17	Leases	37
18	Superannuation	38
19	Interests in Other Entities	39
20	Non-Current Assets Held for Sale & Discontinued Operations	39
21	Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet	40
22	Events after the Balance Sheet Date	40
23	Related Party Transactions	41
24	Equity – Retained Earnings and Revaluation Reserves Adjustments	42

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

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 dated 08 November 2022 under regulation 14 of the *Local Government (Financial Management) Regulations 2011*.

1.2 Critical Accounting Estimates

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

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of 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 consolidated 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. In April 2022, the Federal Government paid an amount of \$3,727,939 being untied financial assistance grants, which is recognised on receipt in advance of the year of allocation. In the previous financial year, grants received in advance were \$2,243,888. The advance payment in 2021/22 represents approximately 75% and in 2020/21 approximately 50% of the amount expected for the respective year.

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

Construction Contracts

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

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

(4) Cash, Cash Equivalents and other Financial Instruments

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

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

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

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

(5A) Other Assets - Real Estate Held for Sale

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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

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. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

6.4 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.

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	10 to 160 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

(7) Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

(8) Borrowings

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.

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. 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

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.

12.1 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

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*"

- 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 accounting standards and UIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to AASB 16 Covid-19 Related Rent Concessions

In 2020, the AASB issued AASB 2020-4, Amendments to AASs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, in 2021 the AASB extended the period of application of the practical expedient to 30 June 2022. This amendment had no impact on the consolidated financial statements of the Council.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2022, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

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

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

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1. Summary of Significant Accounting Policies (continued)

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

- AASB 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-Current and associated standards (amended by AASB 2020-6)
- AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (amended by AASB 2021-6)

Effective for NFP annual reporting periods beginning on or after 1 January 2025

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5 and AASB 2021-7))

(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 2022

Note 2. Income

\$ '000	2022	2021
(a) Rates		
General Rates		
General Rates	113,950	110,436
Less: Mandatory Rebates	(3,014)	(2,960)
Less: Discretionary Rebates, Remissions & Write Offs	(506)	(751)
Total General Rates	110,430	106,725
Other Rates (Including Service Charges)		
Regional Landscape Levy (RLL)	2,909	2,816
New Haven Village Water Management	37	37
Total Other Rates (Including Service Charges)	2,946	2,853
Other Charges		
Penalties for Late Payment	314	380
Total Other Charges	314	380
Less: Discretionary Rebates, Remissions & Write Offs	(84)	(84)
Total Rates	113,606	109,874

(b) Statutory Charges

Credit Control Fees and Charges	196	191
Development Act Fees (Building)	57	345
Development Act Fees (Planning)	2,437	1,758
Dog Control Registration	948	753
Fire Protection Fees	17	12
Health	72	27
Licences - Supported Facilities	4	6
Other Licences, Fees & Fines	47	30
Parking Fines / Expiation Fees	777	740
Property Search Fees	257	257
Road Café Licences	–	1
Total Statutory Charges	4,812	4,120

(c) User Charges

Commercial Activity Revenue	1,128	651
Community Centre Program Fees	118	105
Golf Course Fees	672	728
Health Food & Safety Fees	7	6
Immunisation Fees	79	76
Photocopying / Printing Fees	48	64
Sanitary and Garbage Fees	27	17
Sundry Sales	82	47
Sundry User Charges	37	29
Hall , Equipment & Facilities Hire Fees	783	762
Library Fines	1	–
Total User Charges	2,982	2,485

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 2. Income (continued)

\$ '000	2022	2021
(d) Investment Income		
Interest on Investments		
- Local Government Finance Authority	12	9
- Banks & Other	11	17
Total Investment Income	23	26

(e) Reimbursements

Commercial Activities	445	50
Drainage & Footway Maintenance	529	239
Environmental Management	161	354
Fuel Tax Rebate	116	191
General Administration	501	416
Halls & Community Centres	11	20
Home & Community Care Program	195	155
Human Resources	53	85
Insurance Recoveries	1,335	1,368
Lease Recoveries	7	11
LGFA Bonus	17	19
Library Activities	9	8
Private Works	79	321
Recreation Services	389	217
Tourism Activities	1	1
Traffic Control	230	175
Other	92	70
Total Reimbursements	4,170	3,700

(f) Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets	3,744	2,175
Total Amounts Received Specifically for New or Upgraded Assets	3,744	2,175
Operating Grants, Subsidies and Contributions		
- Community Development	362	287
- Corporate Development	1,458	1,287
- Engineering Services	3,575	3,843
- Health & Community Services	2,497	2,632
Individually Significant Item	3,728	2,244
Total Other Grants, Subsidies and Contributions	11,620	10,293
Total Grants, Subsidies, Contributions	15,364	12,468

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 2022

Note 2. Income (continued)

\$ '000	2022	2021
(i) Sources of grants		
Commonwealth Government	4,616	5,396
State Government	10,678	7,007
Other	70	65
Total	15,364	12,468

(ii) Individually Significant Items

Grant Commission (FAG) Grant Recognised as Income	3,728	2,244
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In April 2022 the Federal Government advanced approximately 75% of the 2022-2023 annual Financial Assistance Grant (FAG).

(g) Physical Resources Received Free of Charge

Stormwater Drainage	550	2,510
Land & Buildings	3,937	7,553
Roadways	341	2,481
Footways	1,245	1,621
Kerb & Water Table	738	985
Total Physical Resources Received Free of Charge	6,811	15,150

Note 3. Expenses

\$ '000	Notes	2022	2021
(a) Employee costs			
Salaries and Wages		38,787	38,288
Superannuation Contributions	18	4,215	3,990
Workers' Compensation Insurance		2,089	1,978
Annual Leave Expense		4,083	3,912
Long Service Leave Expense		1,489	920
Less: Capitalised and Distributed Costs		(1,601)	(2,030)
Total Operating Employee Costs		49,062	47,058
Total Number of Employees (full time equivalent at end of reporting period)		491	472

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 3. Expenses (continued)

\$ '000	2022	2021
(b) Materials, Contracts and Other Expenses		
(i) Prescribed Expenses		
Auditor's Remuneration		
- Auditing the Financial Reports	31	38
- Other Services	2	2
- Other Auditors	–	25
Bad and Doubtful Debts	(11)	4
Elected Members' Expenses	560	555
Election Expenses	67	32
Lease Expense - Low Value Assets / Short Term Leases	226	130
Subtotal - Prescribed Expenses	875	786
(ii) Other Materials, Contracts and Expenses		
Contractors	29,042	27,276
Legal Expenses	650	826
Parts, Accessories & Consumables	4,269	4,146
Professional Services	1,037	839
Levies Paid to Government - Dog & Cat Management Board Levy	190	171
Levies Paid to Government - Regional Landscape Levy	2,824	2,690
Levies Paid to Government - Emergency Services Levy	146	141
Levies Paid to Government - Other	171	118
Contributions and Donations - Economic Affairs & Tourism	224	131
Contributions and Donations - Recreation & Culture	252	143
Contributions and Donations - Other	436	636
Contract Labour	1,932	1,939
Fringe Benefits Tax	250	242
Electricity	2,827	3,291
Water & Sewerage Rates	2,617	2,733
Fuel, Gas & Lubricants	972	724
Advertising	251	132
Bank Charges	196	201
Insurance (excl. Workers Comp'n)	1,710	1,657
Local Govt. Assoc. Subscription	94	92
Licence Fees - Data Processing	1,465	1,362
Postage	211	228
Telephone Expenses	399	424
Training Expenses	347	321
Vehicle Registration & Insurance	238	220
Other	1,583	1,381
Less: Capitalised and Distributed Costs	(7,565)	(7,353)
Subtotal - Other Material, Contracts & Expenses	46,768	44,711
Total Materials, Contracts and Other Expenses	47,643	45,497

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 3. Expenses (continued)

\$ '000	2022	2021
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings	9,205	8,863
Infrastructure	22,206	21,723
Right-of-use Assets	946	951
Plant & Equipment	1,891	1,776
Furniture & Fittings	520	470
Waste Bins	230	212
Software	97	242
Subtotal	35,095	34,237
<u>Total Depreciation, Amortisation and Impairment</u>	<u>35,095</u>	<u>34,237</u>

(d) Finance Costs

Charges on Finance Leases	66	86
Local Govt. Finance Authority	94	184
<u>Total Finance Costs</u>	<u>160</u>	<u>270</u>

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2022	2021
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	–	772
Less: Carrying Amount of Assets Sold	(7,769)	(3,890)
Gain (Loss) on Disposal	(7,769)	(3,118)
(ii) Assets Surplus to Requirements		
Proceeds from Disposal	9,126	1,067
Less: Carrying Amount of Assets Sold	(7,474)	(1,197)
Gain (Loss) on Disposal	1,652	(130)
<u>Net Gain (Loss) on Disposal or Revaluation of Assets</u>	<u>(6,117)</u>	<u>(3,248)</u>

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 5. Current Assets

\$ '000	2022	2021
(a) Cash & Cash Equivalent Assets		
Deposits with Local Govt. Finance Authority	2,336	1,669
Cash on Hand	5	5
Cash at Bank	665	511
Total Cash & Cash Equivalent Assets	3,006	2,185
(b) Trade & Other Receivables		
Rates - General & Other	821	1,642
Debtors - General	2,060	1,514
GST Recoupment	962	650
Prepayments	622	511
Fuel Tax Claimable	4	11
Subtotal	4,469	4,328
Less: Allowance for Doubtful Debts	(18)	(269)
Total Trade & Other Receivables	4,451	4,059
Provision for Doubtful Debts		
Opening Provision	269	272
Add: Increase/(Decrease) in Provision	(251)	(3)
Closing Provision for Doubtful Debts	18	269
Nature of Impaired Trade Receivables 90 Days and Over		
Rates Receivable	–	192
Sundry Debtors	18	77
Closing Provision for Doubtful Debts	18	269

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 5. Current Assets (continued)

\$ '000	2022	2021
(c) Inventories		
Stores & Materials	289	302
<u>Total Inventories</u>	<u>289</u>	<u>302</u>
(d) Other Current Assets		
Real Estate Held for Sale	—	7,633
<u>Total Other Current Assets</u>	<u>—</u>	<u>7,633</u>

Note 6. Non-Current Assets

\$ '000	2022	2021
(a) Financial Assets		
Receivables		
Rates & General	21	16
Subtotal	<u>21</u>	<u>16</u>
Total Receivables	<u>21</u>	<u>16</u>
<u>Total Financial Assets</u>	<u>21</u>	<u>16</u>
(b) Other Non-Current Assets		
Other		
Capital Works-in-Progress	21,151	10,197
Total Other	<u>21,151</u>	<u>10,197</u>
<u>Total Other Non-Current Assets</u>	<u>21,151</u>	<u>10,197</u>

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment & Investment Property

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

		as at 30/06/21				Asset movements during the reporting period							as at 30/06/22			
	Fair Value Level	At Fair Value	At Cost Restated	Accumulated Depreciation	Carrying amount Restated	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Tfrs from/(to) "Held for Sale" category	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
\$ '000																
Land	2	29,360	1,450	—	30,810	3,942	—	—	—	—	—	—	34,747	5	—	34,752
Land	3	395,169	—	—	395,169	—	—	—	—	1,261	—	—	396,430	—	—	396,430
Buildings	2	30,647	4,101	(22,065)	12,683	—	—	—	(869)	—	—	—	30,108	4,101	(22,396)	11,813
Buildings	3	320,834	—	(148,167)	172,667	2,580	6,358	(745)	(8,336)	—	—	—	317,099	8,937	(153,512)	172,524
Infrastructure	3	1,542,740	27,473	(581,300)	988,913	18,195	19,165	(7,769)	(22,206)	—	(1,293)	3,840	1,562,788	34,486	(598,429)	998,845
Right-of-Use Assets		—	4,694	(1,262)	3,432	—	—	—	(946)	—	—	—	—	4,462	(1,975)	2,487
Plant & Equipment		—	23,766	(11,267)	12,499	102	1,516	(358)	(1,891)	—	—	—	—	22,296	(10,429)	11,867
Furniture & Fittings		—	6,882	(4,223)	2,659	305	217	—	(520)	—	—	—	—	7,303	(4,642)	2,661
Waste Bins		—	4,943	(4,330)	613	168	—	—	(230)	—	—	—	—	5,111	(4,560)	551
Software		—	1,734	(1,584)	150	—	4	—	(97)	—	—	—	—	1,580	(1,523)	57
Total Infrastructure, Property, Plant & Equipment		2,318,750	75,043	(774,198)	1,619,595	25,292	27,260	(8,872)	(35,095)	1,261	(1,293)	3,840	2,341,172	88,281	(797,466)	1,631,987
Comparatives		2,243,906	96,195	(729,100)	1,611,001	27,988	32,365	(5,087)	(34,237)	(2,931)	(29,301)	18,392	2,318,750	75,043	(774,198)	1,619,595

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

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

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

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 buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the 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, or the potential for development of more efficient construction techniques. Accordingly, formal sensitivity analysis does not provide useful information.

Transfers between fair value hierarchy levels

In the course of periodically revaluing Land & Buildings, the nature of the inputs applied is 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.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

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

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.

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.

A physical revaluation of land was undertaken by Mitch Ekonomopoulos - Certified Practising Valuer for AssetVal (a business of Marsh Pty Ltd), on the basis of market value as at 30 June 2021.

Buildings & Other Structures

A physical revaluation of buildings and other structures was undertaken by Mitch Ekonomopoulos - Certified Practising Valuer for AssetVal (a business of Marsh Pty Ltd), on the basis of written down replacement cost as at 30 June 2021.

Infrastructure

Infrastructure assets (roads, footpaths, kerbs, drains, bridges, traffic devices and traffic signs) were valued by Council Staff as at 30 June 2022, on the basis of written down replacement cost using existing unit rates and estimated useful lives. An Independent review and certification of unit rates and total useful lives was undertaken by Andrea Carolan, FAPI, Certified Practising Valuer API No 6398, as at 30 June 2020.

A physical revaluation of pump stations was undertaken by Mitch Ekonomopoulos - Certified Practising Valuer for AssetVal (a business of Marsh Pty Ltd), on the basis of written down replacement cost as at 30 June 2021.

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

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 2022

Note 8. Liabilities

\$ '000	2022 Current	2022 Non Current	2021 Current	2021 Non Current
(a) Trade and Other Payables				
Payments Received in Advance				
- Grants, Subsidies, Contributions - Operating	173	—	709	—
- Grants & Contributions - Capital	10,461	—	2,170	—
Deposits, Retentions & Bonds	30	—	93	—
Trade Creditors	7,321	—	9,448	—
Payroll	724	—	552	—
Accrued Expenses - Interest on Loans	14	—	31	—
Sundry Creditors	449	—	346	—
Total Trade and Other Payables	19,172	—	13,349	—

\$ '000	Notes	2022 Current	2022 Non Current	2021 Current	2021 Non Current
(b) Borrowings					
Lease Liabilities	17b	916	1,627	930	2,543
Local Government Finance Authority Debenture		204	—	432	204
Local Government Finance Authority Cash Advance		—	9,000	—	9,500
Total Borrowings		1,120	10,627	1,362	12,247

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

(c) Provisions

Long Service Leave	7,048	769	6,492	730
Productivity Incentive	890	—	1,062	—
Annual Leave	4,825	—	4,529	—
Total Provisions	12,763	769	12,083	730

Note 9. Reserves

	as at 30/06/21				as at 30/06/22
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset Revaluation Reserve					
Land	74,099	—	—	—	74,099
Buildings	71,491	—	—	—	71,491
Infrastructure	594,018	2,547	(7,769)	—	588,796
Total Asset Revaluation Reserve	739,608	2,547	(7,769)	—	734,386
Comparatives	752,597	(10,909)	(2,080)	—	739,608

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 9. Reserves (continued)

	as at 30/06/21				as at 30/06/22
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other Reserves					
Committed Projects	14,127	13,482	(14,127)	—	13,482
John Hart Reserve	126	20	—	—	146
Urban Tree Fund Reserve	—	9	—	—	9
Open Space Development Special Fund	1,542	638	—	—	2,180
Total Other Reserves	15,795	14,149	(14,127)	—	15,817
Comparatives	12,130	14,655	(10,990)	—	15,795

Purposes of Reserves

Asset Revaluation Reserve

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

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.

Urban Tree Fund Reserve

The Urban Tree Fund Reserve is required under section 200 of the Planning, Development and Infrastructure Act 2016, it receives contributions from land owners who seek to remove regulated or significant trees and choose not to replace the removed tree/s. As required under the Act the funds are to be applied by Council to maintain or plant trees in the Designated area (Council Area) which are or will (when fully grown) constitute significant trees under the act; or to purchase land within the designated area in order to maintain or plant trees which are or will (when fully grown) constitute significant trees. Interest accrues throughout the year on the balance of the reserve.

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.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 10. Assets Subject to Restrictions

\$ '000	2022	2021
<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>		
Cash & Financial Assets		
State Government Grants	8,876	2,309
Federal Government Grants	1,971	1,354
Other Grants	59	17
Total Cash & Financial Assets	10,906	3,680
Total Assets Subject to Externally Imposed Restrictions	10,906	3,680

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2022	2021
(a) Reconciliation of Cash			
<p>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 Statement of Financial Position as follows:</p>			
Total Cash & Equivalent Assets	5	3,006	2,185
Balances per Statement of Cash Flows		3,006	2,185

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 11. Reconciliation to Statement of Cash Flows (continued)

\$ '000	2022	2021
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities		
Net Surplus/(Deficit)	9,484	18,317
Non-Cash Items in Income Statements		
Depreciation, Amortisation & Impairment	35,095	34,237
Equity Movements in Equity Accounted Investments (Increase)/Decrease	207	(804)
Non-Cash Asset Acquisitions	(6,811)	(15,150)
Grants for capital acquisitions treated as Investing Activity	(3,744)	(2,175)
Net (Gain) Loss on Disposals	6,117	3,248
	40,348	37,673
Add (Less): Changes in Net Current Assets		
Net (Increase)/Decrease in Receivables	(146)	1,241
Change in Allowances for Under-Recovery of Receivables	251	3
Net (Increase)/Decrease in Inventories	13	(22)
Net (Increase)/Decrease in Other Assets	(502)	(6)
Net Increase/(Decrease) in Trade & Other Payables	(2,405)	244
Net Increase/(Decrease) in Other Provisions	719	156
Net Cash provided by (or used in) operations	38,278	39,289

\$ '000	Notes	2022	2021
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
Physical Resources Received Free of Charge	2g	6,811	15,150
Amounts recognised in Income Statement		6,811	15,150
Total Non-Cash Financing and Investing Activities		6,811	15,150

(d) Financing Arrangements

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

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 in accordance with the terms of the transactional banking facility agreement.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities.
Details of these Functions/Activities are provided in Note 12(b).

\$ '000	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Functions/Activities										
Business Undertakings	222	214	88	101	134	113	—	—	—	(1)
Community Services	3,353	3,430	11,067	12,229	(7,714)	(8,799)	1,779	1,891	—	—
Culture	1,172	1,073	11,194	9,150	(10,022)	(8,077)	914	908	3	3
Economic Development	86	117	2,086	3,444	(2,000)	(3,327)	46	46	—	—
Environment	3,646	3,977	40,751	39,060	(37,105)	(35,083)	278	828	222,115	218,208
Recreation	2,783	2,768	21,200	21,390	(18,417)	(18,622)	396	609	634,219	625,994
Regulatory Services	3,920	3,280	7,825	7,898	(3,905)	(4,618)	35	—	449	271
Transport & Communication	4,887	3,824	23,751	23,205	(18,864)	(19,381)	4,435	3,336	783,846	778,136
Plant Hire & Depot/Indirect	750	788	1,863	517	(1,113)	271	—	—	12,160	11,406
Council Administration	116,395	111,831	12,343	10,068	104,052	101,763	3,737	2,675	9,891	11,954
Total Functions/Activities	137,214	131,302	132,168	127,062	5,046	4,240	11,620	10,293	1,662,683	1,645,971

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.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 12(b). Components of Functions

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.

Note 13. Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits

Accounting Policy:

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

Terms & Conditions:

Deposits are returning interest rates between 0.3% and 1.05% (2021: 0.3% and 0.6%). Short term deposits have an average maturity of 1 day.

Carrying Amount:

Approximates fair value due to the short term to maturity.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

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 0.4833% (2021: 0.433%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Fees & Other Charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Other Levels of Government

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value.

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.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

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 2.05% and 7.65% (2021: 1.3% and 7.65%).

Carrying Amount:

Approximates fair value.

Liabilities - Leases

Accounting Policy:

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

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets and Liabilities					
2022					
Financial Assets					
Cash & Cash Equivalents	3,006	—	—	3,006	3,006
Receivables	3,829	21	—	3,850	3,850
Total Financial Assets	6,835	21	—	6,856	6,856
Financial Liabilities					
Payables	7,814	—	—	7,814	7,814
Current Borrowings	215	—	—	215	204
Non-Current Borrowings	—	—	9,000	9,000	9,000
Leases	961	1,661	—	2,622	2,543
Total Financial Liabilities	8,990	1,661	9,000	19,651	19,561
2021					
Financial Assets					
Cash & Cash Equivalents	2,185	—	—	2,185	2,185
Receivables	3,548	16	—	3,564	3,564
Total Financial Assets	5,733	16	—	5,749	5,749
Financial Liabilities					
Payables	9,918	—	—	9,918	9,918
Current Borrowings	471	—	—	471	432
Non-Current Borrowings	—	215	9,500	9,715	9,704
Leases	996	2,621	—	3,617	3,473
Total Financial Liabilities	11,385	2,836	9,500	23,721	23,527

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

	2022	2021
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City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

\$ '000	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other Variable Rates	2.05%	9,000	1.30%	9,500
Fixed Interest Rates	7.65%	204	7.41%	635
		<u>9,204</u>		<u>10,135</u>

Net Fair Value

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

Risk Exposures

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

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

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

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

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2022	2021
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(a) Capital Commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Buildings	2,686	1,237
Infrastructure	1,283	5,520
Plant & Equipment	–	169
	3,969	6,926

These expenditures are payable:

Not later than one year	3,969	4,695
Later than one year and not later than 5 years	–	2,231
	3,969	6,926

(b) Other Expenditure Commitments

Other non-capital expenditure commitments in relation to investment properties at the reporting date but not recognised in the financial statements as liabilities:

Audit Services	63	–
Waste Management Services	45,738	59,564
Other Maintenance Contracts	9,818	4,957
	55,619	64,521

These expenditures are payable:

Not later than one year	18,140	14,865
Later than one year and not later than 5 years	37,275	38,507
Later than 5 years	204	11,149
	55,619	64,521

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 15. Financial Indicators

\$ '000	Amounts 2022	Indicator 2022	Indicators 2021	Indicators 2020
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These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

Operating Surplus	5,046	3.7%	3.2%	4.3%
Total Operating Income	137,213			

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

2. Net Financial Liabilities Ratio

Net Financial Liabilities	36,973	27%	26%	16%
Total Operating Income	137,213			

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

Operating Surplus	3,562	2.6%	3.3%	5.1%
Total Operating Income	135,729			

Adjusted Net Financial Liabilities Ratio

Net Financial Liabilities	40,701	30%	26%	16%
Total Operating Income	135,729			

3. Asset Renewal Funding Ratio

Asset Renewals	27,209	85%	98%	102%
Infrastructure & Asset Management Plan required expenditure	32,127			

Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets. In addition to the renewal expenditure recognised, a further \$4.147 million of renewal works were in progress at 30 June 2022. If this amount were added to the renewal expenditure above, the adjusted Asset Renewal Funding Ratio for the year would equal 98%.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 16. Uniform Presentation of Finances

\$ '000	2022	2021
<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	137,213	131,302
less Expenses	(132,167)	(127,062)
Operating Surplus / (Deficit)	5,046	4,240
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(27,884)	(30,455)
add back Depreciation, Amortisation and Impairment	35,095	34,237
add back Proceeds from Sale of Replaced Assets	675	1,839
	7,886	5,621
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(28,808)	(18,514)
add back Amounts Received Specifically for New and Upgraded Assets	12,035	3,147
add back Proceeds from Sale of Surplus Assets (including investment property, real estate developments & non-current assets held for resale)	8,451	—
	(8,322)	(15,367)
Net Lending / (Borrowing) for Financial Year	4,610	(5,506)

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 17. Leases

(i) 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:

(a) Right of use assets

\$ '000	Plant and Machinery	Information Technology	Total
2022			
Opening balance	3,043	389	3,432
Additions to right-of-use assets	—	—	—
Depreciation charge	(771)	(175)	(946)
Balance at 30 June	2,272	214	2,486
2021			
Opening balance	13	435	448
Additions to right-of-use assets	3,800	135	3,935
Depreciation charge	(770)	(181)	(951)
Balance at 30 June	3,043	389	3,432

(b) Lease liabilities

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

\$ '000	2022	2021
Balance at 1 July	3,473	474
Additions	—	3,935
Accretion of interest	66	86
Payments	(996)	(1,022)
Balance at 30 June	2,543	3,473
Classified as:		
Current	916	930
Non Current	1,627	2,543

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

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	946	951
Interest expense on lease liabilities	66	86
Expense relating to leases of low-value assets	226	130
Total amount recognised in profit or loss	1,238	1,167

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 17. Leases (continued)

(ii) Council as a lessor

\$ '000	2022	2021
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	538	508
Later than one year and not later than 5 years	695	1,148
Later than 5 years	–	3
	1,233	1,659

Note 18. Superannuation

The Council makes employer superannuation contributions in respect of its employees to Hostplus Super (formerly Statewide Super). 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 (10.00% in 2021/22; 9.50% in 2020/21). 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 current Salarylink employer contribution rate is 6.3% of Superannuation Salary and is formally reviewed by the Fund's actuary every 3 years. The next actuarial review is scheduled to be completed as at 30 June 2023 and any employer contribution rate change recommended by the actuary is likely to be effective from 1 July 2024.

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

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

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 2022

Note 19. Interests in Other Entities

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2022	2021	2022	2021
Council's Share of Net Income				
Joint Ventures	(207)	804	1,778	1,985
Total Council's Share of Net Income	(207)	804	1,778	1,985

((a)i) Joint Ventures, Associates and Joint Operations

(a) Carrying Amounts

\$ '000	Principal Activity	2022	2021
CAWRA	Waste Management and Recycling Services	1,778	1,985
Total Carrying Amounts - Joint Ventures & Associates		1,778	1,985

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

Sale of Former Hillcrest Basketball Stadium

Council resolved to sell the site of the former Hillcrest Basketball Stadium as a mixed-use development opportunity. The property has been sold and settlement occurred during the 2022 financial year.

Sale of Surplus Land Parcels

Council resolved to sell 4 parcels of surplus land at Clearview, Windsor Gardens, Mansfield Park and Croydon Park. During the 2022 financial year, 3 of the parcels of land were sold and settlement occurred. Council resolved to remove the land at Croydon Park from the market pending further consideration.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

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

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, 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.

3. Legal expenses

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

4. Legal Claim

Proceedings have been filed in the Supreme Court against 61 Councils in South Australia, including City of Port Adelaide Enfield. The claim alleges unpaid consultancy fees. A joint defence is being coordinated by the Local Government Association of SA as agent for the Councils. There have been no costs incurred by Council as at 30 June 2022 and the likelihood of a financial settlement is unable to be determined.

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2022, 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 Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

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

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 23. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 40 persons were paid the following total compensation:

\$ '000	2022	2021
The compensation paid to Key Management Personnel comprises:		
Salaries, Allowances & Other Short-Term Employee Benefits	4,214	4,447
Termination Benefits	252	30
Total	4,466	4,477

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	53	47
Total	53	47

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 organisational membership fees.

An employee is an Environment Protection Authority (EPA) board member, which sets and enforces environmental 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 employee and elected member are both members on the Central Adelaide Waste and Recycling Authority (CAWRA) board, which is a regional subsidiary of City of Charles Sturt and City of Port Adelaide Enfield. The board consists of an elected member and staff member from each council, a person appointed by each council and an independent person that is the chair. Each member has a vote in decisions with the Chair making the final decision should the votes be tied.

A staff member was appointed as an Executive Officer of CAWRA to guide CAWRA through the start up phase. The staff member remained as an employee of Council and CAWRA were invoiced for the staff's time on a cost recovery basis. During this appointment, the staff member had all their delegations removed and could not make any decisions related to Council.

A social enterprise jointly owned by an Elected Member and their partner has agreed to enter into a community lease arrangement for use of a Council owned Hall. The proposed lease arrangement is consistent with the community outcomes articulated through Council's open and transparent expression of interest process. The Elected Member followed all relevant protocols, declared a conflict of interest as appropriate, and excused themselves from the decision making process for assessing and awarding the lease.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 24. Equity - Retained Earnings and Revaluation Reserves Adjustments

Voluntary changes in accounting policies

Adjustments to the comparative figures for the year ended 30 June 2021

Statement of Financial Position

\$ '000	Original Balance 30 June, 2021	Impact Increase/ (decrease)	Restated Balance 30 June, 2021
Infrastructure, Property, Plant & Equipment ¹	1,618,189	1,406	1,619,595
Total assets	1,604,795	1,406	1,606,201
Accumulated Surplus ¹	849,392	1,406	850,798
Total equity	1,604,795	1,406	1,606,201

(1) On 1 July 2021, the depreciation method for plant & equipment was changed from diminishing value to straight line, to better reflect asset utilisation. As a result, the opening balance of accumulated depreciation has been reduced by \$1.4 million. This voluntary change in accounting policy has been reflected in the financial statements through a restatement of non-current assets and accumulated surplus.



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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of City of Port Adelaide Enfield

Opinion

We have audited the accompanying financial report of City of Port Adelaide Enfield (the Council), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of City of Port Adelaide Enfield.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Council as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the 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 Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (Including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council's responsibility for the financial report

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

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

Auditor's responsibility for the audit of the financial report

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

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

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

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Partner

18 November 2022



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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS

To the members of City of Port Adelaide Enfield

Opinion

We have audited the compliance of City of Port Adelaide Enfield (the Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2021 to 30 June 2022 have been conducted properly and in accordance with law.

In our opinion, City of Port Adelaide Enfield has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2021 to 30 June 2022.

Basis for opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Council's responsibility for internal controls

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

Our independence and quality control

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

Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Council to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, 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 Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 2022. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of controls

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

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

Limitation of use

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Tim Muhlhausler CA, Registered Company Auditor
Partner

18 November 2022

City of Port Adelaide Enfield


General Purpose Financial Statements

for the year ended 30 June 2022

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 2022, the Council's Auditor, Galpins Accountants, Auditors & Business Consultants has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



Mark Withers
Chief Executive Officer



Lisa Bishop
Presiding Member, Audit Committee

Date: 26 October 2022

CITY OF PORT ADELAIDE ENFIELD

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Statement by Auditor

I confirm that, for the audit of the financial statements of City of Port Adelaide Enfield for the year ended 30 June 2022, 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*.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Partner

Date: 14 October 2022

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Central Adelaide Waste &
Recycling Authority
Annual Report
2021 - 2022



Contents

CAWRA Annual Report 2021 – 22

Introducing Central Adelaide Waste and Recycling Authority	3
Charter and legislation	3
Report from the Independent Chairperson	4
CAWRA Board members.....	6
Governance	6
CAWRA Board	6
Functions of the Board	6
Board Members.....	6
Board meetings held in 2021/22	8
Audit Committee	8
Audit Committee members.....	8
Audit Committee meetings	8
2021/22 Achievements	9
MRF Construction.....	9
Plant and equipment – installation and commissioning	9
Audits and performance testing.....	10
Confirmation of insurance cover.....	10
Grants secured and implemented.....	10
Market development.....	10
CAWRA Team	11
Marketing and Communications.....	11
Audited Financial Statements	12

We acknowledge and pay respect to the Kaurna people, the traditional custodians whose ancestral lands we gather on. We acknowledge the deep feelings of attachment and relationship of the Kaurna people to country and we respect and value their past, present and ongoing connection to the land and cultural beliefs.



Introducing Central Adelaide Waste and Recycling Authority

Central Adelaide Waste and Recycling Authority (CAWRA) is a Local Government Regional Subsidiary established in early 2020 to oversee the construction and operation of a new, state of the art Material Recovery Facility (MRF), located in Kilburn.

CAWRA's new Materials Recovery Facility (MRF) was commissioned in late 2021 and commenced full operations from 18 January 2022. In its first part-year of operation, it processed approximately 18,000 tonnes of kerbside recyclable material on behalf of its two Constituent Councils (the Cities of Charles Sturt and Port Adelaide Enfield), and 4 client Councils feeding into the facility under contract (Cities of Unley, West Torrens, Mount Barker and Murray Bridge).

At the close of 2021/22, CAWRA has succeeded in establishing its new facility, placing its kerbside recyclables in safe hands, and combining with other Local Government-owned facilities in the north and south of Adelaide to ensure the long-term stability of the kerbside recycling sector for South Australia.

CAWRA's MRF in Kilburn is the third Local Government-owned MRF in Adelaide. This 3 MRF structure underpins the ongoing provision of Adelaide's kerbside recycling services, following the collapse of SKM Recycling and the major fire at the former Visy Recycling facility in Wingfield.

By engaging with Visy Recycling as the operator of CAWRA's MRF, CAWRA has ensured South Australia retains access to Visy's extensive network of secondary processing opportunities, and to the knowledge and expertise held within Visy in MRF operations and the marketing and sale of recyclable commodities. Importantly, the arrangement guarantees an outlet for recyclable paper and cardboard within Australia, beyond the introduction of export bans for this material on 1 July 2024.

Centrally located, since opening the facility has welcomed many visitors to view the MRF in full operation and is quickly becoming the 'destination of choice' for stakeholder and community tours. It is expected that school visits will commence early in the second half of 2022. Tours will utilise the dedicated education room and elongated viewing platform, which allow for safe first-hand observation of the entire recycling process.

Charter and legislation

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 provision relevant to a Regional Subsidiary are set out in Schedule 2 of the Act.

CAWRA's 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 interest. The Charter was originally gazetted in January 2020 and updated in early 2022.



Report from the Independent Chairperson

2021-22 was the year in which CAWRA went from a plan to a reality.

Construction of our new MRF took place throughout 2021, during the COVID-19 pandemic and all the associated supply chain challenges and travel restrictions this entailed.

A major procurement exercise was undertaken to select an operator for CAWRA's MRF, resulting in the announcement of Visy Recycling as CAWRA's MRF operators in August 2021.

Commissioning of the MRF commenced in September 2021 and continued through until late December. This period was marked by extensive monitoring and auditing of MRF input and output material, and the ongoing refinement of the process to ensure maximum value was gained from the plant and equipment installed.

Handover of the facility from Pascale Construction to CAWRA was completed on 17 January 2022, and full operations commenced the following day. Two shifts have been operating since that time.

As CAWRA moved from this early start-up phase into full operations, and in parallel with the MRF construction and commissioning process, CAWRA has been working on its future directions. The Board and Constituent Councils have considered the range of roles and functions that the subsidiary can provide to its Constituent Councils from late 2022. These include CAWRA providing a broad range of shared waste and recycling related functions and services to both Councils. CAWRA provides a vehicle through which expertise and resources from both Councils to be shared, with additional specialist staff engaged where warranted to cover the full suite of services needed. This preliminary work is expected to bear fruit from late 2022.

Market development has also been a major focus for CAWRA in 2021/22. By end June 2022, CAWRA had reason to anticipate positive movements in this area early in the 2022/23 financial year.

Market confidence in CAWRA's service offering is expected to grow through the coming few years as the facility gets 'runs on the board' and

demonstrates its ability not only to provide a reliable recycling service, but also to translate that into tangible Circular Economy outcomes.

CAWRA's Board and Audit Committee continue to work effectively to oversee CAWRA's governance, establishment and growth, and to provide strategic direction to the administration.

Alf Ianiello resigned his position on CAWRA's Board in the latter parts of this financial year, to take up a new role with Codan Ltd. Alf's commercial acumen and contributions on the Board will be missed. His departure leaves a position open for a new Board member with the required commercial skills and background. The Board will consider this further as part of its upcoming review of Board skills and membership.

The recruitment process for CAWRA's new Chief Executive Officer commenced in March 2022. Mr John Niarchos was announced as CAWRA's new CEO in late June, for commencement from 4 July 2022.

I would like to take this opportunity to recognise Rebekah Schubert for her tireless efforts in leading the CAWRA team as its Executive Officer, from the project's infancy and through its early start-up phase. Her leadership has been critical to the project's delivery, and her departure from July 2022 marks the end of an important era for the CAWRA team.

I look forward to the next 12 months as CAWRA matures its operational approach and broadens its focus to embrace new and exciting opportunities to support its Councils and grow the local circular economy.



Catherine Cooper
Independent Chairperson
Central Adelaide Waste and
Recycling Authority



Report from the Chief Executive Officer

Having commenced with CAWRA from 4 July 2022, I am delighted to be taking the reins of this new organisation and could not be more excited by the range of initiatives CAWRA will be tackling over the coming year.

2021-22 was an extremely busy year for CAWRA, with the following major milestones achieved:

- August 2021 – Visy Recycling engaged and announced as CAWRA’s MRF operators
- September 2021 - first load of recyclables received for processing at CAWRA’s MRF
- Mid December 2021 – commissioning of CAWRA’s MRF completed
- 17 January 2022 – practical completion and handover of the site from Pascale Construction to CAWRA
- 18 January 2022 – MRF commenced full operations (2 shifts)

Settling in the CAWRA and Visy teams at their new premises in Kilburn has also been a major focus during this time. Key CAWRA staff have been working from the office space at 25 Mill Court since December 2021, and Visy transitioned both shifts to the new facility from 18 January.

Building on these early successes, 2022/23 will see a number of capital upgrades to address needs identified during CAWRA’s start-up phase, in partnership with Wastech Engineering who have designed and installed the plant and equipment in CAWRA’s MRF.

Upgrades will include the additional of two additional optical sorting units to improve the capture and purity of paper and cardboard coming out of the facility, and a number of associated improvements to CAWRA’s materials handling systems to ensure efficiency.

These improvements will be of real and ongoing value as CAWRA moves into mature operations and takes on more tonnes from Adelaide’s Councils for processing.

Ensuring maximum efficiency of the operational approach at CAWRA is also critical, and will be a

major focus in the coming year. I will be working closely with the Visy team to identify and implement a range of initiatives focused on lean production, ensuring safety, yields and quality standards are maintained and improved upon.

Circular Economy projects are moving from concept to reality in 2022, with a number of exciting new initiatives to be announced prior to Christmas 2022. CAWRA is ideally positioned to take ‘buying it back’ to a new level, providing the collective economies of scale that the South Australian manufacturing sector requires to truly embrace circular technologies.

Community and householder education will be a major area of emphasis for CAWRA moving forward, with renewed focus on both targeted and broad community messaging made necessary by the increased contamination produced by South Australian households during the COVID-19 pandemic.

The CAWRA team will also grow in 2022/23, as CAWRA expands the range of services it provides to its Councils.

The coming 12 months of expansion and growth will be pivotal to CAWRA’s future position in the marketplace, and I look forward to working with the CAWRA Board and team to bring this vision to fruition.



John Niarchos
Chief Executive Officer
Central Adelaide Waste and Recycling Authority



CAWRA Board members

Governance

CAWRA Board

CAWRA is governed by a Board of Management which is responsible for managing the business and other affairs of 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.

Board Members



Catherine Cooper

Independent Chair

Meeting Attendance: 8/8

Catherine is a highly experienced non-executive director, with an extensive portfolio in excess of 50 Board positions over 20 years. In addition to Chairing the CAWRA Board, Catherine also Chairs the Environment Protection Agency of South Australia. After a professional career as a corporate lawyer, Catherine held a number of senior executive positions with large global companies including Fosters Brewing Group, Elders Australia Limited and Futuris Corporation. She has developed extensive knowledge and experience across a broad range of sectors such as agribusiness, food and health, energy and waste,

and science and technology. Catherine's expertise in strategy, public policy, risk management, and corporate governance, combined with her ethical and strong solution orientated mindset, provides strong leadership for the CAWRA Board.



Alf Ianniello

Independent Member

Meeting Attendance: 4/8 (Alf resigned from the CAWRA Board in early 2022)

During his time on the CAWRA Board, Alf led The Detmold Group, one of Australia's most established global manufacturing and sales packaging businesses, which manufacture paper and cardboard packaging products in Australia and Asia, with markets in 22 cities around the world. With extensive Board level experience, Alf provided strong strategic and tactical direction on complex issues and strong stakeholder relationship skills that extend to key corporate customers, government and key packaging suppliers.

Alf resigned from the CAWRA Board in early 2022 to take up a new role as CEO of Codan Ltd.



David Spear

Independent Member

Meeting Attendance: 7/8

David is an experienced professional Company Director and is currently a Director and Partner of VUCA, a national Governance Consulting firm. He is currently the Chair of Tyre Stewardship Australia, Independent Chairman of Office Brands Australia, Non-Executive Director of Unity Housing and Non-Executive Director of McLaren Vale Grape Wine & Tourism Association. A former State Director of the Australian Institute of Company Directors (AICD), David has a background in governance both in Australia and overseas and

is an Alumni of Harvard University Business School where he completed their Governance program.





Mayor Claire Boan

Mayor Port Adelaide Enfield

Meeting Attendance: 6/8

Claire's involvement with Council committees spans 10 years and 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. 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

Meeting Attendance: 6/8

In addition to her role as Mayor of the City of Charles Sturt, Angela is the current sitting President of the Local Government Association of South Australia. Angela's involvement with Council committees over 8 years includes participation in the Gender Matters Panel, SA Local Government Women's Association, Policy and Delegations, Strategic Development, and 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

CEO City of Port Adelaide Enfield

Meeting Attendance: 8/8

Mark is an experienced local government CEO, with tenures at the Cities of Unley, Charles Sturt and now Port Adelaide Enfield, and having spent the last 38 years working in this sector across nine Adelaide metropolitan councils. He served four terms on the board of Green Industries SA (formerly Zero Waste SA), and continues to serve on the board of the SA Environment Protection Authority, a role he has fulfilled continuously for the past eight years. Mark brings all of this experience and insight to the CAWRA Board, along with the strategic leadership required to effectively address South Australia's complex recycling challenges, while keeping CAWRA firmly grounded in the needs of councils and their communities. He is also a Board Member of LG Professionals SA, a past National President of LG Professionals Australia.



Paul Sutton

CEO City of Charles Sturt

Meeting Attendance: 8/8

Paul has over 25 years Local Government experience and works collaboratively with the Elected Council and executive team to provide strategic leadership for the City. 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 SA (Institute of Public Administration Australia SA) where he was a Board Member for 8 years, Paul was awarded national fellowship of IPAA in 2016. He is also a past State President of Local Government Professionals and is a current State board member and National Director. He is highly committed toward progressing the environmental and economic benefit that come from CAWRA and the circular economy.



Board meetings held in 2021/22

The CAWRA Board met on the following dates in 2021/22:

- 2 August 2021
- 5 August 2021
- 9 September 2021
- 6 October 2021
- 8 December 2021
- 16 February 2022
- 25 May 2022
- 7 June 2022

Audit Committee

Under the CAWRA Charter:

The Authority is required to establish an audit committee which will comprise of three members as follows:

- (a) a person, who will be the Chair, appointed by the Constituent Councils (acting jointly) and who is neither an officer or member of a Constituent Council and who is not a member of the Board; and
- (b) two persons being one person appointed by each Constituent Council who is not a member of the Board and who is considered to have experience relevant to the Functions of the Authority or, financial experience relevant to the functions of the audit committee.

Audit Committee members

The Audit Committee has the following members, appointed to September 2022:

- Nicolle Rantanen (Chair)
- Peter Brass
- Melissa Oors L'Strange

Audit Committee meetings

CAWRA's Audit Committee met on the following occasions during 2021/22:

- 1 September 2021
- 3 February 2022
- 11 May 2022
- 19 May 2022

External Auditor

BDO were appointed as CAWRA's external auditors and completed CAWRA's 2020/21 and 2021/22 audits. They have again been engaged to complete CAWRA's 2021/22 audit. At time of writing this Annual Report, BDO's Audit Completion Report has been issued and reviewed by CAWRA's Audit Committee and Board, noting an unmodified audit opinion will be issued for 2021-22.



2021/22 Achievements

MRF Construction

Detailed design for CAWRA's new Materials Recovery Facility, including the attached administration building, was completed in 2020/21. Construction works were undertaken by Pascale Construction and completed by the end of 2021.

Key deliverables:

- 400 m2 MRF shed space, including the tip floor and load-out area
- 2 storey administration building
- 260 kw rooftop solar photovoltaic system
- 15 tonne per hour MRF plant and equipment with optical sorting technology (more details below)
- 35m above ground steel weighbridge
- 4,000 m2 rear storage yard, utilising recycled aggregates and asphalt products
- Internal roads, carpark and driveways, utilising recycled aggregates and asphalt products
- Fire safety system, firewater tanks and sprinklers positioned throughout the MRF facility
- Fire water provision throughout the facility and the rear storage yard
- Flame-detection water cannon to tip floor
- Fencing, signing, landscaping and other site works

The Certificate of Occupancy was granted in late December 2021, and CAWRA accepted practical completion of the facility on 17 January 2022.

Plant and equipment – installation and commissioning

CAWRA's plant and equipment was designed, installed and commissioned by Wastech Engineering, under subcontract to Pascale Construction. In spite of significant challenges faced due to the COVID-19 pandemic and restrictions on interstate movements of their workforce, Wastech completed installation of the required plant and equipment in time for warm commissioning to commence in September 2021.

Key deliverables:

- Plant capable of operating at 15 tonne per hour throughput
- Air-conditioned pre-sort room
- Triple deck OCC disc screen and glass breaker screen
- CP screen to separate two dimension material (paper/fibre) from three dimensional material (containers)
- FibreMax optical sorting unit to remove remaining waste and containers from fibre
- Manual sorting bays to allow hand-picking of container deposit items
- Overband magnet for recovery of steel containers
- Two PlasticMax optical sorting units to sort plastic and other containers by polymer type
- Two Godswill balers for outgoing material
- Associated hoppers, conveyors and other items



Audits and performance testing

Auditing of MRF input and output material commenced in December, as soon as the CAWRA weighbridge became available for use. This data helped identify key areas within the plant to adjust and fine-tune in the lead-up to formal performance testing.

CAWRA progressed to practical completion in early January 2022 and formal performance testing was undertaken in April 2022, to allow time for a number of improvements to address issues identified during early commissioning. That testing concluded at the end of April 2022, and has informed a further program of upgrades to occur in 2022/23.

Key deliverables:

- Preliminary audits of infeed and MRF outputs – completed December 2021
- MRF process improvements – completed April 2022
- Formal performance testing – completed late April 2022
- Further plant upgrades – scheduled for late 2022/23

Confirmation of insurance cover

In the aftermath of a series of major fires in waste facilities during the past 5-10 years, including in multiple MRFs including Visy's previous MRF in South Australia, gaining insurance for CAWRA's new facility was always going to be challenging.

CAWRA worked closely with the Local Government Association Mutual Liability Scheme and with QBE as their reinsurers, to secure insurance cover in late 2021. Membership of the Asset Mutual Fund commenced from 13 December 2021, providing CAWRA with a total limit of protection of just under \$20 million for our MRF and assets, excluding land value.

Key deliverables:

- Asset insurance for the CAWRA MRF in place from 13 December 2021

Grants secured and implemented

CAWRA secured a total of just over \$4.5 million in grants from the State and Commonwealth Governments in 2021/22. The first two have been delivered in full, and the third grant (for the eddy current separator) is scheduled for completion in late 2022/early 2023.

Key deliverables:

- \$4.11 million – State/Commonwealth Recycling Modernisation Fund (Optical sorting equipment)
- \$250,000 – Green Industries SA Recycling Infrastructure Grants (Improved fibre capture)
- \$183,500 – Green Industries SA Recycling Infrastructure Grants (Eddy Current Separator)
- TOTAL GRANTS awarded to date: \$4.543,500 + GST

Market development

The CAWRA Board has identified securing additional tonnes for processing at the CAWRA MRF as a key priority, and CAWRA has therefore responded to a number of calls for tenders from Councils and regional subsidiaries in the past year.

As of 30 June 2022, CAWRA had received confirmation it was unsuccessful in two of these tenders (one of which had not been awarded to any tender respondent), with the other three still under assessment by the entities concerned. More information on the outcomes of those processes is anticipated early in the 2022/23 financial year.

Key deliverables:

- Tender responses prepared in response to 4 separate calls for tenders, being from:
 - o 3 individual Councils
 - o 1 regional subsidiary
 - o 1 State Government entity (with a commercial partner)



CAWRA Team

During its start-up phase, the CAWRA team comprised of a number of temporary staff appointments, supported by outsourced functions (consultants).

During 2021/22, the team was made up as follows:

- Executive Officer – Rebekah Schubert (Full-time secondment from City of Port Adelaide Enfield)
- Manager Strategy and Programs – Fiona Chambers (Full-time secondment from City of Charles Sturt)
- Coordinator Education and Local Government Programs – Loren Mercier (0.4 FTE secondment from City of Charles Sturt)
- Project Management Leader – Michelle Arbon (0.4 FTE secondment from City of Port Adelaide Enfield)
- Circular Procurement Project Officer – Amy Henshaw (0.4 FTE secondment from City of Port Adelaide Enfield – noting Amy left to take up a new role at the City of West Torrens in early 2022)

Outsourced Functions:

- Waste Industry Leader – Geoffrey Webster
- Project management – Moto Projects (MRF design/construction)
- Finance services – Nexia Edwards Marshall
- Legal services – O’Loughlins Lawyers
- External Auditor – BDO

Marketing and Communications

CAWRA engaged with Hughes PR to develop its marketing and communications approach in the lead-up to CAWRA’s grand opening event on 31 January 2022. This work built on the earlier work on CAWRA’s branding, which was undertaken by Simple Marketing in 2021.

Key deliverables:

31 January 2022 – CAWRA grand opening event

Late 2021 and early 2022 - Media training and communications support provided to CAWRA Executive Officer



Central Adelaide Waste and Recycling Authority

General Purpose Financial Reports

for the year ended 30 June 2022

TABLE OF CONTENTS

	Page
Certification of Financial Statements	1
Principal Financial Statements	
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Statement of Cash Flows	5
Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Significant Accounting Policies	6
Note 2 - Income	10
Note 3 - Expenses	11
Note 4 - Current Assets	12
Note 5 - Infrastructure, Property, Plant & Equipment & Investment Property	13
Note 6 - Other Current Assets	14
Note 7 - Liabilities	15
Note 8 - Reconciliation of Cash Flow Statement	16
Note 9 - Financial Instruments	17
Note 10 - Expenditure Commitments	20
Note 11 - Financial Indicators	21
Note 12 - Capital Contributions of Constituent Councils	22
Note 13 - Uniform Presentation of Finances	23
Note 14 - Related Party Transactions	24
Audit Report - Financial Statements	25
Authority Certificate of Audit Independence	27
Audit Certificate of Audit Independence	28



Central Adelaide Waste and Recycling Authority

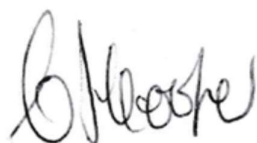
Certification of Financial Statements

for the year ended 30 June 2022

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 2022 and the results of its operations and cash flows for the year ended 30 June 2022.
- 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:



Central Adelaide Waste and Recycling Authority
Statement of Comprehensive Income
for the year ended 30 June 2022

		2022	2021
	Notes	\$	\$
INCOME			
Kerbside Recyclables	2	1,022,724	-
Net Commodity Sales	2	102,727	-
Site Usage	2	445,721	-
Investment income	2	2,503	8
Reimbursements	2	975	-
Total Income		1,574,650	8
EXPENSES			
Materials, contracts & other expenses	3	3,521,661	392,012
Depreciation, amortisation & impairment	3	502,922	-
Finance costs	3	278,969	45,841
Total Expenses		4,303,552	437,853
OPERATING SURPLUS / (DEFICIT)		(2,728,902)	(437,845)
Amounts received specifically for new or upgraded assets	2	2,315,000	2,045,000
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		(413,902)	1,607,155
Other Comprehensive Income			
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		(413,902)	1,607,155

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



Central Adelaide Waste and Recycling Authority
Statement of Financial Position
for the year ended 30 June 2022

		2022	2021
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,419,600	193,698
Trade & other receivables	4	504,041	3,129,672
Total Current Assets		1,923,641	3,323,370
Non-current Assets			
Infrastructure, property, plant & equipment	5	19,889,325	1,084,032
Other non-current assets	6	-	10,713,492
Total Non-current Assets		19,889,325	11,797,524
Total Assets		21,812,966	15,120,894
LIABILITIES			
Current Liabilities			
Trade & other payables	7	1,660,836	1,651,875
Total Current Liabilities		1,660,836	1,651,875
Non-current Liabilities			
Borrowings	7	16,597,013	9,500,000
Total Non-current Liabilities		16,597,013	9,500,000
Total Liabilities		18,257,849	11,151,875
NET ASSETS		3,555,117	3,969,019
EQUITY			
Accumulated Surplus		960,563	1,374,465
Capital Contributions of Councils		2,594,554	2,594,554
TOTAL EQUITY		3,555,117	3,969,019

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



Central Adelaide Waste and Recycling Authority
Statement of Changes in Equity
for the year ended 30 June 2022

		Accumulated Surplus	Capital Contributions of Councils	TOTAL EQUITY
2022	Notes	\$	\$	\$
Balance at end of previous reporting period		1,374,465	2,594,554	3,969,019
Net Surplus / (Deficit) for Year		(413,902)	-	(413,902)
Balance at end of period		960,563	2,594,554	3,555,117

2021				
Balance at end of previous reporting period		(232,690)	-	(232,690)
Capital Contributions of Councils		-	2,594,554	2,594,554
Net Surplus / (Deficit) for Year		1,607,155	-	1,607,155
Balance at end of period		1,374,465	2,594,554	3,969,019

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



Central Adelaide Waste and Recycling Authority

Statement of Cash Flows

for the year ended 30 June 2022

		2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
Receipts:			
Grants received		4,215,527	-
Other revenues		1,676,042	8
Payments:			
Materials, contracts & other expenses		(2,567,114)	(482,050)
Finance payments		(221,432)	(45,841)
Net Cash provided by (or used in) Operating Activities		3,103,023	(527,883)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments:			
Expenditure on new/upgraded assets		(8,974,134)	(11,372,973)
Net Cash provided by (or used in) Investing Activities		(8,974,134)	(11,372,973)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts:			
Proceeds from borrowings		7,097,013	9,500,000
Contributions from Constituent Councils		-	2,594,554
Net Cash provided by (or used in) Financing Activities		7,097,013	12,094,554
Net Increase (Decrease) in cash held		1,225,902	193,698
Cash & cash equivalents at beginning of period	8	193,698	-
Cash & cash equivalents at end of period	8	1,419,600	193,698

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



Central Adelaide Waste and Recycling Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

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.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest dollar.

2 The Local Government Reporting Entity

The Central Adelaide Waste and Recycling Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 25 Mill Court, Kilburn SA 5084.

These financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

3 Income recognition

The Authority 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 Authority 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority 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.

4 Cash and Cash Equivalents

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.

5 Other Financial Instruments

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.

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 Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

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



Central Adelaide Waste and Recycling Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

6 Infrastructure, Property, Plant & Equipment (cont)

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 the Authority 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.

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 cost to reflect the already consumed or expired future economic benefits of the asset.

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 the Authority, best reflects the consumption of the service potential embodied in those assets. Depreciation methods, useful lives and residual values of assets are reviewed annually.

6.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed annually for impairment. Assets carried at fair value whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if the Authority were deprived thereof, are not assessed for impairment.

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

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



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

7 Payables

7.1 Goods and 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.

8 Borrowings

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

9 GST Implications

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

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

10 Comparative figures

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

11 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 and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 2 - INCOME

	Notes	2022 \$	2021 \$
OPERATIONAL INCOME			
Kerbside recyclables		1,022,724	-
Net Commodity Sales		102,727	-
Site Usage		445,721	-
Reimbursements		975	-
		<u>1,572,147</u>	<u>-</u>
INVESTMENT INCOME			
Interest on investments:			
Banks & other		2,503	8
		<u>2,503</u>	<u>8</u>
GRANTS, SUBSIDIES AND CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets			
Amounts received specifically for new or upgraded assets		2,315,000	2,045,000
		<u>2,315,000</u>	<u>2,045,000</u>
<i>Sources of grants</i>			
State government		2,315,000	2,045,000
		<u>2,315,000</u>	<u>2,045,000</u>

Conditions over grants & contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes have been expended in accordance with these conditions.



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 3 - EXPENSE

	Notes	2022 \$	2021 \$
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
- Auditing the financial reports		15,000	9,081
Subtotal - Prescribed Expenses		<u>15,000</u>	<u>9,081</u>
<u>Depreciation</u>			
- Depreciation, impairment & amortisation		502,922	-
		<u>502,922</u>	<u>-</u>
<u>Other Materials, Contracts & Expenses</u>			
Contractors		-	181,678
Advertising		34,220	8,275
Consulting Fees		629,916	79,813
Computer Expenses		15,895	-
Donations		-	10,000
Fees & Permits		22,297	414
Fines		120	-
Government Fees		8,789	2,620
Insurance		77,759	1,034
Legal Expenses		57,195	55,533
Maintenance		2,588	249
Minor Plant & Equipment		1,606	-
Operator Costs		2,551,818	-
Rates and Taxes		6,294	-
Sitting Fees		48,010	38,616
Subscriptions		9,282	-
Sundry		7,609	2,814
Travel		4,863	1,885
Waste Audit		24,270	-
WHS Compliance & Governance		4,130	-
Subtotal - Other Materials, Contracts & Expenses		<u>3,506,661</u>	<u>382,931</u>
		<u>4,024,583</u>	<u>392,012</u>
FINANCE COSTS			
Interest on Loans		278,969	45,841
		<u>278,969</u>	<u>45,841</u>



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 4 - CURRENT ASSETS

		2022	2021
	Notes	\$	\$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		1,419,600	193,698
		<u>1,419,600</u>	<u>193,698</u>
TRADE & OTHER RECEIVABLES			
Other levels of Government - State government grants		239,473	2,249,500
Accrued income		25,000	-
Debtors - City of Charles Sturt		110,465	-
Debtors - City of Port Adelaide & Enfield		83,086	-
GST Recoupment		43,722	880,172
Prepayments		2,295	-
		<u>504,041</u>	<u>3,129,672</u>

Amounts included in receivables that are not expected to be received within 12 months of reporting date.

- -



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	Fair Value Level	2021 \$'000				2022 \$'000			
		Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land		-	1,084,032	-	1,084,032	-	1,091,863	-	1,091,863
Computer Equipment		-	-	-	-	-	33,423	(21,315)	12,108
Office Equipment		-	-	-	-	-	55,299	(6,665)	48,634
Plant, Property & Equipment		-	-	-	-	-	19,102,766	(474,942)	18,627,824
Spare Parts		-	-	-	-	-	108,896	-	108,896
Total IPP&E		-	1,084,032	-	1,084,032	-	20,392,247	(502,922)	19,889,325



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 6 - NON-CURRENT ASSETS

	Notes	2022 \$	2021 \$
OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		-	10,713,492
		<u>-</u>	<u>10,713,492</u>



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 7 - LIABILITIES

		2022		2021	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Accrued expenses - other		150,188	-	1,467,814	-
Payments received in advance		120,000	-	-	-
Accounts payable - Goods & services		1,093,409	-	184,061	-
Other payables		297,239	-	-	-
		<u>1,660,836</u>	<u>-</u>	<u>1,651,875</u>	<u>-</u>
<i>Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.</i>					
		-	-	-	-
BORROWINGS					
Loans		-	16,597,013	-	9,500,000
		<u>-</u>	<u>16,597,013</u>	<u>-</u>	<u>9,500,000</u>

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



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 8 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

		2022	2021
	Notes	\$	\$
Total cash & equivalent assets	4	1,419,600	193,698
Balances per Cash Flow Statement		<u>1,419,600</u>	<u>193,698</u>

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

Net Surplus (Deficit)	(413,902)	1,607,155
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	502,922	-
	<u>89,020</u>	<u>1,607,155</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	1,580,160	(2,084,201)
Net increase (decrease) in trade & other payables	1,433,843	(50,836)
Net Cash provided by (or used in) operations	<u>3,103,023</u>	<u>(527,882)</u>



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9 - FINANCIAL INSTRUMENTS

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

Accounting Policies - Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost, interest is recognised when earned.</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 0.01% and 0.05%.</p> <p>Carrying amount: approximates fair value due to short term maturity.</p>
Receivables - Fees & other charges	<p>Accounting Policy: Trade receivables are initially recognised at the transactions price and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.</p>
Receivables - other levels of government	<p>Accounting Policy: Other receivables are initially recognised at fair value.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value due to short term maturity.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable in October 2030; interest is charged at fixed (or variable - describe) rates between 1% and 2%.</p> <p>Carrying amount: approximates fair value.</p>



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	1,419,600	-	-	1,419,600	1,419,600
Receivables	501,746	-	-	501,746	501,746
Total	1,921,346	-	-	1,921,346	1,921,346
<u>Financial Liabilities</u>					
Payables	1,660,836	-	-	1,660,836	1,660,836
Non-Current Borrowings	-	-	16,597,013	16,597,013	16,597,013
Total	1,660,836	-	16,597,013	18,257,849	18,257,849

2021	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	193,698	-	-	-	193,698
Receivables	3,129,672	-	-	-	3,129,672
Total	3,323,370	-	-	-	3,323,370
<u>Financial Liabilities</u>	\$	\$	\$	\$	\$
Payables	1,651,875	-	-	1,651,875	1,651,875
Non-Current Borrowings	-	-	9,500,000	-	9,500,000
Total	1,651,875	-	9,500,000	1,651,875	11,151,875

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

	30 June 2022		30 June 2021	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	2.80%	16,597,013	2.05%	9,500,000
		<u>16,597,013</u>		<u>9,500,000</u>



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 9 - FINANCIAL INSTRUMENTS (con't)

Net Fair Value

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

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 Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 4 in relation to individual classes of receivables, exposure is concentrated within the Authority'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 Authority'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 Authority 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. Authority 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. Authority has variable interest rate borrowings. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 10 - COMMITMENTS FOR EXPENDITURE

	2022	2021
Notes	\$	\$
Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Building project contract	75,000	8,629,454



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 11 - FINANCIAL INDICATORS

	2022	2021
Operating Surplus Ratio		
<u>Operating Surplus</u>	0%	0%
Total Operating Income		

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

Net Financial Liabilities Ratio		
<u>Net Financial Liabilities</u>	0%	0%
Total Operating Income		

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

The financial indicators will be relevant once the authority is fully operational for a full financial year.



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 12 - CAPITAL CONTRIBUTIONS OF CONSTITUENT COUNCILS

	Notes	2022 \$	2021 \$
Contribution by Owners			
City of Charles Sturt		-	1,297,277
City of Port Adelaide Enfield		-	1,297,277
Total Contributions by Owners		<u>-</u>	<u>2,594,554</u>
 City of Charles Sturt Movement Table			
Opening balance		1,297,277	-
Contributions		-	1,297,277
Closing Balance		<u>1,297,277</u>	<u>1,297,277</u>
 City of Port Adelaide Enfield Movement Table			
Opening balance		1,297,277	-
Contributions		-	1,297,277
Closing Balance		<u>1,297,277</u>	<u>1,297,277</u>



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 13 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2022	2021
	\$	\$
Income	1,574,650	8
Expenses	<u>(4,303,552)</u>	<u>(437,853)</u>
Operating Surplus / (Deficit)	(2,728,902)	(437,845)
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	-	-
Add back Depreciation, Amortisation and Impairment	502,922	-
Proceeds from Sale of Replaced Assets	<u>-</u>	<u>-</u>
	502,922	-
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	(8,091,801)	(13,967,528)
Amounts received specifically for New and Upgraded Assets	-	2,594,554
Proceeds from Borrowings	<u>7,097,013</u>	<u>9,500,000</u>
Net Lending / (Borrowing) for Financial Year	<u>(3,220,768)</u>	<u>(2,310,819)</u>



Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

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

The General Manager of the Authority is employed by the City of Port Adelaide Enfield.
Payments were made during the year by the Authority to the City of Port Adelaide Enfield for the General Manager secondment costs.

The Authority also made payments during the year to directors for director fees.

Total payments to Key Management Personnel during the year ended 30 June 2022 were \$354,232 (2021: \$171,281)

CONSTITUENT COUNCILS

Amounts paid or payable to City of Charles Sturt during the year ended 30 June 2022 were \$157,412 (2021: \$490,898)

Amounts paid or payable to City of Port Adelaide Enfield during the year ended 30 June 2022 were \$164,416 (2021: \$2,398,740)

Amounts received from the City of Charles Sturt during the year ended 30 June 2022 were \$485,373 (2021: \$1,297,000)

Amounts received from the City of Port Adelaide Enfield during the year ended 30 June 2022 were \$446,073 (2021: \$1,297,000)



Central Adelaide Waste and Recycling Authority

CERTIFICATION OF AUDITOR INDEPENDENCE for the year ended 30 June 2022

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Central Adelaide Waste and Recycling Authority for the year ended 30 June 2022, 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)

Nicolle Rantanen

Chair of Audit Committee - CAWRA

Date: 21 September 2022



John Niarchos

Executive Officer - CAWRA

Date: 21 September 2022





CITY OF
Port Adelaide Enfield

City of Port Adelaide Enfield

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