



Annual Report 2022–23



CITY OF
Port Adelaide Enfield

Table of Contents

Mayor and CEO Message	4
Kaurna Acknowledgement	5
SECTION ONE: Our City	6
City Plan 2030 Vision	8
Strategic Management Framework	9
Measuring Our Performance	9
Our City at a Glance	11
Connecting with PAE	12
Ways to Join the Conversation	12
Get Connected	13
City Plan Theme: Economy	15
City Plan Theme: Community	19
City Plan Theme: Environment & Heritage	23
City Plan Theme: Placemaking	27
City Plan Theme: Leadership	31
Sustainable Development Goals	34
SECTION TWO: Our Council	36
Our Council	36
The Legal Context	38
The Role of Elected Members	38
Elected Members Representing Our Community	39
Local Government Reform	39
Council Decision-Making Structure	39
Council and Committee Meetings	39
CAWRA	39
Council and Committee Roles and Functions	40
Attendance at Meetings	42
Elected Member Training and Development	43
Elected Member and Committee Allowances	43
Informal Gatherings	44
Confidential Items	44
Confidential Provisions	46
Opportunities to be Heard by Council	47
Review of Council Decisions under Section 270 of the Local Government Act 1999	47

City of PAE Elected Members	48
SECTION THREE Our Organisation	50
Our Organisation	52
Corporate Services	52
Community Development.....	53
City Assets	53
Our Staff.....	54
Senior Executive Officers	54
Enterprise Bargaining.....	54
Risk Management	54
Auditor	54
Credit Card Expenditure	54
Legal Expenditure	54
Work Health and Safety	54
Diversity and Inclusion.....	55
Employee Training and Development	56
Our Organisational Values	56
Working Parties and Groups.....	56
Building Fire Safety Committee.....	56
Delegations.....	56
National Competition Policy	57
Use of Local Goods and Services	57
Competitive Tendering.....	57
Reporting Required under the Local Nuisance and Litter Control Act 2016.....	57
Management Plans for Community Land.....	58
Codes.....	58
Registers and Other Documents	58
Council Policies	58
Access to Council Documents	59
Freedom of Information.....	59
SECTION FOUR Appendices	60
General Purpose Financial Statements	62
CAWRA Annual Report	108



Mayor and CEO Message

On behalf of the Elected Members and staff of the City of PAE, we are pleased to present our 2022–23 Annual Report. This marks the first report of our new Council, elected in November 2022.

This year, we celebrated significant milestones, including the completion of the Prospect Road upgrade in Kilburn and Blair Athol in July 2022 and the opening of Polonia Reserve in August 2023.

Our capital works program saw us spend more than \$61 million on completing or making substantial progress on a range of projects — including traffic management, road resurfacing, new paths and trails, improvements to stormwater and drainage, upgrades to buildings and facilities, new infrastructure, and upgrades to parks and playgrounds.

On a strategic front, we endorsed the Built Heritage Strategy, Communications and Engagement Framework 2022–25, and updates to our Community By-Laws in July 2022. In August, we adopted the Creative Port Plan, Net Zero Emissions Plan, and Walking and Cycling Plan for enhanced road safety. In September, the Urban Greening and Biodiversity Plan was also approved, along with an innovative Significant and Regulated Trees Assistance Scheme to encourage tree care on private property.

We're committed to providing inclusive sports facilities. In line with our Inclusive Sports Facilities Plan, we continued upgrading community recreation facilities at various locations.

This year's efforts included Gepps Cross and Edward Smith Reserves, equipment upgrades at Brian Lehmann and George Crawford Reserves, and court reconstruction at Iversen Athletics Reserve.

Our community centres, libraries, and stadiums expanded health, wellbeing, and capacity-building opportunities. These hubs foster social connections and offer outreach programs like the Home Library service.

Additionally, over 7,857 community transport trips were provided through various vehicles, and we supported local gatherings.

We're dedicated to combating isolation, loneliness, and homelessness. Our Homelessness Connections Officer assisted 120 individuals through 515 support interactions.

Building relationships with sporting clubs remained a priority. We organised club development workshops, a promotional expo and the Growing for Gold program, resulting in increased club membership and physical activity for local children.

In closing, we extend our sincere thanks to the residents, community groups, local businesses and volunteers of the City of PAE, who make this such a wonderful place in which to live, work, learn and play.

Claire Boan | Mayor

Mark Withers | CEO



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 Peoples continue to play within our shared community.



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 & Heritage, Placemaking, and Leadership. Each theme has an outcome statement with strategies and outlines what we will deliver to achieve on each outcome statement.

-  **Economy**
We are a thriving economy and a business-friendly City
-  **Community**
We are a safe, vibrant, inclusive and welcoming City for our residents, businesses and visitors
-  **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

Strategic Management Framework

Our Strategic Management Framework demonstrates how our plans deliver on our vision. The City Plan 2030 captures our vision and aspirations for PAE and is underpinned by strategic, financial and asset management plans. You can find a full list of our plans at: cityofpae.sa.gov.au/council/corporate-documents/plans

Each financial year we develop an Annual Business Plan to show how we use your rates and contributions to pay for services and programs that benefit the whole community.



Measuring Our Performance

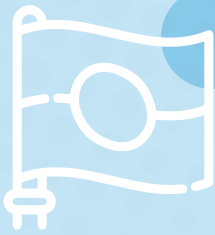
A key part of our Strategic Management Framework is monitoring our performance. We track our progress and report back to our community through quarterly reviews. In addition, at the end of each year our Annual Report presents a summary of what we have achieved.

Corporate Indicators help us show how we have achieved our objectives.

Indicator	How This Is Measured
Service Excellence	Monthly community feedback from Voice of PAE survey (rating out of 5)
Employee Engagement	Monthly survey using Teamgage (combined summary)
Net Zero Emissions Target Progress	Annual progress report (% reduction CO ₂)
Delivery of Our Capital Plan	Quarterly progress reporting (% complete)
Asset Renewal Funding Ratio	Annual reporting (% actual expenditure to planned expenditure)



Our City at a glance...



2.5%

Aboriginal and Torres
Strait Islander population



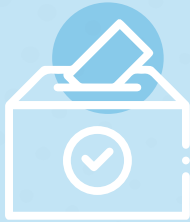
135,844

Estimated resident population
(2022)



82,487

Local Jobs**



89,660

Electors*



36%

Residents born overseas



9,412^{ha}

Total land area



\$10.9^b

Gross Regional Product**



37 years

Median age



9,348

Persons needing assistance



11,111

Local businesses**



35%

Households renting







110,096

People over 15 years



Connecting with PAE

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 on our website

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 Join the Conversation

The information and feedback provided by our community is the most valuable resource we have for shaping our services, facilities and programs.

We gather and assess feedback from a combination of community engagement, community forums, perception surveys, the data we hold and our day-to-day contact with residents, businesses, groups, clubs, government and visitors.

We are focusing on getting a better understanding of the diverse perspectives of our community. We seek feedback from our customers about the issues that affect them and the level of service they have received and we reflect on how we can improve and make better decisions.

We are committed to providing more opportunities for our community to tell us what they think about our services, facilities and programs. Participate PAE, our online engagement platform, uses interactive maps, surveys, conversation tools, language translations, accessibility 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 Participate PAE at  participate.cityofpae.sa.gov.au

Get connected



43%

Voice of PAE survey respondents who stated they received excellent customer service



81,256

Inbound phone calls



3,943

Online consultation contributions



57,923

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



38,847

Customer requests



285

Compliments



8.94^m

Social media views



85%

Incoming calls answered within 30 seconds



35,045

Updates sent to Participate PAE users



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.

Growing green businesses

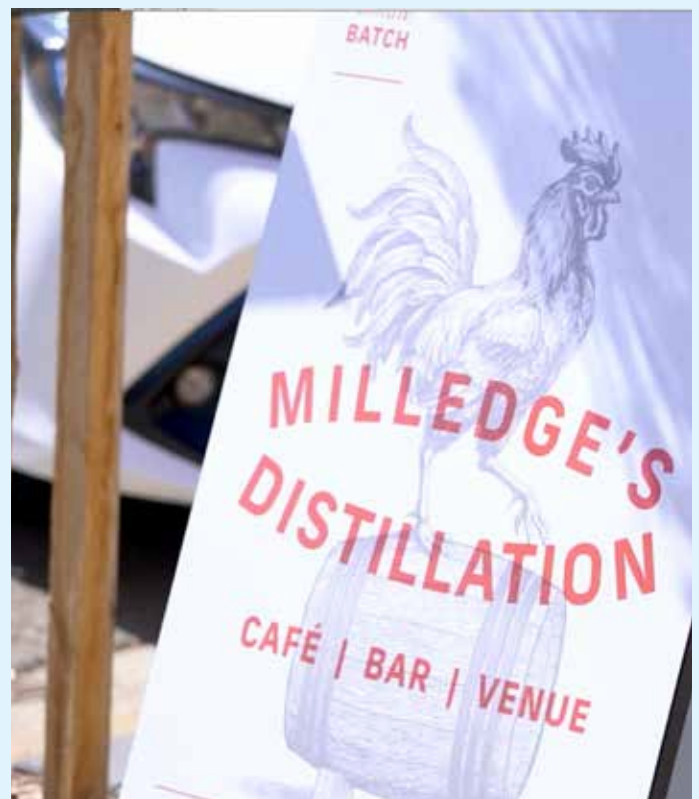
Partnering for our environment

Helen Galindo and her partner were excited to move their growing business from the shed of their back yard into an historic warehouse in the heart of Port Adelaide. Helen owns Milledge's Distillation, which produces handcrafted gin that is sold onsite at the distillery as well as through local markets. The distillery is also home to a café, bar and venue and has co-working spaces for other local entrepreneurs.

The process of distillation requires significant electricity to heat the gin and then maintain it at a certain temperature. To reduce the environmental footprint of her business, Helen made an application for a grant through our Green Business Incentive Scheme. Through the funding she received, Helen installed a 40kW Solar PV system which will save her business money and enable it to contribute electricity back to the grid.

The Green Business Incentive Scheme provides financial incentives to small and medium-sized businesses to invest in renewable energy, energy efficiency, zero-emission transport or plant technologies. We will also consider purchases to help reduce waste and urban heat and increase our City's tree canopy or deliver circular economy outcomes.

During the 2022–23 year, we awarded 11 Green Business grants, with the overall funding awarded through the scheme totalling \$57,362.



Through these innovative partnerships, we're enabling businesses in PAE to get their own green initiatives off the ground. The scheme is just one of the ways we support the more than 11,100 businesses in PAE to grow and thrive.

Related Plans: Economic Development Strategy, Living Environment Strategy, Net Zero Emissions Plan

Priorities	Achievements	Status
Establish a new Economic Development and Tourism Strategy	<ul style="list-style-type: none"> Delayed to align with the new City Plan, to be delivered in early 2024 	
Review the Visitor Information Centre service delivery mode	<ul style="list-style-type: none"> Developed the project scope, with a view to engaging a consultant in 2023–24 	
Invest \$13.4 million in maintenance/renewal of our 702km road network	<ul style="list-style-type: none"> Delivered 99% of road projects for the 2022–23 period 	



Economy at a glance...



297

Business operators attended
Western Adelaide Tourism
Alliance events



827

Attendance at Library
digital literacy programs



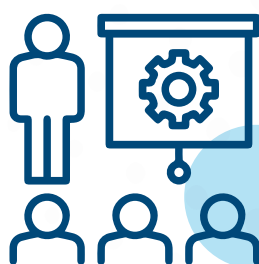
20,987

Visits to our Visitor
Information Centre



\$1.04^b

Value of Development
Applications lodged



166

Business attendees at our
Engine Room Series workshops



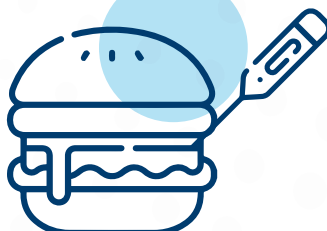
76,100

Passengers from cruise ships
disembarked in PAE



\$676,755

Total provided in grants
across all categories



1,270

Food business
inspections completed



2,000

Jobseekers, students and
delegates attended the
Western Adelaide Jobs Expo



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.

Neighbours in harmony

Supporting connection at local level

Supporting the health and wellbeing of the PAE community is fundamental to all the work we undertake, and our goal is to provide social environments that support and promote social inclusion and community cohesion for all members of the community. We have continued our work towards building healthy, tolerant and inclusive neighbourhoods this year. In particular, we extended our culture of welcoming when the Welcoming Centre was relocated to the Kilburn Community Centre in July 2022.

In March 2023, we celebrated both Harmony Day and Neighbour Day with a program of events aimed at recognising existing local connections and creating new ones. Harmony Day, which is celebrated on the International Day for the Elimination of Racial Discrimination, promotes the ideas of inclusion and respect, while Neighbour Day is a national day for building connection and belonging throughout our local communities.

Our Neighbours in Harmony program featured workshops, dinners and social groups at venues right around the City. Our Libraries hosted harmonious Storytime sessions for 2–5 year olds, while our Creative Kids and Little Greenies environment groups explored the theme of belonging. There was a film night at the Welcoming Centre and a BBQ for local men at Lefevre Community Stadium. The program culminated in the Neighbours in Harmony event at the Parks Library, with performance, food and arts activities shared by more than 100 local residents.



The Neighbours in Harmony program was just one in our year-long calendar of opportunities for residents to get together and be involved, which during 2022–23 included the South Australian Living Artists (SALA) Festival, Nature Festival, Nunga Week, Refugee Week and History Month.

Related Plans: Public Health and Community Wellbeing Framework, Inclusive Communities Plan, Open Space Strategy

Priorities	Achievements	Status
Complete Design of the Aboriginal Cultural Centre (Yitpi Yartapuultiku)	<ul style="list-style-type: none"> Successfully completed design documentation following a two-year co-design process with the Aboriginal Custodian Working Group. The design pays homage to the Aboriginal connection to the land, sea, waterways and sky and will facilitate conservation, protection and enhancement of the Port River Conducted tender process to select a principal contractor to deliver the construction project Will establish a Yitpi Yartapuultiku Leadership Group to guide the development of a business plan and program for the Centre Received recognition with a Planning Institute of Australia Award for community engagement and also the Minister's Award Will receive certification under the new Green Star certification program, representing Australian excellence in healthy, resilient, sustainable buildings and places Released concept images for the project to the community 	Completed
Develop a business case for priorities identified through the Social Infrastructure review	<ul style="list-style-type: none"> Delivered Part A (Scoping and Options) of the Business Case for Social Infrastructure in the Eastern Precinct Will develop Part B (Detailed Cost Benefit Analysis) of the Business Case in 2023–24 	Continuing
Deliver on our Inclusive Sports commitments	<ul style="list-style-type: none"> Completed Gepps Cross Clubrooms in December 2022 Engaged a local builder to construct new change rooms, tennis courts and cricket nets at Greenacres Reserve Clubrooms, with work commencing in August 2023 Commenced works to construct a new change room and storage shed at T K Shutter Reserve in August 2023 Conducted a consultation with club representatives at Klemzig Reserve Began designing a new facility at Duncan Fraser Reserve, in collaboration with the Northgate Sports and Community Club Worked with the Port District Football Club on a design of a two-storey building at Largs Reserve 	Ongoing

Community at a glance...



21,958

Dogs and cats registered



9,908

Community transport
volunteer hours



16,605

Hours of attendance at our
social support programs



4,792

Vaccines administered at
community and school clinics



52

At risk young people
supported by the
Reconnect Program



120

People supported by our
Homelessness
Connections Officer



\$219,938

Total provided in
community grants



607,676

Library items loaned



474,696

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.

Greening our City and biodiversity

Exceeding our targets for plantings

Our Living Environment Program is now into its second of three years. The program enables us to deliver on the environmental priorities of the City Plan 2030 and allows us to accelerate our climate change response and show environmental commitment and leadership.

Since trees cool and shade our homes and buildings, reducing electricity bills, increasing property value and providing habitat for wildlife, planting more of them is one of the simplest and most effective ways of adapting to the impacts of climate change. Contrary to popular belief, more trees are currently being removed from private land than from public land. Meanwhile, our urban areas are becoming hotter and drier due to a changing climate and higher-density development. This leaves many streets and suburbs vulnerable to impacts from increased heat during the summer months.

In 2021, we set ourselves the target of increasing our tree canopy by 35% by 2050. To achieve this ambitious target, we have committed to planting at least 3,000 new trees in our streets and reserves each year. During 2022–23, we exceeded our tree planting targets and planted 3,294 trees on Council land.

We are also aiming to increase the number of trees planted on private land to 500 per year. To try to meet this target, we established the 'Get Shady' Project as an incentive program for landowners. Through the scheme we provided 150 property owners living in our hottest suburbs with a free advanced (1m-high) tree to plant on their land in 2022.



In 2023, we doubled the number of trees we provided, resulting in 300 mature trees being planted on private land across the City as part of this program. An interactive map on our website shows where these trees have been planted, stretching all the way from North Haven to Gilles Plains.

[Related Plans: Living Environment Strategy, Net Zero Emissions Plan, Open Space Strategy, Public Health and Community Wellbeing Framework](#)

Priorities	Achievements	Status
Deliver Year 2 of our Living Environment Program activities, including the introduction of the Tree Initiative Program	<ul style="list-style-type: none"> Endorsed Net Zero Emissions Plan on 9 August 2022 Implemented the Green Building Program, delivering energy improvements at our depots and Libraries Purchased 6,304 tonnes of Reconophalt Asphalt with the inclusion of recycled plastic bags, toner cartridges and glass, resulting in estimated scope 3 emission reduction of 234 tonnes of CO₂e Continued operating the new Central Adelaide Waste and Recycling Authority (CAWRA) Materials Recovery Facility (MRF) in Kilburn Purchased 9 EV passenger vehicles, replacing petrol fleet vehicles, and installed 6 supportive EV charging stations at the Civic Centre and Kilburn Depot Conducted a microplastics survey and installed 4 microplastic drain buddy systems Continued collaborating with the Cities of West Torrens and Charles Sturt to deliver AdaptWest in Action Launched the CULTIVATE sustainable buildings professional development series, in partnership with the Cities of Charles Sturt and Marion Held 10 Climate Action community workshops Held the Living Landscapes Writing Competition Constructed an MRF at Whicker Road, to recycle our civil construction materials, such as asphalt and concrete, for reuse in our construction projects 	
Begin to implement the Built Heritage Strategy	<ul style="list-style-type: none"> Conducted project scoping for priority foundation projects including local heritage code amendment and review of heritage grants and heritage plaque scheme Allocated \$1,000,000 for Heritage Conservation Management Plans for Council-owned heritage buildings 	
Invest \$14.9 million in stormwater and drainage to help mitigate flooding issues	<ul style="list-style-type: none"> Delivered over \$18 million in stormwater infrastructure projects, noting the need to be nimble to reprioritise projects to react to delays in stormwater materials, service authority delays and lack of resources available 	
Upgrade the Barker Inlet tidal gates	<ul style="list-style-type: none"> Completed preliminary works and procured tidal gates, but additional scope required Will complete project in June 2024 	

Environment and Heritage at a glance...



25,821

Tonnes of waste diverted from landfill via kerbside recycling and organics bin collection



4,642,313

Bins emptied



18,711

Bird observations by our Citizen Scientists



16,127

Tonnes of green waste collected



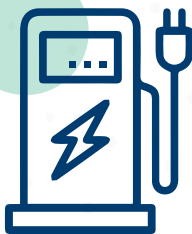
3,294

Street and reserve trees planted



480

Advanced canopy and tubestock canopy trees provided to residents to plant on private land



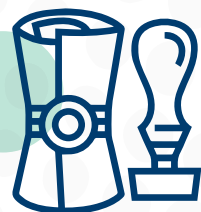
112

Days' worth of vehicle charging provided by our EV charging stations



50.2%

Of material from wheelie bins recycled or composted



\$84,510

Grants and incentives provided through the Environment Grant and Green Business Incentive Scheme



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.

Kicking off at Polonia

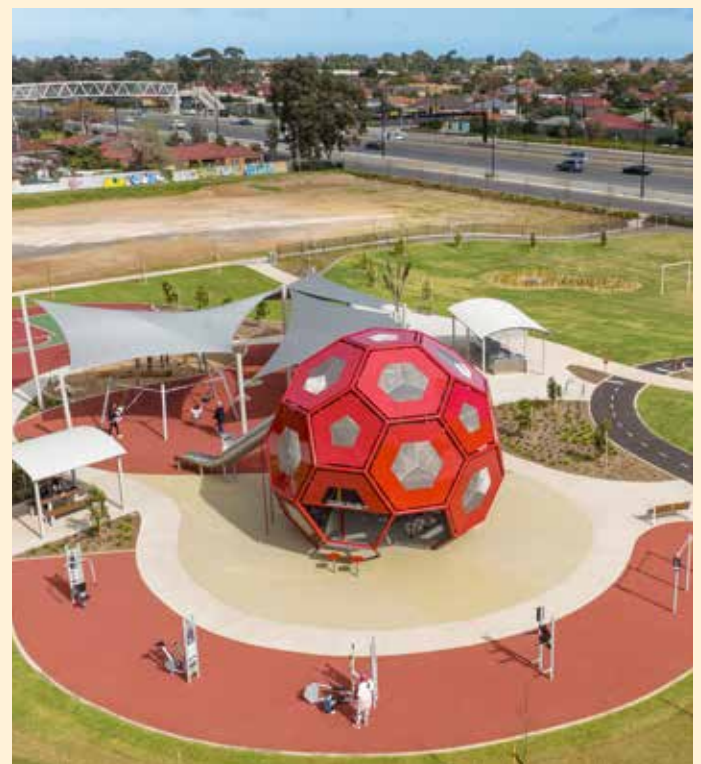
Reserve and playground ready to be enjoyed

There were celebrations at Polonia Reserve in Croydon Park on Saturday 5 August 2023, when we officially launched the new play space and reserve. This project had been several years in the making, following upgrades to South Road, the relocation of the Croydon Football Club to the upgraded Regency Park Oval, and the demolition of the existing clubroom at Polonia. We worked with the community and stakeholders every step of the way.

In developing the reserve, we heard from more than 100 people, across two rounds of engagement. This included members of local sporting clubs, older residents who had lived in the area for many years and 47 children, who were full of great ideas for play. In the first round, respondents told us that they were keen to see rolling and riding play activities and that toilets, shelter and natural shade were high priorities. In the second round, we shared the draft plan and received feedback that helped shape the final design.

Polonia Reserve includes an open kickabout lawn, play space and stormwater detention area. Opportunities also exist for new path and cycling connections through the reserve to better connect residents to South Road and the nearby Janice Jensen Reserve.

The standout playground feature is a huge soccer ball playground sculpture, which is 7m tall and 12m wide and pays homage to the site's sporting past. This custom-designed play element, built by local business Iguana Creative, features three levels, two slides, a climbing structure, a lookout platform, tessellated climbing steps, fire poles, an interactive ticket booth and exterior illumination.



Water play can also happen in the play area, via the locally built wheatsheaf sculpture, which pays homage to the long history of Polish settlement in the area. Communication boards have also been installed to enable children with diverse communication needs to engage with the play equipment and each other.

Polonia Reserve was just one of eight playgrounds that we completed this year, as we continue to create places for the community to experience and enjoy.

Related plans: Arts and Culture Strategy, Open Space Strategy, Active Recreation Facilities Plan, Public Health and Community Wellbeing

Priorities	Achievements	Status
Deliver 8 playground upgrades across the City including Dover Street Reserve (Blair Athol) and Polonia Reserve (Croydon Park)	<ul style="list-style-type: none"> Completed Dover Street Reserve (Blair Athol), Mapleton Reserve (Blair Athol), Northgate Reserve (Northgate), Polonia Reserve (Croydon Park), Roy Amer Reserve (Oakden), Walkley Heights Reserve (Walkley Heights), E A Carlson Reserve (North Haven) and Semaphore Foreshore Reserve playgrounds, all of which are now open for public use 	Completed
Deliver the E P Nazer Reserve Detailed Design	<ul style="list-style-type: none"> Completed a master plan for the site with a staging and implementation plan to be developed in 2023–24 	Ongoing
Deliver the Semaphore Master Plan	<ul style="list-style-type: none"> Conducted a review of the engagement and design approach for the project Will review and deliver master plan in 2023–24 	Ongoing
Implement the Port Place Development Plan by producing a creative venue guide, fostering artist and business collaboration and increasing opportunities for live music in the Port	<ul style="list-style-type: none"> Established the Creative Port Plan to lay the foundations for increased activity in the area, in line with our longer-term vision of establishing the Port as a unique, vibrant and creative place known for its arts and culture Established a partnership with the Music Development Office to deliver the Live and Local Micro-festival and associated elements Delivered a Wonderwalls event, adding 8 new murals to make it one of the largest outdoor galleries in the world, receiving Best Event Award for Week Three of the 2023 Adelaide Fringe Established the Handmade Markets, a quarterly artisanal market, in the Port laneways with more than 5,000 visitors Supported tenants in creative spaces to participate in cultural opportunities and workshops Delivered local 'Precinct Drinks' to bring artists and businesses together Launched monthly street art tours in Port Adelaide 	Ongoing
Deliver the inaugural Port River Sports Festival	<ul style="list-style-type: none"> Delivered the inaugural Docksider Festival 9–11 December 2022, celebrating sport, community and culture: <ul style="list-style-type: none"> More than 30 community and sporting groups participated in the extensive program to transform the waterfront into a vibrant hub of activity More than 2,000 people participated in 'come and try' sessions and sports Total visitation was estimated at 21,000 over the 3 days, with over 70% of visitors from outside the City of PAE Program featured a street party, Santa's Cave and night markets Calculated total visitor spend contributed \$2,296,512 to the region 	Completed

Placemaking at a glance...



\$310,939

Placemaking and events grants provided



11,120

Bookings on our reserves



\$3,875

Amount provided in SALA subsidies to 50 artists



42

Poles approved for painting as part of Paint Ya Pole



1,727

Library programs offered



23,676

Hours of programs and activities in community centres



34,900

Library program attendees



33

Project ideas implemented from ideas pitched by local students



3,267

Bookings in our 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.

Participation: a key part of our planning

Connecting and involving our community

We strive to build genuine relationships with our community and this year we have been working to expand and improve how we interact, engage and foster these critical connections. Our Communications and Engagement Framework highlights our commitment to providing clear, timely and transparent communications and meaningful engagements that create opportunities for involvement and that help people understand what we are doing and why.

In January 2023, on Global Community Engagement Day, we relaunched our community engagement platform as Participate PAE. The change reflects a significant ongoing transition in how we conduct engagement and foster connections with our community. Engagement is becoming more than a one-way consultation; it is a dynamic conversation between the City of PAE and the community, as well as within the diverse communities that make up PAE as a whole.

The engagement activities we undertake with our community vary depending on the topic, complexity, level of community interest and influence that stakeholders may have over final outcomes. Our engagement work is guided by our Communications and Engagement Framework and the International Association for Public Participation (IAP2) Spectrum of Public Participation. We aim to ensure that residents and stakeholders have access to the information they need to participate in engagements and to understand the things we do, along with the decisions we make and the outcomes of the engagement process.



With our commitment to keeping people updated on the projects that interest them, this year we have also been refining our processes for 'closing the loop' with project contributors and followers, so that people know the outcome of our engagements.

Participate PAE is the place to get involved in community engagement conversations, keep up to date, and interact with and shape the community.

Visit participate.cityofpae.sa.gov.au

Related Plans: People and Culture Strategy, Communications and Engagement Framework

Priorities	Achievements	Status
Implement our Communications and Engagement Framework	<ul style="list-style-type: none"> Established the community working group for dogs on beaches Established an Inclusive Communities online forum Implemented accessibility and translation tools on our website and on the Participate PAE platform Completed a thorough review of the PAE website to enable the delivery of a contemporary and easy-to-navigate site, including analysis to offer improved findability, accessibility, scannability, user flow and content quality 	Ongoing
Undertake collaborative service reviews with the Cities of Marion and Charles Sturt to drive efficiencies and increase public value	<ul style="list-style-type: none"> Completed Irrigation Review as well as Operations and Maintenance Review in November 2022 Will continue to progress the implementation of these recommendations 	Completed
Continue with the delivery of our People and Culture strategy to develop our people, embed diversity and inclusion, and strengthen workplace safety	<ul style="list-style-type: none"> Received 2,067 applications for 88 vacancies, resulting in 63 new employees being taken on during 2022–23 Created 80+ secondment opportunities for existing employees Completed actions against all 25 items in the Local Government Risk Services Action Plan Commenced implementing our Aboriginal and Torres Strait Islander Cultural Competency Training Framework Progressed the Leadership Development Framework through the commencement of our Leadership@PAE program Delivered injury management preventative measures including site visits by a physiotherapist 	Ongoing
Commence the Enterprise Resource Planning (ERP) Systems Project	<ul style="list-style-type: none"> Consulted with executives, leaders and staff on the Digital Future Strategy Engaged an experienced change consultant to lead the delivery of an overarching Change Management Strategy to guide the program Produced an indicative roadmap to include sequencing and high-level costings in consultation with key leaders across PAE and City of Charles Sturt 	Ongoing
Implement the Customer Relationship Management System	<ul style="list-style-type: none"> Worked towards completing the final stages of the Customer Relationship Management (CRM) project, incorporating the delivery of a 24/7 Customer Portal and a new rates portal 	Ongoing
Conduct the 2022 Local Government Elections	<ul style="list-style-type: none"> Held Council elections in November 2022 in collaboration with the Electoral Commission and the Local Government Association to achieve compliance Received 40 nominations for positions, with a 31.8% voting participation rate Confirmed election results on 17 November 2022, with the new Council sworn in on 22 November 2022 	Completed

Leadership at a glance...



494

Total FTE employees



10

Deputations heard



777

New Australian
Citizens conferred



383

Council resolutions



\$1.7^b

Assets managed



33

Council workshops held



260

Volunteers



26

Hours of ordinary Council
meetings



26












Participate PAE
engagement opportunities

Sustainable Development Goals

Helping PAE realise the United Nations Sustainable Development Goals

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 2022–23.

Actions	SDGs	Relevant Page Number in the Annual Report 2022–23
Supporting those who are homeless or at risk of homelessness through PAE's Homelessness Connections Officer, including a project to co-ordinate responses and improve community access to affordable housing and support services		Page 4
Providing spaces and opportunities where people can be active and connect to improve health and wellbeing through programs which support connection at the local level, as well as through upgrading our sporting facilities, reserves and playgrounds, and through reviewing our City's social infrastructure		Page 19, 20, 28
Committing to gender equity through our Women in PAE Project, which aims to improve practices that disadvantage women, both in the PAE workforce and across the City		Page 57
Supporting clean energy through implementing the Net Zero Emissions plan, making green building improvements to Council facilities, replacing petrol vehicles with electric vehicles and installing charging stations, as well as through offering Green Business Grants		Page 15, 24
Continuing to implement our People and Culture Strategy to develop our people, imbed diversity and inclusion and strengthen workplace safety		Page 32
Increasing opportunities for people in the community to engage with each other by including accessibility and translation tools on PAE's website and by running the Inclusive Communities Online Forum		Page 32
Continuing to work with the community to safeguard cultural heritage through working with the Aboriginal Custodian Group to progress the design for the Aboriginal Cultural Centre (Yitpi Yartapuultiku)		Page 20
Reducing waste generation through prevention, reduction and reuse initiatives including the continued operation of the Central Adelaide Waste and Recycling Authority (CAWRA) and the construction of the Whicker Road Material Recovery Facility (MRF), as well as the purchase of Reconophalt Asphalt (made from recycled materials such as plastic bags, toner cartridges and glass)		Page 24
Tackling climate action through increasing the City's tree canopy to improve urban cooling and help strengthen resilience and adaptive capacity to climate changes through the introduction of the Tree initiative Program, as well as ongoing involvement in AdaptWest and holding Climate Action community workshop. Also undertaking significant investment in stormwater and drainage infrastructure to help mitigate flooding issues		Page 24, 25
Creating and maintaining green corridors and increased tree planting to improve biodiversity, increase our City's green canopy and create habitats for wildlife		Page 23
Improving connection and engagement with our community through implementing our Communication and Engagement Framework		Page 32





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. We provide vital economic, social, cultural and environmental support to the community.

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 Elected 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, learn 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 89,660 electors across seven wards, equating to one Elected Member per 4,981 electors. In comparison, other councils of a similar size and type have average representation quotas ranging from 5,315 to 6,565 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.

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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. Council, committee and Council Assessment Panel Agendas are placed on public display no less than three days prior to meetings.

Minutes of the meetings are on display at the principal office and at all Council Libraries within five days of that meeting. 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](https://www.youtube.com/cityofpae)

Council previously had a Grants and Sponsorships Committee which was not re-established following the Council election in November 2022 and therefore had no meetings to record.



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 2022–23 forms part of this Annual Report and is available at the end of this document.

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 Lisa Bishop, two Elected Members and two Independent Members
Chief Executive Officer Performance Development Review Committee (CEO PDR Committee)	Established to determine, in conjunction with the Chief Executive Officer (CEO), relevant Key Performance Indicators (KPIs) for the CEO and to undertake the formal review process of the performance of the CEO against agreed KPIs	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 4 Independent Members

Type of Meeting	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
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	Council Assessment Panel	Special Council Meetings
Mayor Boan	10/12	NA	5/5	NA	3/3
Cr Barca (concluded Nov 2022)	4/5	NA	2/2	NA	0/1
Cr Basham	10/12	NA	2/5	NA	2/3
Cr Clayton	12/12	NA	5/5	NA	3/3
Cr Colombo	11/12	2/2	3/5	NA	2/3
Cr Croci (concluded Nov 2022)	5/5	NA	2/2	NA	1/1
Cr den Hartog	10/11	NA	3/5	NA	3/3
Cr Dinh	9/12	NA	4/5	NA	1/3
Cr Evans	11/12	NA	2/5	NA	3/3
Cr Martin	11/12	NA	1/5	NA	3/3
Cr McGregor (commenced Nov 2022)	7/7	NA	2/3	NA	2/2
Cr Mitchell	10/12	3/4	5/5	NA	3/3
Cr Osborn	12/12	NA	2/5	NA	3/3
Cr Panayiotou (commenced Nov 2022)	7/7	NA	3/3	NA	2/2
Cr Russell	11/12	NA	3/5	NA	3/3
Cr Saeed (commenced Nov 2022)	6/6	1/1	3/3	NA	2/2
Cr Tulloch	12/12	NA	5/5	7/7	3/3
Cr Vines	10/11	NA	3/5	NA	2/3
Cr Wilkins	10/12	NA	5/5	NA	3/3
Cr Wright (concluded Nov 2022)	5/5	NA	1/2	NA	1/1
Cr Wotton	12/12	NA	5/5	NA	2/3

NA = Not appointed to the panel/committee and not required to attend

Please note that as 2022–23 was an election year, the number of meetings that each Councillor could attend varied depending on whether the Councillor was elected for both election terms or only one of the election terms. The figures in this table indicate how many meetings each Councillor attended out of the maximum number of meetings it was possible for them to attend, based on the term of their election.

Elected Member Training and Development

The Elected Members’ Conferences, Seminars, Training and Development Policy was endorsed on 27 November 2018. The table below indicates the training programs that each Elected Member completed during 2022–23. Coloured columns in the table indicate mandatory training.

	Legal Module 3	Civic Module 2	Behavioural Module 1	Strategy and Finance 4	Principal Member Leadership Program 19 April 2023	LGA Ordinary General Meeting 14 April 2023	Deputy Mayor Forum 12 May 2023	National General Assembly 13–15 June 2023
Mayor Boan	3/12/22	23/03/23	7/03/23	4/04/23	✓	✓		
Cr Basham	22/6/23	7/02/23	7/03/23	4/04/23	NA			
Cr Clayton	3/12/22	7/02/23	7/03/23	4/04/23	NA			
Cr Colombo	3/12/22	7/02/23	7/03/23	4/04/23	NA			
Cr den Hartog	3/12/22	7/02/23	11/05/23	4/04/23	NA			
Cr Dinh	3/12/22	7/02/23	7/03/23	4/04/23	NA			
Cr Evans	3/12/22	7/02/23	16/03/23	4/04/23	NA			
Cr Martin	3/12/22	7/02/23	7/03/23	4/04/23	NA			
Cr McGregor	3/12/22	7/02/23	7/03/23	20/07/23	NA			✓
Cr Mitchell	3/12/22	23/03/23	7/03/23	4/04/23	NA			
Cr Osborn	30/3/23	18/05/23	7/03/23	4/04/23	NA			
Cr Panayiotou	3/12/22	7/02/23	7/03/23	4/04/23	NA			
Cr Russell	30/3/23	7/02/23	7/03/23	4/04/23	NA			
Cr Saeed	3/12/22	7/02/23	16/03/23	4/04/23	NA			
Cr Tulloch	3/12/22	7/02/23	7/03/23	4/04/23	NA			
Cr Vines	22/6/23	7/02/23	6/07/23	4/04/23	NA		✓	✓
Cr Wilkins	3/12/22	7/02/23	7/03/23	4/04/23	NA			
Cr Wotton	3/12/22	7/02/23	7/03/23	4/04/23	NA			

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** \$103,352 per annum
- **Deputy Mayor** \$32,297.50 per annum
- **Councillors** \$25,838 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.

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.

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 2022–23, there were 25 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 25 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 following table.

Meeting and Date	Item	Title	Reference from the Act	Confidentiality Order Applied
Ordinary Council 13 June 2023	19.2	CAWRA — Draft Operating Budget 2023–24	90(2) and 90(3)(d)(i)(ii)	Yes
Ordinary Council 13 June 2023	19.5	Renewal SA Land Acquisitions	90(2) and 90(3)(d)(i)(ii)	Yes
CEO PDR 6 June 2023	6.2	Chief Executive Officer Performance Update Presentation and Discussion with the committee 2022–23	90(2) and 90(3)(a)	Yes
Ordinary Council 9 May 2023	19.2	Waste Contractor Performance Management	90(2) and 90(3)(b)(i)(ii)	Yes
Ordinary Council 11 April 2023	19.2	Lefevre Peninsula — Road Upgrades	90(2) and 90(3)(j)(i)(ii)	Yes
CEO PDR 28 March 2023	6.2	Recommendation for Consultant Support the Committee	90(2) and 90(3)(d)(i)(ii)	Yes
Ordinary Council 14 March 2023	19.2	Independent Members Appointment to the City of Port Adelaide Enfield Audit and Risk Committee	90(2) and 90(3)(a)	Yes
Ordinary Council 14 March 2023	19.5	Sale of Portion of Land — 97 Pitman Road and 3 Otway Street, Windsor Gardens	90(2) and 90(3)(b)(i)(ii)	Yes
Ordinary Council 14 February 2023	19.2	Land Acquisition at Carroll Avenue, Kilburn	90(2) and 90(3)(j)(i)(ii)	Yes
Ordinary Council 14 February 2023	19.5	Waste Contractor Performance Management	90(2), 90(3)(d)(i)(ii) and 90(3)(j)(i)(ii)	Yes
Ordinary Council 13 December 2022	19.2	2023 Australia Day Awards	90(2) and 90(3)(o)	Yes
Ordinary Council 13 December 2022	19.5	Port Adelaide Land Tenure Matters	90(2), 90(3)(d)(i)(ii) and 90(3)(j)	Yes

Meeting and Date	Item	Title	Reference from the Act	Confidentiality Order Applied
Ordinary Council 11 October 2022	19.2	Water Licence Expression of Interest	90(2) and 90(3)(b)(i)(ii)	Yes
Audit and Risk 21 September 2022	6.2	Legislative Compliance — Planning, Development and Infrastructure Act	90(2) and 90(3)(h)	Yes
Audit and Risk 21 Sept 2022	6.5	External Audit 2021–22 — Interim Management Orders	90(2) and 90(3)(e)	Yes
Ordinary Council 9 August 2022	19.2	Aboriginal and Torres Strait Islander Awards	90(2) and 90(3)(o)	Yes
Ordinary Council 9 August 2022	19.5	LGA Consultation on Mandatory Training Standards	90(2) and 90(3)(j)(i)(ii)	Yes
Ordinary Council 9 August 2022	19.8	Unsolicited Bid Proposal to Purchase Portion of Council Land	90(2) and 90(3)(b)(i)(ii)	Yes
Ordinary Council 9 August 2022	19.11	Purchase of Property	90(2) and 90(3)(b)(i)(ii)	Yes
Ordinary Council 9 August 2022	19.14	City of PAE Tip Voucher System	90(2) and 90(3)(b)(i)(ii)	Yes
CEO PDR 2 August 2022	6.8	Chief Executive Officer's Performance Development Review 2021–22 — Remuneration Proposal	90(2) and 90(3)(a)	Yes
CEO PDR 2 August 2022	6.5	Chief Executive Officer's Performance Development Review — Proposed KPIs for 2021–22 — Feedback on Performance	90(2) and 90(3)(a)	Yes
CEO PDR 2 August 2022	6.2	Chief Executive Officer's Performance Development Review 2021–22 — Feedback on Performance	90(2) and 90(3)(a)	Yes
Ordinary Council 12 July 2022	19.2	Disposal of land at Polonia Reserve, Croydon Park	90(2) and 90(3)(b)(i)(ii)	Yes
CEO PDR 5 July 2022	6.2	Chief Executive Officer Performance Update Presentation and Discussion with the committee 2021–22	90(2) and 90(3)(a)	Yes

During 2022–23, a total of 21 items lapsed or were released, meaning that Council determined to remove the entire or part of the confidentiality order over the information and made it available to the public. Meanwhile, 42 orders remained in confidence.

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)	25
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)	6
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	5
90(3)(e)	Matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person	1
90(3)(j)	Information the disclosure of which— (i) Would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and (ii) Would, on balance, be contrary to the public interest	5
90(3)(o)	Information relating to a proposed award recipient before the presentation of the award	1

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

A standard petition form is available on our website at

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

During 2022–23, Council received 10 petitions.

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 2022–23, Council considered 10 deputations.

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

During 2022–23, one application was received for a review of a Council decision under Section 270.

The review related to a request for tree removal and the outcome was that the decision remained. The applicant was 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.





Mayor City of PAE

Mayor Claire Boan
claire.boan@cityofpae.sa.gov.au



Cr
joc



Cr
ste



Outer Harbor Ward

Cr Vanessa Tulloch
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Cr Adrian Wotton
adrian.wotton@cityofpae.sa.gov.au



Semaphore Ward

Cr Peter McGreggor
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Cr David Wilkins
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Cr Kim Dinh
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Cr Kat Mitchell
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Cr Wasim Saeed
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Parks Ward



Port Adelaide Ward

Cr Joost den Hartog
joost.denhartog@cityofpae.sa.gov.au

Cr Steve Vines
steve.vines@cityofpae.sa.gov.au

City of PAE Elected Members

Northfield Ward

Cr Mark Basham JP
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Cr Matt Osborn
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Cr Lazaras Panayiotou
lazaras.panayiotou@cityofpae.sa.gov.au



Klemzig Ward

Cr Hannah Evans
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Cr Paul Russell
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Enfield Ward



Cr Barbara Clayton
barbara.clayton@cityofpae.sa.gov.au



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



Cr Carol Martin OAM JP
carol.martin@cityofpae.sa.gov.au



3: Our Organisation



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.

Our organisational values are:

- **Make a Difference: We serve our community well**
- **Grow and Improve: We improve our work every day**
- **Better Together: We collaborate and create to deliver meaningful outcomes**

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.

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

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 and 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 great places and spaces. 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 and Footpath Upgrades
- Road Construction and Repair
- Road Safety Improvements
- Stormwater Management
- Streetscape Management
- Transport, Pedestrian and Cycling Infrastructure

Our Staff

	Female	Male	Un-disclosed	Total	Full Time Equivalent (FTE)
Contract Full Time	37	17	0	54	54
Contract Part Time	14	0	1	15	10.43
Full Time	100	276	1	377	377
Part Time	65	10	0	75	53.05
Casual	1	0	0	1	0
Total	217	303	2	522	494.48

Senior Executive Officers

There are four Senior Executive Officers at the City of PAE — the Chief Executive Officer and three Directors. Remuneration packages for the Executive Leadership Team ranged from \$270,066 to \$351,819 per annum and were inclusive of 10.5% compulsory superannuation. The four packages include the provision of a motor vehicle for unrestricted private use with relevant staff making a salary contribution on a salary sacrifice basis towards vehicle costs.

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. 6 — 2021 was certified on 29 May 2023 and will expire on 31 December 2025. 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 we see as having 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 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 2022–23 financial year, Council's external auditor was remunerated \$30,000 for the audit of Council's financial statements and \$2,000 for other services.

Credit Card Expenditure

In accordance with Schedule 4 of the Local Government General Regulations 2013, we spent \$388,163 using corporate credit cards.

Legal Expenditure

In accordance with Section 131(1a) of the Local Government Act 1999, we spent \$565,121 on legal expenses.

Work Health and Safety

The Work Health and Safety (WHS) Team works across Council, providing business-partnering support by working with people leaders and employees, to solve problems, advise, educate and support staff, and to implement organisational and legislative requirements.

Our focus is to integrate WHS into how we work to ensure that we meet legislative and WHS management system requirements. We aim to drive a positive work, health and safety culture through the provision of general and technical WHS guidance, support and assistance across the organisation.

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

The WHS team also provides Return To Work support for employees injured at work and early intervention. We offer an annual program of wellbeing initiatives, such as employee skin screening, flu shots, health assessments and activities around health and wellbeing. We also offer an employee assistance program.

Diversity and Inclusion

The City of PAE is committed to developing and retaining a diverse workforce that reflects the community we serve and a workplace culture which is fair, equitable, free of discrimination and inclusive of that diversity. To support this principle and as required by the Local Government Act 1999, Section 107(2 and 3), PAE has the following Diversity and Inclusion policies and programs:

- Workplace Diversity and Inclusion Policy
- Preventing Sexual Harassment Policy
- Preventing Bullying and Harassment Policy
- Flexible Work Arrangements Policy
- Domestic and Family Violence Policy — we provide for and fund 20 days of Domestic/Family Violence leave under our Enterprise Agreements

Our Recruitment and Selection Policy and our recruitment training for employees guide equal opportunity employment, and we continue work on our Aboriginal Employment Strategy 2021–2025. We recognise that Aboriginal and Torres Strait Islander cultures and heritages are part of our City's identity and story, and the City of PAE has a commitment to developing a culturally safe workplace for all our employees.

Our strategy includes a commitment that our Leadership Team will undertake Cultural Awareness Learning and that PAE will provide opportunities for all our employees to gain this knowledge. In 2022–23 after a competitive procurement process, we selected two Aboriginal providers whose businesses are located in our region to deliver face-to-face Cultural Awareness Learning sessions to all PAE employees.

As part of our broader Diversity and Inclusion Strategy, we began the process of seeking reaccreditation to be recognised as a White Ribbon Organisation. Additionally, in 2022–23, our 'Women in PAE' project won the Excellence in Diversity and Inclusion Award in the LG Professionals SA Annual Leadership Excellence Awards.



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 disciplines. 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 programs and the LG Management Challenge.

In 2022–23 PAE's LG Management Challenge Team came third in the South Australian Competition.

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.

Nine employees attended Interstate Conferences in the 2022–23 Financial Year, with a total cost of \$16,768.46. This figure includes conference costs, accommodation, flights, meal allowance and cab charges.

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, while also providing care and support for one another.

During 2022–23, we implemented a new web-based tool (Teamgage) that enables us to check how we are tracking in terms of our organisational values. PAE engages each month with employees to create a shared understanding of our culture and how we are measuring success, and to support teams to align their work against the three organisational values. After 12 months of using Teamgage, we can see that employees are consistently rating the Organisational Values highly, particularly 'Make a Difference', stating that 'My work makes a difference to the organisation and community'.

Working Parties and Groups

We examine and investigate specific issues and facilitate or oversee a range of activities through the work of our working parties and groups, which include:

- Aboriginal Advisory Panel (comprising community members and Elected Members)
- Enterprise Agreement Consultative Committee
- Emergency Planning Committee
- Executive Leadership Team
- Green Buildings Working Group
- Inclusive Communities Work Group
- Major Projects Group
- Net Zero Emission Steering Group
- Senior Leadership Team
- White Ribbon Committee
- Workplace Health and Safety Committee (staff)
- Workplace Agreement Consultative Committee

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.

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

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 2022–23. Council By-Laws, which were made operational in November 2022, are subject to the requirements of Section 247 of the Local Government Act 1999 regarding avoiding restricting competition to any significant degree.

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 42 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 2022–23, we received a total of 3,176 littering and 842 local nuisance reports. The following table indicates the number and subject of abatement notices that we issued throughout the reporting period:

Reason	Abatement Notices Issued
Litter	1
Nuisance Animal	1
Unsightly Premises	4
Noise	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>	7
Litter Dispose of more than 50L of Class B or General Litter <i>(Person)</i>	16
Litter Dispose of up to 50L of Class B Litter	4
Litter Dispose of up to 50L of General Litter	16
Post a bill on property without consent	2
Fail to comply with nuisance abatement notice <i>(Person)</i>	1
Carry on activity that results in local nuisance <i>(Person)</i>	8
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 and 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 required to be kept under the Local Government Act 1999 or Local Government (Elections) Act 1999 is as follows:

- Register of Allowance and Benefits (Section 79)
- Register of By-Laws (Section 251)
- Register of Community Land (Section 207)

- Register of Community Land Management Plans (Section 196)
- Register of Confidential Items (Section 92)
- Register of Declaration of Conflict of Interests — Elected Members (Sections 74(5) and 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))

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

 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:

 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.

We consider requests for other information under the Freedom of Information Act 1991. Under this legislation, applicants must forward an application fee with the request, although we may grant exemptions in some cases. If the applicant requires copies of any documents that they have 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:** 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 once a request has been logged, along with either the application fee or proof of exemption, we respond to the request within 30 days.

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 36 applications under the Freedom of Information Act 1991 for the 12 months to 30 June 2023:

- 7 applications were refused, as the information sought was publicly available
- 1 application was referred to another agency
- 3 applications were withdrawn by an applicant before information could be provided
- 2 applications failed to find any documents

Application outcomes:

- 1 application was deemed a full refusal
- 7 applications were determined to be released in full
- 8 applications had partial release granted under Clause 6 (Documents affecting personal affairs)
- 1 application had partial release granted under Clause 7 (Documents affecting business affairs)
- 1 application had partial release granted under Clause 6 (Documents affecting personal affairs) and also contained plans that were deemed copyright
- 1 application had partial release granted under Clause 6 (Documents affecting personal affairs), Clause 7 (Documents affecting business affairs) and Clause 5 (Documents affecting intergovernmental or local governmental relations)
- 1 application had partial release granted under both Clause 7 (Documents affecting business affairs) and Clause 10 (Documents subject to legal professional privilege)
- 1 application had partial release granted under both Clause 6 (Documents affecting personal affairs) and Clause 10 (Documents subject to legal professional privilege)
- 1 application had partial release granted under Clause 9 (internal working documents), Clause 10 (Documents subject to legal professional privilege) and Clause 6 (Documents affecting personal affairs)
- 1 application had partial release granted under Clause 8 (Documents affecting the conduct of research), Clause 13 (Documents containing confidential material), Clause 6 (Documents affecting personal affairs) and Clause 7 (Documents affecting business affairs)

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 2023

*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 2023

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 2023

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 2023 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

14 November 2023



Claire Boan
Mayor

14 November 2023

City of Port Adelaide Enfield

General Purpose Financial Statements

for the year ended 30 June 2023

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 and 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 2023.

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 2023

\$ '000	Notes	2023	2022
Income			
Rates	2a	119,982	113,606
Statutory charges	2b	4,459	4,812
User charges	2c	3,486	2,982
Grants, subsidies and contributions - operating	2f	12,634	11,620
Investment income	2d	151	23
Reimbursements	2e	2,855	4,170
Total income		143,567	137,213
Expenses			
Employee costs	3a	50,810	49,062
Materials, contracts and other expenses	3b	51,651	47,643
Depreciation, amortisation and impairment	3c	36,512	35,095
Finance costs	3d	634	160
Net loss - equity accounted council businesses	19(a)	490	207
Total expenses		140,097	132,167
Operating surplus / (deficit)		3,470	5,046
Physical resources received free of charge	2g	12,473	6,811
Asset disposal and fair value adjustments	4	(3,678)	(6,117)
Amounts received specifically for new or upgraded assets	2f	8,014	3,744
Net surplus / (deficit)		20,279	9,484
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	9a	36,905	2,547
Total amounts which will not be reclassified subsequently to operating result		36,905	2,547
Total other comprehensive income		36,905	2,547
Total comprehensive income		57,184	12,031

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 2023

\$ '000	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	3,083	3,006
Trade and other receivables	5b	5,701	4,451
Inventories	5c	294	289
Other current assets	5d	500	—
Total current assets		9,578	7,746
Non-current assets			
Trade and other receivables	6a	18	21
Equity accounted investments in council businesses	6b	1,287	1,778
Other non-current assets	6c	22,622	21,151
Infrastructure, property, plant and equipment	7	1,699,397	1,631,987
Total non-current assets		1,723,324	1,654,937
TOTAL ASSETS		1,732,902	1,662,683
LIABILITIES			
Current liabilities			
Trade and other payables	8a	17,990	19,172
Borrowings	8b	837	1,120
Provisions	8c	11,987	12,763
Total current liabilities		30,814	33,055
Non-current liabilities			
Borrowings	8b	25,891	10,627
Provisions	8c	781	769
Total non-current liabilities		26,672	11,396
TOTAL LIABILITIES		57,486	44,451
Net assets		1,675,416	1,618,232
EQUITY			
Accumulated surplus		894,091	868,029
Asset revaluation reserves	9a	767,427	734,386
Other reserves	9b	13,898	15,817
Total council equity		1,675,416	1,618,232
Total equity		1,675,416	1,618,232

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 2023

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2023					
Balance at the end of previous reporting period		868,029	734,386	15,817	1,618,232
Restated opening balance		868,029	734,386	15,817	1,618,232
Net surplus / (deficit) for year		20,279	–	–	20,279
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	36,905	–	36,905
- Land & Buildings Asset Revaluation Reserve		–	–	–	–
- Infrastructure Asset Revaluation Reserve		–	–	–	–
Other comprehensive income		–	36,905	–	36,905
Total comprehensive income		20,279	36,905	–	57,184
Transfers between reserves		5,783	(3,864)	(1,919)	–
Balance at the end of period		894,091	767,427	13,898	1,675,416
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

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 2023

\$ '000	Notes	2023	2022
Cash flows from operating activities			
<u>Receipts</u>			
Operating receipts		153,074	145,656
Investment receipts		151	23
<u>Payments</u>			
Operating payments to suppliers and employees		(114,946)	(107,210)
Finance payments		(341)	(191)
Net cash provided by (or used in) operating activities	11b	<u>37,938</u>	<u>38,278</u>
Cash flows from investing activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		7,350	12,035
Sale of replaced assets		1,088	675
Sale of surplus assets		401	–
Sale of non current assets "held for sale"		–	8,451
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(34,826)	(27,884)
Expenditure on new/upgraded assets		(26,855)	(28,808)
Net cash provided (or used in) investing activities		<u>(52,842)</u>	<u>(35,531)</u>
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Borrowings		64,899	52,400
<u>Payments</u>			
Repayments of Borrowings		(49,004)	(53,332)
Repayment of lease liabilities		(914)	(931)
Repayment of bonds and deposits		–	(63)
Net cash provided by (or used in) financing activities		<u>14,981</u>	<u>(1,926)</u>
Net increase (decrease) in cash held		77	821
plus: cash & cash equivalents at beginning of period		3,006	2,185
Cash and cash equivalents held at end of period	11a	<u>3,083</u>	<u>3,006</u>
Additional information:			
Total cash, cash equivalents and investments		<u>3,083</u>	<u>3,006</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 2023

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	18
4	Asset disposal and fair value adjustments	19
5	Current assets	20
6	Non-current assets	21
7	Infrastructure, property, plant & equipment and investment property	22
8	Liabilities	26
9	Reserves	27
10	Assets subject to restrictions	28
11	Reconciliation to Statement of Cash Flows	28
12(a)	Functions	30
12(b)	Components of functions	31
13	Financial instruments	32
14	Capital expenditure and investment property commitments	35
15	Financial indicators	36
16	Uniform presentation of finances	37
17	Leases	38
18	Superannuation	39
19	Interests in other entities	40
20	Non-current assets held for sale and discontinued operations	40
21	Contingencies and assets/liabilities not recognised in the balance sheet	41
22	Events after the balance sheet date	41
23	Related party transactions	42

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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 14 November 2023 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 June 2023, the Federal Government paid an amount of \$5,173,945 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 \$3,727,939. The advance payment in 2022/23 represents approximately 95% and in 2021/22 approximately 75% 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 2023

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 1999* 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

(6) Infrastructure, property, plant and equipment

6.1 Initial recognition

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

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

6.2 Materiality

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

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

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

6.3 Subsequent recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. 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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

6.5 Impairment

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

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

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

6.6 Borrowing costs

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

(7) Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

Amounts 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 Hostplus 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.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

(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.

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 2022. 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.

- *AASB 2020-3: Amendments to Australian Accounting Standards – Annual Improvement 2018-2020 and Other Amendments.* Council adopted AASB 2020-3 which makes some small amendments to a number of standards including the following: AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 and AASB 141.
The adoption of the amendment did not have a material impact on the financial statements.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1. Summary of Significant Accounting Policies (continued)

- *AASB 2020-6: Amendments to Australian Accounting Standards – Classification of Liabilities as Current and Non-Current.* AASB 2020-6 defers the effective date for applying the requirements added to AASB 101 in AASB 2020-1 from annual reporting periods beginning on or after 1 January 2022 to annual reporting periods beginning after 1 January 2023, with earlier application permitted.

The adoption of the amendment did not have a material impact on the financial statements.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2023, 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 annual reporting periods beginning on or after 1 January 2023

- *AASB 2022-6: Amendments to Australian Accounting Standards – Non current Liabilities with Covenants.*

Effective for annual reporting periods beginning on or after 1 January 2024

- *AASB 2022-5: Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback.*

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

- *AASB 2014-10: Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an investor and its Associate or Joint Venture*

Council has assessed the impact of new and changed Australian Accounting Standards and Interpretations not yet effective and concluded that they will not have a material in the financial statements.

(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 2023

Note 2. Income

\$ '000	2023	2022
(a) Rates		
General rates		
General rates	120,354	113,950
Less: mandatory rebates	(3,214)	(3,014)
Less: discretionary rebates, remissions and write-offs	(441)	(506)
Total general rates	116,699	110,430
Other rates (including service charges)		
Regional Landscape Levy (RLL)	3,004	2,909
New Haven Village Water Management	45	37
Total other rates (including service charges)	3,049	2,946
Other charges		
Penalties for late payment	319	314
Total other charges	319	314
Less: discretionary rebates, remissions and write-offs		
Less: discretionary rebates, remissions and write-offs	(85)	(84)
Total less: discretionary rebates, remissions and write-offs	(85)	(84)
Total rates	119,982	113,606

(b) Statutory charges

Credit Control Fees and Charges	240	196
Development Act Fees (Building)	72	57
Development Act Fees (Planning)	1,945	2,437
Dog Control & Registration	985	948
Fire Protection Fees	19	17
Health	143	72
Licences - Supported Facilities	3	4
Other licences, fees and fines	53	47
Parking fines / expiation fees	784	777
Property Search Fees	212	257
Road Café Licences	3	–
Total statutory charges	4,459	4,812

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 2. Income (continued)

\$ '000	2023	2022
(c) User charges		
Commercial activity revenue	1,393	1,128
Community Centre Program Fees	160	118
Golf Course Fees	747	672
Health Food & Safety Fees	10	7
Immunisation Fees	89	79
Photocopying / Printing Fees	42	48
Sanitary and Garbage Fees	26	27
Sundry Sales	20	82
Sundry User Charges	36	37
Hall , Equipment & Facilities Hire Fees	962	783
Library Fines	1	1
Total user charges	3,486	2,982
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	93	12
- Banks and other	58	11
Total investment income	151	23
(e) Reimbursements		
Commercial Activities	144	445
Drainage & Footway Maintenance	225	529
Environmental Management	91	161
Fuel Tax Rebate	101	116
General Administration	879	501
Halls & Community Centres	3	11
Home & Community Care Program	235	195
Human Resources	353	53
Insurance Recoveries	411	1,335
Lease Recoveries	17	7
LGFA Bonus	18	17
Library Activities	7	9
Private works	50	79
Recreation Services	175	389
Tourism Activities	18	1
Traffic Control	73	230
Other	55	92
Total reimbursements	2,855	4,170

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 2. Income (continued)

\$ '000	2023	2022
(f) Grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	8,014	3,744
Total	8,014	3,744
Other grants, subsidies and contributions		
Operating Grants, Subsidies and Contributions		
- Community Development	339	362
- Corporate Development	864	1,458
- Engineering Services	3,697	3,575
- Health & Community Services	2,560	2,497
Individually Significant Item	5,174	3,728
Total other grants, subsidies and contributions	12,634	11,620
Total grants, subsidies and contributions	20,648	15,364
The functions to which these grants relate are shown in Note 12.		
(i) Sources of grants		
Commonwealth Government	7,423	4,616
State Government	13,121	10,678
Other	104	70
Total	20,648	15,364
(ii) Individually significant items		
Grant Commission (Financial Assistance Grant) recognised as income	5,174	3,728
In June 2023 the Federal Government advanced approximately 95% of the 2023-2024 annual Financial Assistance Grant (FAG).		
(g) Physical resources received free of charge		
Stormwater drainage	3,275	550
Land & Buildings	1,943	3,937
Roadways	3,568	341
Footways	1,940	1,245
Kerb & Water Table	1,747	738
Total physical resources received free of charge	12,473	6,811

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 3. Expenses

\$ '000	Notes	2023	2022
(a) Employee costs			
Salaries and wages		41,678	38,787
Superannuation Contributions	18	4,647	4,215
Workers' compensation insurance		1,446	2,089
Annual Leave Expense		4,202	4,083
Long Service Leave Expense		714	1,489
Less: capitalised and distributed costs		(1,877)	(1,601)
Total operating employee costs		50,810	49,062
Total number of employees (full time equivalent at end of reporting period)		495	491
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		30	31
- Other services		2	2
- Other auditors		7	—
Bad and doubtful debts		6	(11)
Elected members' expenses		575	560
Election expenses		625	67
Lease expense - low value assets / short term leases		160	226
Subtotal - prescribed expenses		1,405	875
(ii) Other materials, contracts and expenses			
Contractors		30,639	29,042
Legal expenses		565	650
Parts, accessories and consumables		4,452	4,269
Professional services		1,407	1,037
Levies Paid to Government - Dog & Cat Management Board Levy		216	190
Levies Paid to Government - Regional Landscape Levy		2,907	2,824
Levies Paid to Government - Emergency Services Levy		147	146
Levies Paid to Government - Other		61	171
Contributions and Donations - Economic Affairs & Tourism		315	224
Contributions and Donations - Recreation & Culture		204	252
Contributions and Donations - Other		523	436
Contract Labour		2,061	1,932
Fringe Benefits Tax		242	250
Electricity		3,713	2,827
Water & Sewerage Rates		2,480	2,617
Fuel, Gas & Lubricants		1,080	972
Advertising		117	251
Bank Charges		217	196
Insurance (excl. Workers Comp'n)		1,869	1,710
Local Govt. Assoc. Subscription		98	94
Licence Fees - Data Processing		1,795	1,465
Postage		231	211
Telephone Expenses		490	399
Training Expenses		380	347
Vehicle Registration & Insurance		238	238

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 3. Expenses (continued)

\$ '000	2023	2022
Other	1,846	1,583
Less: capitalised and distributed Costs	(8,047)	(7,565)
Subtotal - Other material, contracts and expenses	50,246	46,768
Total materials, contracts and other expenses	51,651	47,643

(c) Depreciation, amortisation and impairment

(i) Depreciation and amortisation

Buildings	9,570	9,205
Infrastructure	23,133	22,206
Right-of-use assets	911	946
Plant and equipment	2,008	1,891
Furniture and fittings	599	520
Waste Bins	241	230
Software	50	97
Subtotal	36,512	35,095
Total depreciation, amortisation and impairment	36,512	35,095

(d) Finance costs

Charges on Finance Leases	45	66
Local Govt. Finance Authority	589	94
Total finance costs	634	160

Note 4. Asset disposal and fair value adjustments

\$ '000	2023	2022
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	1,088	—
Less: carrying amount of assets sold	(4,601)	(7,769)
Gain (loss) on disposal	(3,513)	(7,769)
(ii) Assets surplus to requirements		
Proceeds from disposal	401	9,126
Less: carrying amount of assets sold	(566)	(7,474)
Gain (loss) on disposal	(165)	1,652
Net gain (loss) on disposal or revaluation of assets	(3,678)	(6,117)

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 5. Current assets

\$ '000	2023	2022
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(a) Cash and cash equivalent assets

Deposits with Local Govt. Finance Authority	2,791	2,336
Cash on Hand	5	5
Cash at Bank	287	665
Total cash and cash equivalent assets	3,083	3,006

(b) Trade and other receivables

Rates - general and other	707	821
Debtors - general	3,128	2,060
GST recoupment	882	962
Prepayments	997	622
Fuel Tax Claimable	11	4
Subtotal	5,725	4,469
Less: provision for expected credit losses	(24)	(18)
Total trade and other receivables	5,701	4,451

Provision for Doubtful Debts

Opening Provision	18	269
Add: Increase/(Decrease) in Provision	6	(251)
Closing Provision for Doubtful Debts	24	18

Nature of Impaired Trade Receivables 90 Days and Over

Rates Receivable	—	—
Sundry Debtors	24	18
Closing Provision for Doubtful Debts	24	18

(c) Inventories

Stores and materials	294	289
Total inventories	294	289

(d) Other current assets

Real Estate Held for Sale	500	—
Total other current assets	500	—

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 6. Non-current assets

\$ '000	2023	2022
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(a) Trade and other receivables

Receivables

Rates and general	18	21
<u>Total financial assets</u>	<u>18</u>	<u>21</u>

\$ '000	Notes	2023	2022
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(b) Equity accounted investments in council businesses

CAWRA - Non Current	19	1,287	1,778
<u>Total equity accounted investments in Council businesses</u>		<u>1,287</u>	<u>1,778</u>

(c) Other non-current assets

Capital work in progress	22,622	21,151
<u>Total other non-current assets</u>	<u>22,622</u>	<u>21,151</u>

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements for the year ended 30 June 2023

Note 7. Infrastructure, property, plant & equipment and investment property

Infrastructure, property, plant and equipment

\$ '000	Fair Value Level	as at 30/06/22				Asset movements during the reporting period							as at 30/06/23			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	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
Land	2	34,747	5	–	34,752	2,133	–	–	–	(500)	–	500	35,032	1,853	–	36,885
Land	3	396,430	–	–	396,430	–	–	–	–	–	–	–	396,430	–	–	396,430
Buildings	2	30,108	4,101	(22,396)	11,813	–	2,265	–	(711)	–	–	–	30,108	6,366	(23,107)	13,367
Buildings	3	317,099	8,937	(153,512)	172,524	10,752	6,123	(398)	(8,859)	–	–	–	316,000	25,812	(161,670)	180,142
Infrastructure	3	1,562,788	34,486	(598,429)	998,845	28,189	17,897	(3,865)	(23,133)	–	–	36,405	1,711,709	–	(657,371)	1,054,338
Right-of-use assets		–	4,462	(1,975)	2,487	–	–	–	(911)	–	–	–	–	4,368	(2,793)	1,575
Plant and equipment		–	22,296	(10,429)	11,867	206	4,540	(902)	(2,008)	–	–	–	–	23,611	(9,908)	13,703
Furniture and fittings		–	7,303	(4,642)	2,661	218	229	–	(599)	–	–	–	–	7,743	(5,233)	2,510
Waste Bins		–	5,111	(4,560)	551	132	–	–	(241)	–	–	–	–	5,243	(4,801)	442
Software		–	1,580	(1,523)	57	–	–	(2)	(50)	–	–	–	–	1,415	(1,410)	5
Total infrastructure, property, plant and equipment		2,341,172	88,281	(797,466)	1,631,987	41,630	31,054	(5,167)	(36,512)	(500)	–	36,905	2,489,279	76,411	(866,293)	1,699,397
Comparatives		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

continued on next page ...

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Valuation of infrastructure, property, plant & equipment and 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 7(a) 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 2023

Note 7. Infrastructure, property, plant & equipment and 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 are valued based on the depreciated replacement cost of these assets. The depreciated replacement cost is comprised by the gross replacement cost (based on estimated unit costs for which a substitute asset with similar service potential, physical characteristics, dimensions, depth and environmental parameters could be constructed) and accumulated depreciation (based on estimated total and remaining useful lives informed by the condition assessment of the asset, and the planned asset management strategy applicable to the asset). Dates of the last review of unit rates and condition assessment performed are detailed below:

Roads

Unit rates – last review performed by Council Staff as at 30/06/2020 and independently reviewed and certified by Andrea Carolan, FAPI, Certified Practising Valuer API No 6398 (including review of current useful lives).

Condition assessment – performed as at 30/09/2019 by Infrastructure Management Group Pty Ltd.

Footpaths

Unit rates – last review performed by Council Staff as at 30/06/2023 and independently reviewed and certified by Andrea Carolan, FAPI, Certified Practising Valuer API No 6398 (including review of current useful lives).

Condition assessment – performed on 30/09/2022 by Infrastructure Management Group Pty Ltd.

Drains

Unit rates – last review performed by Council Staff as at 30/06/2023 and independently reviewed and certified by Andrea Carolan, FAPI, Certified Practising Valuer API No 6398 (including review of current useful lives).

Condition assessments are periodically undertaken for this asset class as needed; this asset class is valued by age due to the cost of inspecting.

Bus stops

Unit rates – last review performed by Council Staff as at 30/06/2023 and independently reviewed and certified by Andrea Carolan, FAPI, Certified Practising Valuer API No 6398 (including review of current useful lives).

Condition assessment – performed on 30/12/2022 by Council Staff.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Kerbs

Unit rates – last review performed by Council Staff as at 30/06/2020 and independently reviewed and certified by Andrea Carolan, FAPI, Certified Practicing Valuer API No 6398 (including review of current useful lives).

Condition assessment – performed as at 30/09/2019 by Infrastructure Management Group Pty Ltd.

Bridges

Unit rates – last reviewed and certified by Griffin Valuation Advisory as at 30/06/2020. The Valuation was inspected and prepared by Mr. John Harvey, Principal Consultant | Asset Valuations, Licensed Property Valuer in Western Australia (No.44074).

Condition assessment – performed as at 30/06/2020 by Griffin Valuation Advisory.

Traffic devices

Unit rates – last review performed by Council Staff as at 30/06/2020 and independently reviewed and certified by Andrea Carolan, FAPI, Certified Practicing Valuer API No 6398 (including review of current useful lives).

This asset class is valued by age not condition.

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

Plant & Equipment

These assets are recognised on the cost basis.

Furniture & Fittings

These assets are recognised on the cost basis.

Waste Bins

These assets are recognised on the cost basis.

Software

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 2023

Note 8. Liabilities

\$ '000	2023 Current	2023 Non Current	2022 Current	2022 Non Current
(a) Trade and other payables				
Payments Received in Advance				
- Grants, subsidies, contributions - operating	217	—	173	—
- Grants and contributions - capital	9,797	—	10,461	—
Deposits, retentions and bonds	30	—	30	—
Trade Creditors	6,299	—	7,321	—
Payroll	924	—	724	—
Accrued Expenses - Interest on Loans	307	—	14	—
Sundry Creditors	416	—	449	—
Total trade and other payables	17,990	—	19,172	—

Total amounts included in trade and other payables

—	—	—	—
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(b) Borrowings

Lease liabilities	17b	837	791	916	1,627
Local Government Finance Authority Debenture		—	—	204	—
Local Government Finance Authority Cash Advance		—	25,100	—	9,000
Total Borrowings		837	25,891	1,120	10,627

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

(c) Provisions

Long Service Leave	6,520	781	7,048	769
Productivity Incentive	761	—	890	—
Annual Leave	4,706	—	4,825	—
Total provisions	11,987	781	12,763	769

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 9. Reserves

	as at 30/06/22				as at 30/06/23
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset revaluation reserve					
Land	74,099	500	–	–	74,599
Buildings	71,491	–	–	–	71,491
Infrastructure	588,796	36,405	(3,865)	–	621,336
Total asset revaluation reserve	734,386	36,905	(3,865)	–	767,426
Comparatives	739,608	2,547	(7,769)	–	734,386

	as at 30/06/22				as at 30/06/23
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other reserves					
Committed Projects	13,482	11,108	(13,482)	–	11,108
John Hart Reserve	146	21	–	–	167
Urban Tree Fund Reserve	9	14	–	–	23
Open Space Development Special Fund	2,180	406	–	–	2,586
Lightsview Community Fund	–	14	–	–	14
Total other reserves	15,817	11,563	(13,482)	–	13,898
Comparatives	15,795	14,149	(14,127)	–	15,817

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 2023

Note 9. Reserves (continued)

Lightsview Community Fund

The Lightsview Community Fund was established in conjunction with the developer of Lightsview, CIC Northgate Pty Ltd. It supports community members and organisations to undertake community led events, activities, projects and initiatives that encourage community use of public space and continues building the story of the Lightsview community. The fund is open for applications throughout the year.

Note 10. Assets subject to restrictions

\$ '000	2023	2022
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.		
Cash and financial assets		
State Government Grants	9,732	8,876
Federal Government Grants	705	1,971
Other Grants	1	59
Total cash and financial assets	10,438	10,906
Total assets subject to externally imposed restrictions	10,438	10,906

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2023	2022
(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 Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Total cash and equivalent assets	5	3,083	3,006
Balances per Statement of Cash Flows		3,083	3,006

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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

\$ '000	2023	2022
(b) Reconciliation of change in net assets to cash from operating activities		
Net surplus/(deficit)	20,279	9,484
Non-cash items in income statements		
Depreciation, amortisation and impairment	36,512	35,095
Equity movements in equity accounted investments (increase)/decrease	490	207
Non-cash asset acquisitions	(12,473)	(6,811)
Grants for capital acquisitions treated as investing activity	(7,350)	(3,744)
Net (gain)/loss on disposals	3,678	6,117
	41,136	40,348
Add (less): changes in net current assets		
Net (increase)/decrease in receivables	(1,253)	(146)
Change in allowances for under-recovery of receivables	(6)	251
Net (increase)/decrease in inventories	(5)	13
Net (increase)/decrease in other assets	12	(502)
Net increase/(decrease) in trade and other payables	(1,182)	(2,405)
Net increase/(decrease) in other provisions	(764)	719
Net cash provided by (or used in) operations	37,938	38,278

(c) Non-cash financing and investing activities

Acquisition of assets by means of:

Physical resources received free of charge	2g	12,473	6,811
Amounts recognised in income statement		12,473	6,811
Total non-cash financing and investing activities		12,473	6,811

(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	34,100	27,900

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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					OPERATING		GRANTS INCLUDED		TOTAL ASSETS HELD	
	2023	INCOME	2023	EXPENSES	SURPLUS (DEFICIT)		IN INCOME		(CURRENT AND	
		2022		2022	2023	2022	2023	2022	2023	2022
Functions/Activities										
Business Undertakings	195	222	87	88	108	134	—	—	(2)	—
Community Services	3,634	3,353	9,192	11,067	(5,558)	(7,714)	1,861	1,779	14	—
Culture	1,238	1,172	10,399	11,194	(9,161)	(10,022)	1,008	914	3	3
Economic Development	32	86	1,389	2,086	(1,357)	(2,000)	—	46	—	—
Environment	3,457	3,646	42,391	40,751	(38,934)	(37,105)	304	278	257,216	222,115
Recreation	3,390	2,783	22,742	21,200	(19,352)	(18,417)	780	396	645,373	634,219
Regulatory Services	3,470	3,920	6,528	7,825	(3,058)	(3,905)	—	35	606	449
Transport & Communication	4,642	4,887	24,961	23,751	(20,319)	(18,864)	4,452	4,435	805,702	783,846
Plant Hire & Depot/Indirect	386	750	(4,570)	1,863	4,956	(1,113)	—	—	14,008	12,160
Council Administration	123,124	116,395	26,978	12,343	96,146	104,052	4,229	3,737	9,982	9,891
Total Functions/Activities	143,568	137,214	140,097	132,168	3,471	5,046	12,634	11,620	1,732,902	1,662,683

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 2023

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.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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 4.3% and 4.6% (2022: 0.3% and 1.05%). Short term deposits have an average maturity of 1 day.

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and 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% (2022: 0.4208%). 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 and 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 and 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 and 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.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments (continued)

Terms and conditions:

Liabilities are normally settled on 30 day terms.

Carrying amount:

Approximates fair value.

Liabilities - interest bearing borrowings

Accounting Policy:

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

Terms & Conditions:

Secured over future revenues, borrowings are repayable at varying intervals; interest is charged at fixed and variable rates between 5.3% and 6.05% (2022: 2.05% 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 and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2023					
Financial assets					
Cash and cash equivalents	3,083	—	—	3,083	3,083
Receivables	4,706	18	—	4,724	4,722
Total financial assets	7,789	18	—	7,807	7,805
Financial liabilities					
Payables	7,052	—	—	7,052	7,052
Current borrowings	—	—	—	—	—
Non-current borrowings	—	—	25,100	25,100	25,100
Lease liabilities	862	799	—	1,661	1,628
Total financial liabilities	7,914	799	25,100	33,813	33,780
Total financial assets and liabilities	15,703	817	25,100	41,620	41,585

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 13. Financial instruments (continued)

\$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
2022					
Financial assets					
Cash and 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
Lease liabilities	961	1,661	–	2,622	2,543
Total financial liabilities	8,990	1,661	9,000	19,651	19,561
Total financial assets and liabilities	15,825	1,682	9,000	26,507	26,417

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

\$ '000	2023		2022	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other variable rates	5.69%	25,100	2.05%	9,000
Fixed interest rates	0.00%	–	7.65%	204
		25,100		9,204

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 and 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 2023

Note 14. Capital expenditure and investment property commitments

\$ '000	2023	2022
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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	175	2,686
Infrastructure	9,741	1,283
	9,916	3,969

These expenditures are payable:

Not later than one year	9,043	3,969
Later than one year and not later than 5 years	873	—
	9,916	3,969

(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	31	63
Waste Management Services	33,419	45,738
Other Maintenance Contracts	6,490	9,818
	39,940	55,619

These expenditures are payable:

Not later than one year	18,824	18,140
Later than one year and not later than 5 years	20,996	37,275
Later than 5 years	120	204
	39,940	55,619

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 15. Financial indicators

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022	Indicators 2021
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Financial Indicators overview

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	3,470	2.4%	3.7%	3.2%
Total operating income	143,567			

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

2. Net Financial Liabilities Ratio

Net financial liabilities	48,684	34%	27%	26%
Total operating income	143,567			

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	2,024	1.4%	2.6%	3.3%
Total operating income	142,121			

Adjusted Net Financial Liabilities Ratio

Net financial liabilities	53,858	38%	30%	26%
Total operating income	142,121			

3. Asset Renewal Funding Ratio

Asset renewals	34,826	106%	87%	98%
Infrastructure and Asset Management Plan required expenditure	32,814			

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 \$7.92 million of renewal works were in progress at 30 June 2023. If this amount were added to the renewal expenditure above, the adjusted Asset Renewal Funding Ratio for the year would equal 127%.

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 16. Uniform presentation of finances

\$ '000	2023	2022
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The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

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

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

Income

Rates	119,982	113,606
Statutory charges	4,459	4,812
User charges	3,486	2,982
Grants, subsidies and contributions - operating	12,634	11,620
Investment income	151	23
Reimbursements	2,855	4,170
Total Income	143,567	137,213

Expenses

Employee costs	50,810	49,062
Materials, contracts and other expenses	51,651	47,643
Depreciation, amortisation and impairment	36,512	35,095
Finance costs	634	160
Net loss - equity accounted council businesses	490	207
Total Expenses	140,097	132,167

Operating surplus / (deficit)

Net timing adjustment for grant revenue	(1,446)	(1,484)
---	---------	---------

Adjusted Operating surplus / (deficit)

	2,024	3,562
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Net outlays on existing assets

Capital expenditure on renewal and replacement of existing assets	(34,826)	(27,884)
Add back depreciation, amortisation and impairment	36,512	35,095
Add back proceeds from sale of replaced assets	1,088	675
	2,774	7,886

Net outlays on new and upgraded assets

Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(26,855)	(28,808)
Add back amounts received specifically for new and upgraded assets	7,350	12,035
Add back proceeds from sale of surplus assets (including investment property, real estate developments and non-current assets held for resale)	401	8,451
	(19,104)	(8,322)

Annual net impact to financing activities (surplus/(deficit))

	(14,306)	3,126
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City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

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
2023			
Opening balance	2,272	214	2,486
Additions to right-of-use assets	—	—	—
Depreciation charge	(758)	(153)	(911)
Balance at 30 June	1,514	61	1,575
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

(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	2023	2022
Balance at 1 July	2,543	3,473
Accretion of interest	45	66
Payments	(961)	(996)
Balance at 30 June	1,627	2,543
Classified as:		
Current	836	916
Non-current	791	1,627

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	911	946
Interest expense on lease liabilities	45	66
Expense relating to leases of low-value assets	160	226
Total amount recognised in profit or loss	1,116	1,238

City of Port Adelaide Enfield

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 17. Leases (continued)

(ii) Council as a lessor

\$ '000	2023	2022
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	475	538
Later than one year and not later than 5 years	87	561
	<u>562</u>	<u>1,099</u>

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 (10.50% in 2022/23; 10.00% in 2021/22). 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 2023

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	
	2023	2022	2023	2022
Council's share of net income				
Joint ventures	(490)	(207)	1,287	1,778
Total Council's share of net income	(490)	(207)	1,287	1,778

((a)i) Joint ventures, associates and joint operations

(a) Carrying amounts

\$ '000	Principal Activity	2023	2022
CAWRA	Waste Management and Recycling Services	1,287	1,778
Total carrying amounts - joint ventures and associates		1,287	1,778

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 and discontinued operations

Sale of Surplus Land Parcel

Council resolved to sell a parcel of surplus land at Gillman. At the date of these reports, Council was in negotiation with the successful purchaser and settlement is to occur early in the 2023-2024 financial year.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 21. Contingencies and 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. Subsidiary Loans

In September 2020, Central Adelaide Waste Recycling Authority (CAWRA) successfully established a \$22,901,000 Cash Advance Debenture (CAD) facility through the Local Government Financing Authority. CAWRA is a Joint Venture and is owned by City of Port Adelaide Enfield (50%) and City of Charles Sturt (50%). Both Councils have agreed to guarantee the loan, so are jointly and severally liable in the event of default.

Additionally, in May 2023 CAWRA was endorsed to go ahead with an increase in CAD facility of \$2.0m.

4. 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.

5. 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 2023 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 2023, 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 2023

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	2023	2022
The compensation paid to key management personnel comprises:		
Salaries, Allowances & Other Short-Term Employee Benefits	4,158	4,214
Termination benefits	–	252
Total	4,158	4,466

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	54	53
Total	54	53

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.

An Elected Member is a board member on the Green Adelaide board, which is a South Australian Government supported organisation working towards improving Adelaide's living environment. The Elected Member declares a conflict of interest to the board and does not take part in any decision relating to Council.

An Elected Member is a board member on the Local Government Association of South Australia which provides a variety of services to member councils. Council pays the association for training programs, tender advertising and organisational membership fees.

A social enterprise jointly owned by an Elected Member and their partner have entered into a community lease arrangement for use of a Council owned Hall. The 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.

An Elected Member is a chairperson of a local community garden which entered into a lease for use of Council land. The Elected Member followed all relevant protocols, declaring a conflict of interest as appropriate. An application for a rate rebate was also requested by another member of the community garden and all processes were followed, without any involvement from the Elected Member.



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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 2023, 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 2023, 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

17 November 2023



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 2022 to 30 June 2023 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 2022 to 30 June 2023.

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 2022 to 30 June 2023. 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 2022 to 30 June 2023. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

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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

17 November 2023

City of Port Adelaide Enfield

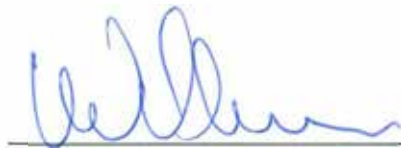
General Purpose Financial Statements

for the year ended 30 June 2023

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 2023, 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 & Risk Committee

Date: 18 October 2023



CITY OF PORT ADELAIDE ENFIELD

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2023

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 2023, 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

A handwritten signature in blue ink, appearing to read 'Tim Muhlhausler'.

Tim Muhlhausler CA, Registered Company Auditor
Partner

Date: 09 October 2023

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Central Adelaide Waste &
Recycling Authority
Annual Report
2022 - 2023



Contents

CAWRA Annual Report 2022 – 23

Introducing Central Adelaide Waste and Recycling Authority	3
The year ahead	3
Report from John Niarchos - CAWRA CEO	4
Governance	5
CAWRA Board.....	5
Functions of the Board	5
Board meetings held in 2022/23	7
Audit Committee.....	7
Audit Committee Members.....	7
Audit Committee meetings	7
2022/23 Achievements	9
MRF operations – efficiency improvements	9
Negotiated program of upgrade works.....	9
Grant funding secured.....	9
Market development.....	9
CAWRA Team	10
Audit Financial Statements	11

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 Material Recovery Facility (MRF), located in Kilburn.

CAWRA's new MRF was commissioned in late 2021 and commenced full operations from 18 January 2022. In its first part-year of operation in 2021-22, 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). In 2022 – 23 this number increased to 41,163 tonnes.

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.

At the close of 2022/23, CAWRA has succeeded in attracting kerbside recyclables from 12 Councils in total, comprising over 40% of Adelaide's households. CAWRA has provided a stable recycling service to those households throughout the year.

Some early challenges in the performance of CAWRA's plant and equipment were identified in 2021-22, resulting in negotiations with CAWRA's plant and equipment supplier (Wastech Engineering) through 2022-23. A negotiated program of works to address these issues, and to implement further improvements to the CAWRA plant to improve its speed and efficiency, has now been formally agreed to and contracted. The resulting program of works will be delivered as a series of 3 work packages in the second half of 2023.

The services provided to CAWRA by Visy Recycling have also been a major focus during 2022 – 23, with substantial operational efficiencies implemented since mid 2022, resulting in substantial benefits to CAWRA.

Visy continue to provide a stable underpinning to the CAWRA operation, including through the provision of an ongoing arrangement for the offtake of mixed paper and cardboard. This arrangement, which will remain in place for the life of CAWRA's contract with Visy, 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, the facility continues to host visitors to view the MRF in full operation. A part-time education officer has recently been engaged to commence from July 2023 to formalise this program and implement a program of improvements to CAWRA's education facility that has recently received funding support from Green Industries SA. With this increased focus, CAWRA's education facility is expected to continue to grow in popularity.

The year ahead

Implementing the negotiated program of plant and equipment improvements will be CAWRA's primary focus in the second half of 2023, with those upgrades to take place in 3 separate work packages delivered from late August to November. The commissioning and testing of that equipment will extend into early 2024.

By the end of 2023, with the program of plant and equipment upgrades practically complete, CAWRA will move into its 'mature operations' phase.

At that time, the expansion of CAWRA's programs and offerings will begin to expand beyond the operation of the MRF to take in a broader range of regional waste and recycling services. Discussions between CAWRA and the two constituent Councils in the second half of 2023 will frame the joint approach to this transition, and how the change will be resourced as we move forward together as a region.



Report from John Niarchos - CAWRA CEO



The 2022/23 financial year was another very busy period for CAWRA, as we settled into the full-scale operation of our new Materials Recovery Facility (MRF) and secured new contracts to receive recyclables. A total of 12 Councils are now using CAWRA's MRF services, compared with the original two Councils involved in its establishment.

The first quarter of FY22/23 saw a period of rapid expansion for CAWRA, with incoming volume growing by up to 30%. The addition of a third shift to CAWRA's operating structure was subsequently refined back to two shifts as CAWRA and Visy worked together to improve the plant's maintenance, uptime and operating

efficiency.

CAWRA faced some considerable operational challenges from August to December 2022, due largely to the failure of some major conveyors during their first year of service. Wastech Engineering and Visy Recycling both stepped up to help address these issues, replacing three conveyors in late 2022. This work saw CAWRA through the remainder of 2022/23, with plant uptime improving significantly and remaining stable through the first half of 2023.

A substantial program of plant and equipment improvements for the CAWRA MRF has been negotiated and agreed between CAWRA and Wastech Engineering and executed by both parties in June. This major program of works will be completed from September to November 2023, over a series of carefully planned shutdowns.

By the end of these upgrades, the CAWRA plant will be faster, cleaner and better equipped to deal with increasing volumes of incoming material. Improvements in product purity for key materials, including paper and containers, will help to future proof CAWRA's operation in what are continuously evolving commodity markets.

We have continued to benefit from the support of State and Commonwealth Governments, securing grants to improve our education experience for visitors, improve the quality of our glass fines output, improve the recovery of recyclable aluminium containers, and trial kerbside collection of soft plastics for recycling.

Thought leadership is a key focus area for CAWRA and this came to the fore early in response to the challenges faced nationally following the collapse of the RedCycle soft plastics recycling scheme in late 2022. Prior to RedCycle's collapse, CAWRA had been working closely with the Australian Food and Grocery Council and three of our partner Councils on the design of a kerbside collection trial for soft plastics. The 'bag in bin' trial officially commenced within the Cities of Adelaide, Charles Sturt and Port Adelaide Enfield in December 2022. The small volume of trial recyclable soft plastics generated in participating trial areas is captured and diverted for recycling from CAWRA's Kilburn site.

The trial service has been well-received by participating communities. Trial learnings are being combined with those from three interstate Councils also participating in Victoria and NSW to guide the design of a new National Plastics Recycling Scheme by the Australian Food and Grocery Council.

Having progressed through the start-up and early operation of its new MRF, CAWRA will focus early in FY23/24 on bedding down its series of MRF improvements, before transitioning into its mature operations phase and an expansion of its role beyond the MRF itself. CAWRA will continue to evolve through 2023/24, guided by the development of a new Regional Waste and Recycling Plan in the second half of 2023.

I would also like to acknowledge the efforts of CAWRA's Board and our independent Chairperson Cathy Cooper. Cathy's leadership and guidance has been invaluable to CAWRA throughout this busy and very successful year. She has been unable to provide her own written statement for this year's Annual Report due to overseas travel.



John Niarchos - Chief Executive Officer
Central Adelaide Waste and Recycling Authority
29 September 2023



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. There have been no changes to the CAWRA Board's structure or membership during 2022/23.

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: 5/5



Catherine is a highly experienced Executive, 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.

David Spear

Independent Member

Meeting Attendance: 5/5



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 Independent Chairman of Tyre Stewardship Australia, Independent Chairman of Office Brands Australia, Non-Executive Director of Unity Housing, Chairman of McLaren Vale Grape Wine & Tourism Association and Chairman of Big River Pork. 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: 2/5



Claire's involvement with Council committees spans over 12 years and includes the Audit Committee, Council Assessment Panel for planning, Grants and Sponsorship Committee, Aboriginal Advisory Panel as well as involvement with wider local government committees, including the Board of Directors of the LGA, and is a member of the Green Adelaide Board. She is committed to providing responsible governance, enhancing relationships and being carers of the environment, whilst generating and influencing programs to connect individuals and community groups with one another.

Mayor Angela Evans

Mayor City of Charles Sturt

Meeting Attendance: 4/5



Angela's involvement with Council committees over more than 16 years includes participation in the Gender Matters Panel, SA Local Government Women's Association, Policy and Delegations, Strategic Development, and Audit and City Services. At a state level, Angela has been involved with the LGA's Greater Adelaide Region Organisation of Councils, the Climate Emergency Australia Strategic Advisory Group, President of the LGA between 2020 and 2022 and was recently appointed to the Premier's Climate Change Council. 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: 5/5



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 many 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. 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, and a current member of the CEO Advisory Group to the SA Local Government Association.

Paul Sutton

CEO City of Charles Sturt

Meeting Attendance: 5/5



Paul works collaboratively with the Charles Sturt 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. CAWRA is a great example of Councils coming together to both solve a problem and maximise opportunities of the circular economy. Paul also has significant governance and Board experience being a current Board Member and past President of Local Govt Professionals SA and a National Director. He is also a past Governing Council member and Company Secretary of IPAA SA (Institute of Public Administration Australia SA), Paul was awarded a fellowship of IPAA in 2016.

[vacant position]

Independent Member



Board meetings held in 2022/23

In total, the Board convened on 5 occasions during 2022/23 with 8 Out of Session reports endorsed during this period.

The CAWRA Board met on the following dates in 2022/23:

1. 6 July 2022
2. 14 September 2023
3. 8 December 2022
4. 8 February 2023
5. 16 May 2023

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

There were no changes to the Audit Committee structure or membership during 2022/23.

The Audit Committee has the following members:

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

Audit Committee meetings

In total, including Out of Session reports, the Audit Committee convened on 5 occasions during 2022/23 with 1 Out of Session report endorsed during this period.

CAWRA's Audit Committee met on the following occasions during 2022/23:

- 1 September 2022
- 30 November 2022
- 2 February 2023
- 8 May 2023



External Auditor

BDO were re-appointed as CAWRA's external auditors for the 2022/23 financial year, having performed this role for CAWRA in each year since its establishment.

Following a competitive process, BDO were again recommended by the Audit Committee for re-appointment to this role for the 2022/23 financial year. That recommendation was subsequently endorsed by the CAWRA Board.

At the time of writing this Annual Report, BDO's Audit Completion Report for 2022/23 has been issued and reviewed by CAWRA's Audit Committee and Board, with no major qualifications.



2022/23 Achievements

MRF operations – efficiency improvements

Following the commissioning of CAWRA's plant and equipment in late 2021, and the commencement of full operation on 18 January 2022, CAWRA entered its 'early operations' phase. While a significant number of operational improvements had been implemented by end June 2022, others remained to be addressed in late 2022 and into the first half of 2023.

This program of improvements included a focus on reducing plant downtime, increased focus on maintenance and housekeeping and staff management including the management of scheduled breaks and overtime.

By the end of 2022/23, uptime and efficiency had improved significantly, making it possible to reduce from 3 shifts in late 2022 to 2 shifts by early 2023. These improvements will be further enhanced in 2023/24 as a result of the negotiated program of plant and equipment upgrades described below.

Negotiated program of upgrade works

CAWRA has worked closely with Wastech Engineering on a program of upgrade works to improve the long-term efficiency of CAWRA's MRF.

Two infeed conveyors were replaced in late 2022. The remaining program of upgrades will be completed in late 2023, including:

- three new optical sorters to improve recovery and purity of recyclable commodities
- new screens and other equipment to increase processing speed
- a new eddy current separator to improve recovery of aluminium containers
- new and replacement platforms and conveyors in association with the above

Further upgrades are also planned for 2024, in association with the grant funding provided by Green Industries SA as outlined below.

Grant funding secured

CAWRA was successful in securing \$390,418 + GST in new grants from Green Industries SA in 2022/23, as follows:

- Interactive touch screens and education room upgrades - \$59,910 + GST
- Eddy Current Separator - \$183,500 + GST
- Glass fines quality improvement - \$147,008 + GST
- TOTAL new grants: \$390,418 + GST

When combined with funding received in previous financial years, these amounts bring the total grant funding secured by CAWRA to just over \$4.75m.

Market development

CAWRA's early success in securing the processing contract for the City of Adelaide was followed early in the 2022/23 financial year with a successful tender to East Waste. With the East Waste material coming on-stream from early October 2022, the CAWRA MRF stepped up to receiving approximately 47,000 tonnes per annum. The shift pattern was initially increased to 3 shifts to accommodate this additional volume, then back to 2 shifts once operational efficiencies described above had been implemented.

Having secured the required infeed volume to underpin longer term efficiency for CAWRA's operation, the focus for market development has moved to further developing offtake opportunities for the key commodities that CAWRA manages through the MRF. Key target materials during 2022/23 included processing and remanufacture opportunities for glass fines and plastics. Soft plastics was also a focus, in the context of the soft plastics collection trial described below.



CAWRA Team

CAWRA has operated with a lean team of 3 full-time staff during 2022/23, as follows:

- Chief Executive Officer (John Niarchos)
- Manager Strategy and Programs (Fiona Chambers)
- Executive Assistant (Tiffany Ware)

Financial management (through Nexia Edwards Marshall) and legal services (through O'Loughlin's lawyers) continue to be outsourced. BDO were again appointed as CAWRA's independent financial auditor.

Additional support has also been provided through CAWRA's two Constituent Councils. This has been focussed primarily on waste program development and policy, procurement and governance support.

CAWRA's team will expand through 2023/24, with the engagement of Cameron O'Malley (Bin Thinking) to run education programs, and further expansion to match new roles and functions as described in the new Regional Waste and Recycling Strategy, once developed.



Central Adelaide Waste and Recycling Authority
General Purpose Financial Reports
for the year ended 30 June 2023

TABLE OF CONTENTS

	Page
Certification of Financial Statements	2
Principal Financial Statements	
Statement of Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to, and forming part of, the Principal Financial Statements	
Note 1 - Significant Accounting Policies	7
Note 2 - Income	12
Note 3 - Expenses	13
Note 4 - Current Assets	15
Note 5 - Non-Current Assets	16
Note 6 - Infrastructure, Property, Plant & Equipment & Investment Property	17
Note 7 - Liabilities	18
Note 8 - Reconciliation of Cash Flow Statement	19
Note 9 - Capital Contributions	20
Note 10 - Financial Instruments	21
Note 11 - Expenditure Commitments	24
Note 12 - Financial Indicators	25
Note 13 - Uniform Presentation of Finances	26
Note 14 - Related Party Transactions	27
Authority Certificate of Audit Independence	28
Audit Report - Financial Statements	29
Audit Certificate of Audit Independence	30

Central Adelaide Waste and Recycling Authority
Certification of Financial Statements
for the year ended 30 June 2023

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 2023 and the results of its operations and cash flows for the year ended 30 June 2023.
- 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.



Mr John Niarchos
Chief Executive Officer

Date: 11/10/2023



Ms Catherine Cooper
Chair of The Board

Date: 11/10/2023

Central Adelaide Waste and Recycling Authority
Statement of Comprehensive Income
for the year ended 30 June 2023

	Notes	2023 \$	2022 \$
INCOME			
Kerbside Recyclables	2	4,264,293	1,022,724
Net Commodity Sales	2	684,743	102,727
Site Usage	2	649,622	445,721
Investment income	2	681	2,503
Reimbursements	2	977	975
Other income	2	63,570	-
Total Income		5,663,886	1,574,650
EXPENSES			
Employee costs	3	235,882	-
Materials, contracts & other expenses	3	7,803,040	3,521,661
Depreciation, amortisation & impairment	3	995,736	502,922
Finance costs	3	851,970	278,969
Total Expenses		9,886,628	4,303,552
OPERATING SURPLUS / (DEFICIT)		(4,222,742)	(2,728,902)
Amounts received specifically for new or upgraded assets	2	3,241,939	2,315,000
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		(980,803)	(413,902)
TOTAL COMPREHENSIVE INCOME		(980,803)	(413,902)

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 2023

		2023	2022
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,017,875	1,419,600
Trade & other receivables	4	2,614,430	504,041
Inventories	4	350,544	-
Total Current Assets		3,982,849	1,923,641
Non-current Assets			
Infrastructure, property, plant & equipment	6	19,567,066	19,889,325
Other non-current assets	5	2,077,342	-
Total Non-current Assets		21,644,408	19,889,325
Total Assets		25,627,257	21,812,966
LIABILITIES			
Current Liabilities			
Trade & other payables	7	2,979,592	1,660,836
Borrowings	7	64	-
Provisions	7	5,435	-
Total Current Liabilities		2,985,091	1,660,836
Non-current Liabilities			
Borrowings	7	20,067,852	16,597,013
Total Non-current Liabilities		20,067,852	16,597,013
Total Liabilities		23,052,943	18,257,849
NET ASSETS		2,574,314	3,555,117
EQUITY			
Accumulated Surplus/(Deficit)		(20,240)	960,563
Capital Contributions of Councils		2,594,554	2,594,554
TOTAL EQUITY		2,574,314	3,555,117

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 2023

		Accumulated Surplus	Capital Contributions of Councils	TOTAL EQUITY
2023	Notes	\$	\$	\$
Balance at end of previous reporting period		960,563	2,594,554	3,555,117
Net Surplus / (Deficit) for Year		(980,803)	-	(980,803)
Balance at end of period		(20,240)	2,594,554	2,574,314

2022				
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

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 2023

		2023	2022
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
Grants utilised for operating purposes		159,500	4,215,527
Other revenues		5,005,459	1,676,042
<i>Payments:</i>			
Employee costs		(208,780)	-
Materials, contracts & other expenses		(7,744,140)	(2,567,114)
Finance payments		(664,297)	(221,432)
Net Cash provided by (or used in) Operating Activities		(3,452,258)	3,103,023
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Payments:</i>			
Expenditure on new/upgraded assets		(420,306)	(8,974,134)
Net Cash provided by (or used in) Investing Activities		(420,306)	(8,974,134)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Receipts:</i>			
Proceeds from borrowings		3,470,839	7,097,013
<i>Payments:</i>			
Net Cash provided by (or used in) Financing Activities		3,470,839	7,097,013
Net Increase (Decrease) in cash held		(401,725)	1,225,902
Cash & cash equivalents at beginning of period	8	1,419,600	193,698
Cash & cash equivalents at end of period	8	1,017,875	1,419,600

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 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

1.1 Compliance with Australian Accounting Standards

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

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

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.

Central Adelaide Waste and Recycling Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

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.

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. Inventories

Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

7 Infrastructure, Property, Plant & Equipment

7.1 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.

7.2 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.

7.3 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.

7.4 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.

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

7 Infrastructure, Property, Plant & Equipment

7.5 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.

8 Payables

8.1 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.

9 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".

10 Provisions

10.1 Employee benefits

Salaries, Wages & Compensated Absences

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

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

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023
Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

11 Goods and Services Tax

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

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

12 Comparative Information

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

13 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 2023

Note 2 - INCOME

	Notes	2023 \$	2022 \$
OPERATIONAL INCOME			
Kerbside recyclables		4,264,293	1,022,724
Net Commodity Sales		684,743	102,727
Site Usage		649,622	445,721
Reimbursements		977	975
Other income		63,570	-
		5,663,205	1,572,147
INVESTMENT INCOME			
Interest on investments:			
Banks & other		681	2,503
		681	2,503
GRANTS, SUBSIDIES AND CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		3,061,939	2,315,000
Other grants, subsidies and contributions		180,000	-
		3,241,939	2,315,000
Sources of grants			
State government		180,000	2,315,000
		180,000	2,315,000

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 2023

Note 3 - EXPENSES

	Notes	2023 \$	2022 \$
EMPLOYEE COSTS			
Salaries and Wages		218,754	-
Employee leave expense		17,128	-
Total Operating Employee Costs		235,882	-
Total Number of Employees		1	-
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
- Auditing the financial reports		17,120	15,000
Subtotal - Prescribed Expenses		17,120	15,000
<u>Other Materials, Contracts & Expenses</u>			
Advertising		-	34,220
Consulting Fees		546,605	629,916
Computer Expenses		17,951	15,895
Fees & Permits		12,672	22,297
Fines		(120)	120
Government Fees		1,037	8,789
Insurance		154,491	77,759
Legal Expenses		61,474	57,195
Maintenance		21,862	2,588
Minor Plant & Equipment		-	1,606
Operator Costs		6,865,249	2,551,818
Rates and Taxes		9,441	6,294
Sitting Fees		37,760	48,010
Subscriptions		8,112	9,282
Sundry		20,569	7,609
Travel		20,727	4,863
Waste Audit		8,090	24,270
WHS Compliance & Governance		-	4,130
Subtotal - Other Materials, Contracts & Expenses		7,785,920	3,506,661
		7,803,040	3,521,661

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 3 - EXPENSES (con't)

	2023	2022
Notes	\$	\$
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Plant, Machinery & Equipment	978,072	474,943
Office Equipment, Furniture & Fittings	17,664	27,979
	<u>995,736</u>	<u>502,922</u>
 FINANCE COSTS		
Interest on Loans	851,970	278,969
	<u>851,970</u>	<u>278,969</u>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 4 - CURRENT ASSETS

		2023	2022
	Notes	\$	\$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		1,017,875	1,419,600
		1,017,875	1,419,600
TRADE & OTHER RECEIVABLES			
Other levels of government		66,000	132,000
Debtors - general		2,105,730	107,473
Accrued income		453,347	218,551
GST Recoupment/(Payable)		(91,005)	43,722
Prepayments		75,995	2,295
Sundry		4,363	-
		2,614,430	504,041
INVENTORIES			
Stores & Materials		350,000	-
Trading Stock		544	-
		350,544	-

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 5 - NON-CURRENT ASSETS

		2023	2022
	Notes	\$	\$
OTHER NON-CURRENT ASSETS			
Capital Works-in-Progress		2,077,342	-
		<u>2,077,342</u>	<u>-</u>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 6 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

	2022				2023			
	\$'000				\$'000			
Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Land	-	1,091,863	-	1,091,863	-	1,091,863	-	1,091,863
Computer Equipment	-	33,423	(21,315)	12,108	-	33,423	(28,511)	4,912
Office Equipment	-	55,299	(6,665)	48,634	-	56,417	(17,132)	39,285
Plant, Property & Equipment	-	19,102,766	(474,942)	18,627,824	-	19,839,075	(1,445,921)	18,393,154
Spare Parts	-	108,896	-	108,896	-	-	-	-
Motor Vehicle	-	-	-	-	-	44,945	(7,093)	37,852
Total IPP&E	-	20,392,247	(502,922)	19,889,325	-	21,065,723	(1,498,657)	19,567,066

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 7 - LIABILITIES

		2023		2022	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Accrued expenses - other		662,109	-	150,188	-
Payments received in advance		36,000	-	120,000	-
Accounts Payable - Goods & Services		2,255,754	-	1,093,409	-
Other payables		25,729	-	297,239	-
		2,979,592	-	1,660,836	-

Amounts included in trade & other payables that are not expected to be settled within 12 months of reporting date.

BORROWINGS

Corporate Credit Cards	64	-	-	-
Loans	-	20,067,852	-	16,597,013
	64	20,067,852	-	16,597,013

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

PROVISIONS

Employee entitlements (including oncosts)	5,435	-	-	-
	5,435	-	-	-

Amounts included in provisions that are not expected to be settled 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 2023

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:

	Notes	2023 \$	2022 \$
Total cash & equivalent assets	4	1,017,875	1,419,600
Balances per Cash Flow Statement		<u>1,017,875</u>	<u>1,419,600</u>

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

Net Surplus (Deficit)	(980,803)	(413,902)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	995,736	502,922
	<u>14,933</u>	<u>89,020</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(2,110,389)	1,580,160
Net (increase) decrease in inventories	(350,544)	-
Net (increase) decrease in other assets	(2,077,342)	-
Net increase (decrease) in trade & other payables	1,071,084	1,433,843
Net Cash provided by (or used in) operations	<u>(3,452,258)</u>	<u>3,103,023</u>

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 9 - CAPITAL CONTRIBUTIONS OF CONSTITUENT COUNCILS

	Notes	2023 \$	2022 \$
City of Charles Sturt Movement Table			
Opening balance		1,297,277	1,297,277
Contributions		-	-
Closing Balance		<u>1,297,277</u>	<u>1,297,277</u>
City of Port Adelaide Enfield Movement Table			
Opening balance		1,297,277	1,297,277
Contributions		-	-
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 2023

Note 10 - 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 4.30% and 5.05%.</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 and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value 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 variable rates between 2.8% and 6.05%.</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 2023

Note 10 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2023	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & Equivalents	1,017,875	-	-	1,017,875	1,017,875
Receivables	2,614,430	-	-	2,614,430	2,614,430
Total	3,632,305	-	-	3,632,305	3,632,305
Financial Liabilities					
Payables	2,985,091	-	-	2,985,091	2,985,091
Current Borrowings	64			64	64
Non-Current Borrowings	-	-	20,067,916	20,067,916	20,067,916
Total	2,985,155	-	20,067,916	23,053,071	23,053,071

2022	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
Financial Assets					
Cash & Equivalents	1,419,600	-	-	-	1,419,600
Receivables	504,041	-	-	-	504,041
Total	1,923,641	-	-	-	1,923,641
Financial Liabilities					
Payables	1,660,836	-	-	1,660,836	1,660,836
Non-Current Borrowings	-	-	16,597,013	-	16,597,013
Total	1,660,836	-	16,597,013	1,660,836	18,257,849

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

	30 June 2023		30 June 2022	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Variable Interest Rates	4.57%	20,067,916	2.05%	16,597,013
		20,067,916		16,597,013

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 10 - 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 2023

Note 11 - COMMITMENTS FOR EXPENDITURE

	Notes	2023 \$	2022 \$
Capital Commitments			
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:			
Upgrade works (Materials Recovery Facility)		3,654,035	75,000

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

Note 12 - FINANCIAL INDICATORS

	2023	2022
Operating Surplus Ratio		
<u>Operating Deficit</u>	-75%	-173%
Total Operating Income		

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	343%	1037%
Total Operating Income		

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

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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 Key Management Personnel of the Authority include the Chair of the Board, the Board and the Chief Executive Officer.

	2023	2022
	\$	\$
Income		
Kerbside Recyclables	4,264,293	1,022,724
Net Commodity Sales	684,743	102,727
Site Usage	649,622	445,721
Investment income	681	2,503
Reimbursements	977	975
Other income	63,570	-
	5,663,886	1,574,650
Expenses		
Employee costs	235,882	-
Materials, contracts & other expenses	7,803,040	3,521,661
Depreciation, amortisation & impairment	995,736	502,922
Finance costs	851,970	278,969
	(9,886,628)	(4,303,552)
Operating Surplus / (Deficit)	(4,222,742)	(2,728,902)
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	-	-
Add back Depreciation, Amortisation and Impairment	995,736	502,922
Proceeds from Sale of Replaced Assets	-	-
	995,736	502,922
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including investment property & real estate developments)	(420,306)	(8,974,134)
Amounts received specifically for New and Upgraded Assets	159,500	4,215,527
Proceeds from Sale of Surplus Assets		

Central Adelaide Waste and Recycling Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2023

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 Chief Executive Officer.

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 2023 were \$275,192 (2022: \$354,232)

CONSTITUENT COUNCILS

Amounts paid or payable to City of Charles Sturt during the year ended 30 June 2023 were \$207,788.94 (2022: \$157,412)

Amounts paid or payable to City of Port Adelaide Enfield during the year ended 30 June 2023 were \$97,440.15 (2022: \$164,416)

Amounts received from the City of Charles Sturt during the year ended 30 June 2023 were \$1,406,871.49 (2022: \$485,373)

Amounts received from the City of Port Adelaide Enfield during the year ended 30 June 2022 were \$1,485,879.23 (2022: \$446,073)

Central Adelaide Waste and Recycling Authority

CERTIFICATION OF AUDITOR INDEPENDENCE for the year ended 30 June 2023

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 2023, 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: 29/09/2023

A handwritten signature in black ink, appearing to read 'N. Rantanen', with a large circular flourish at the beginning.

John Niarchos

Chief Executive Officer - CAWRA

Date: 29/09/2023

A handwritten signature in blue ink, appearing to read 'J. Niarchos', with a large circular flourish at the beginning.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRAL ADELAIDE WASTE RECYCLING AUTHORITY

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Central Adelaide Waste Recycling Authority (the Authority), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the declaration by those charged with governance.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011*.

Basis for opinion

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

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

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

Authority's Responsibility Financial Report

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

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



Auditor's responsibilities for the audit of the Financial Report

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

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

This description forms part of our auditor's report.

A handwritten signature in blue ink that reads 'BDO'.

BDO Audit Pty Ltd

A handwritten signature in blue ink that appears to read 'Andrew Tickle'.

Andrew Tickle
Director

Adelaide, 16 October 2023



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Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the Central Adelaide Waste Recycling Authority for the year ended 30 June 2023, I have maintained my independence in accordance with the requirements of APES 110 - Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

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

A handwritten signature in blue ink, appearing to read 'Andrew Tickle', is positioned above the printed name.

Andrew Tickle
Director

BDO Audit Pty Ltd

Adelaide, 16 October 2023



CITY OF
Port Adelaide Enfield

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