

City of Victor Harbor

ANNUAL REPORT 2020/21



city of
Victor Harbor

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ACKNOWLEDGEMENT OF COUNTRY

The City of Victor Harbor is committed to working with Traditional Owners, supporting their role as custodians of this land and helping ensure the future prosperity and cultural enrichment of our community. We acknowledge the Ngarrindjeri and Ramindjeri people as the Traditional Owners of our beautiful lands and surrounding waters. As a community we recognise and respect their cultural connections with Country.

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The 2020/21 Annual Report was adopted by the City of Victor Harbor on 22 November 2021.





READING THIS ANNUAL REPORT



In accordance with the Local Government Act 1999, Council must publish an Annual Report to provide an update to our community and stakeholders about Council finances, performance and how we have delivered against our strategic management plans.

The Annual Report 2020/21 reports against our Community Plan 2030. This report also includes a summary of our performance against Council's Annual Business Plan and Budget 2020/21. The Annual Report gives our ratepayers and key stakeholders insight into how we invest public funds to provide essential services and infrastructure and promote social, environmental and economic advancements across the City of Victor Harbor.

It is a chance to share the opportunities and challenges faced during the financial year, and some of the noteworthy achievements during 2020/21, in our effort to serve ratepayers, residents, businesses and visitors.

The report is divided into the following sections:

- About Victor Harbor (pages 10-13)
- 2020/21 In Review (pages 14-30)
- Performance Against Our Strategic Plans (pages 31-61)
- Elected Members (pages 62-73)
- Our Organisation (pages 74-85)
- Corporate Reporting (pages 86-99)
- 2020/21 Financial Statements (pages 104-160)

Legislation also requires the Annual Report of Council subsidiaries to be attached to this report.

MAYOR'S WELCOME



Dr Moira Jenkins
Mayor

I am very proud to present the City of Victor Harbor's 2020/21 Annual Report. As you peruse this report you will note that despite challenges, Victor Harbor and its surrounds has flourished. The vibrancy and caring nature of our community shines brightly throughout this report and sets the tone of the great things ahead for Victor Harbor.


While the work of a Council is never complete, reflecting on the achievements and milestones made by Council throughout the financial year is essential for understanding where we have come from, and where we are going.

SIGNIFICANT ACCOMPLISHMENTS

Victor Harbor has been abuzz with major infrastructure works that will see our City well-equipped into the future. Notably, Council has delivered the Railway Plaza redevelopment, Stage 3 of the Mainstreet Precinct Master Plan and Stage 2 of the George T Fisher playground upgrade which has furthered the transformation of our town centre. The Council is extremely grateful to the SA Government who significantly supported these projects through grant funding contributions.

In addition to this, the SA Government's new Causeway construction project is well underway, securing the future of Granite Island and bolstering the local economy.

A range of festivals and events brought further animation to our public reserves and streets throughout the year. It was great to see both locals and visitors soaking up the festivities and diverse experiences on offer. One highlight was the Fringe coming to Victor Harbor which resulted in Warland Reserve coming alive with colour and merriment. The range of performers wowed crowds and nearby markets added to the offerings of the day. Other events that were held in our City included the inaugural Viking Festival, annual Australia Day Celebration (which was our best yet!), Rotary Art Show, WhaleFest, the Victor Harbor Science Fair, and many more! Running events in the current climate requires significant planning and work, and I congratulate all organisers for delivering a program of safe and successful events.



In 2020/21, Council also navigated the transition to a new planning system which allows development applications to be submitted and tracked online via Australia's first state-wide ePlanning platform. A significant amount of time and resources were required to administer the roll out and help with a smooth transition.

Further details of Council's achievements during 2020/21 are highlighted throughout this Annual Report.

WORKING WITH OUR COMMUNITY

The kind, resilient and passionate nature of the Victor Harbor community has continued to shine.

Council undertook 20 public consultations in 2020/21, with a goal of allowing the community to contribute towards the work of Council and help inform major projects and plans. The thoughtful responses received from residents, business owners and visitors was an indication of our community's desire to actively contribute to the future of our ever-growing regional hub.

Listening to the needs and desires of the community has always been a top priority of Council, and will continue to form the foundation of our decision-making processes into the future.

Thank you to everyone who took the time to provide Council with their ideas and opinions, it is really appreciated! Your contributions allow us to take into account a multitude of views to assist with our decision making. I encourage community members to keep an eye on the Council's Your Say website for future opportunities to get involved and help shape the future of our City.

A GROWING CITY WITH A BRIGHT FUTURE

The City of Victor Harbor continues to fulfil and exceed prospects as the thriving hub of the Southern Fleurieu Peninsula.

Our proximity to Adelaide, access to services, fantastic schools and stunning natural environment are just a few elements of our City's appeal that have continued to attract both individuals and families.

Growth has not only been seen in the number of people moving to Victor Harbor, but also in the behaviour of investors who are identifying our City as a place of choice to conduct business.

Looking ahead, there is no doubt that challenges will be faced over the coming year as our region tackles recovery in a post-pandemic world. We must be strategic, innovative and bold as we strive to advance and flourish through these uncharted waters.

There is also much opportunity in our future. I am particularly excited to see the delivery of Stage 4 of the Victor Harbor Mainstreet Precinct Master Plan in 2022 which will complete the transformation of the southern end of our Town Centre.

I would like to thank and acknowledge my fellow Elected Members, the Senior Management Team, all Council staff and our extraordinary volunteers for their contributions throughout 2020/21. Hard work and collaboration has been essential for achieving the best possible results for our City – and I am confident in our ability to continue working together towards a common goal.

Finally, I would like to thank our spirited local community, who have been integral to many of the projects and initiatives of Council. Together, we will continue to strengthen the City of Victor Harbor's position as a great place to live, work, visit and invest.

As Mayor, it has been an honour to serve the community in 2020/21 and witness our region emerge as a flourishing regional centre with bright prospects ahead.

INTRODUCTION FROM THE CEO



Victoria MacKirdy
Chief Executive Officer

Robust planning is essential for enhancing Victor Harbor's offering to residents, visitors and investors alike. During 2020/21, Council commenced implementing our new Community Plan 2030, a guiding strategic document that outlines the community's aspirations for the future and the measures that need to be in place to achieve these goals. This Annual Report highlights how Council has worked together with our community and other stakeholders to achieve our shared aspirations for Victor Harbor.

COLLABORATING FOR A COMMON GOAL

Planning for our City's future requires collaboration to achieve success. In 2020/21, Council has built vital relationships that will prove essential to bettering our City in the years and decades to come. The benefits of engaging the community and collaborating with key organisations are already being reaped.

Council has worked closely with the SA Government to advance major infrastructure projects within our City, including the \$43 million Granite Island Causeway Project being delivered by the Department for Infrastructure and Transport.

Funding from the SA Government also supported a number of key Council-led infrastructure upgrades.

In fact, the Council was fortunate to receive \$4.5 million in grant funding to deliver projects during the financial year. In some cases this resulted in projects being brought forward in Council's work plan to take advantage of external contributions to reduce the burden on ratepayers.

Another key partnership that was strengthened during 2020/21 was between Council and the local chamber of commerce, Business Victor Harbor. The Council provided \$100,000 to Business Victor Harbor to support the appointment of an Executive Officer to help it enhance its role and become a strong advocate for the local business community. One of the key projects being delivered through the partnership is the revitalisation of Victor Harbor's destination brand to reinforce the position of our City as a place of choice to live, work, visit and invest.

STANDING UP TO THE CHALLENGE

No progress is made without challenge. The impacts of the COVID-19 pandemic continue to be felt locally and across the globe, as organisations and individuals were required to adapt and innovate.

While throughout 2020/21 the City of Victor Harbor continued to operate under a state of emergency and adapt to a 'new normal', we also found our region to be a safe haven for many. Adding to the appeal of visiting our seaside paradise was the fact that we were able to host many events safely, providing much enjoyment to locals and visitors.

A diverse program of events and cultural activities coupled with the transformation occurring within our town centre underpins the progress of our City. I am constantly receiving feedback about how good Victor Harbor is looking and excitement about the projects in our future. Earlier this year, I had the pleasure of attending a non-resident ratepayer forum held in metropolitan Adelaide and I was told by multiple people that every time they come to Victor Harbor they are impressed with the progress, always seeing something new that adds to the charm and appeal of our City.

While facilitating the growth being experienced by our City, the Council has been focused on carefully maintaining the things that are most loved about Victor Harbor – our heritage, natural environment, relaxed lifestyle and seaside town feel. This will continue to be our focus going forward.

FINANCIAL MANAGEMENT

The Council has demonstrated its commitment to long term financial sustainability through its well-established practice of considered budgeting and prudent financial management. Aligning with this commitment, during 2020/21 a significant review of its Long Term Financial Plan commenced. The Long Term Financial Plan is the Council's primary financial

management tool, and provides a guide for funding services and infrastructure over a 10 year period.

While the City of Victor Harbor was on track to deliver a surplus budget in 2020/21, extraordinary liabilities were brought to our attention by the Fleurieu Regional Waste Authority which has resulted in a deficit end of year position.

In March 2021, traces of asbestos were discovered within recycled road rubble that the Authority produces as a part of its resource recovery activities at the Goolwa Waste and Recycling Depot. As a Constituent Council of the Fleurieu Regional Waste Authority, the City of Victor Harbor is responsible for a portion of the remediation costs which are to be accounted for in the 2020/21 financial year.

ACKNOWLEDGEMENTS

The team at the City of Victor Harbor continues to demonstrate impressive resilience, determination and aptitude. I am privileged to lead an organisation committed to delivering the best possible outcomes for the community.

I look forward to continuing to work with Elected Members, staff and volunteers to offer a high standard of service that ensures our City can further position itself as the thriving hub of the southern Fleurieu Peninsula.

As we reflect upon the year that has been, it is not only an appropriate time to celebrate our significant achievements, but also to plan for the great advancements that are yet to come.

There has never been a better time to live, work, visit or invest in Victor Harbor.



ABOUT THE CITY OF VICTOR HARBOR

ABOUT THE CITY OF VICTOR HARBOR

OUR HISTORY



For thousands of years, the Ngarrindjeri and Ramindjeri people hunted and gathered in the region they called 'Wirramulla'. The fertile lands supported huge animal populations while the waters were sheltered and rich with life. Among the local dreamtime stories, Nulcoowarra or Kaiki (the Ngarrindjeri name for Granite Island) has tremendous spiritual significance, as does the southern right whale, told in the Kondoli dreaming. The first non-Indigenous settlers approved of the region for the same reasons – rich lands, sheltered waters and whales.

The famous encounter between Captain Matthew Flinders of the British sloop Investigator and Captain Nicholas Baudin of the French ship Le Geographe occurred in waters off Victor Harbor over 200 years ago. The ships sheltered in the bay, which was later named Encounter Bay by Captain Flinders.

In 1837, Captain Richard Crozier in command of the Cruizer-class H.M.S. Victor anchored just off Granite Island on his way back to Sydney and India. Captain Crozier named the place 'Victor Harbour' (the original spelling of the town name) after his ship.

About the same time as Captain Crozier's stop over, two whaling stations were established, one at Rosetta Head (popularly known as "The Bluff") and the other near the point opposite Granite Island. Whale oil became South Australia's first export. From 1839 the whaling station was managed for a time by Captain John Hart, a later Premier of South Australia. Whaling stations continued trading until around the mid-1860s.

COUNCIL BACKGROUND



On 31 October 1975, the District Council of Encounter Bay and the Corporation of Victor Harbor amalgamated to form the District Council of Victor Harbor. The amalgamation recognised the strong communities of interest that existed between the two former local government areas and the resource, cost and efficiency benefits that would be generated by the combining of the two councils.

Potential for further amalgamation was considered in 1996-1997, this time involving the Local Government areas of Victor Harbor, Port Elliot, Goolwa, Strathalbyn, Yankalilla and Willunga. Although some council mergers did result from these extensive investigations, Victor Harbor remained an independent entity.

On 1 February 2000, the District Council of Victor Harbor became known as the City of Victor Harbor. The new name, new logo and new direction was a reflection of the dynamic changes occurring within the community and the significance of Victor Harbor as the regional centre for the southern Fleurieu Peninsula.

ABOUT THE CITY OF VICTOR HARBOR

OUR COUNCIL



The City of Victor Harbor is located on the coast of South Australia's Fleurieu Peninsula, about 80 kilometres south of the Adelaide CBD. It is the largest population centre of the Fleurieu region and considered to be the hub of the southern Fleurieu Peninsula.

The Council area encompasses 346 square kilometres, sharing boundaries with Alexandrina Council to the east and the District Council of Yankalilla to the west.

The Council owns and operates the Victor Harbor Public Library, Victor Harbor Recreation Centre, Old School Building, Town Hall, Victor Harbor Visitor Information Centre, Coral Street Art Space and the South Australian Whale Centre. Council also owns the Victor Harbor and Encounter Bay sports grounds.

The City of Victor Harbor is involved in four subsidiaries. Three are established under Section 43 of the Local Government Act 1999 including Fleurieu Regional Waste Authority, Southern and Hills Local Government Association and Fleurieu Regional Aquatic Centre Authority. These subsidiaries are run along with neighbouring councils to support key elements in the region's functions.

The fourth subsidiary, the Victor Harbor Horse Tram Authority, was established under Section 42 of the Local Government Act 1999 to oversee the operations of the much-loved horse drawn tram service.

OUR CITY



Victor Harbor's adored natural surrounds and nearness to Adelaide have made the City a favoured holiday destination for many years. The coastal City boasts both coastal and countryside scenery within a comfortable mediterranean climate.

The town centre overlooks the pleasant waters of Encounter Bay, where Southern Right Whale mothers and calves often frolic between May and October. On land, Victor Harbor is recognised for several significant natural landmarks, including the rock outcrop known as The Bluff and scenic Granite Island. The island is most notably known for the iconic horse drawn tram that is pulled by magnificent Clydesdales across the 630-metre causeway to Granite Island.

The City has beautifully preserved heritage buildings and a rich colonial heritage, which can be admired by visiting the SteamRanger, an operational heritage rail service and major tourist attraction. A growing arts, culture and events scene, coupled with diverse recreational opportunities, also attracts travellers from near and afar.

Being the economic hub of the southern Fleurieu region, Victor Harbor attracts businesses of varying sizes and industries. Tourism is seen as the significant contributor to the local economy with 1.2 million annual visitors injecting \$163 million each year. Residents and visitors can also benefit from expanding retail and hospitality offerings in the City.

OUR COMMUNITY

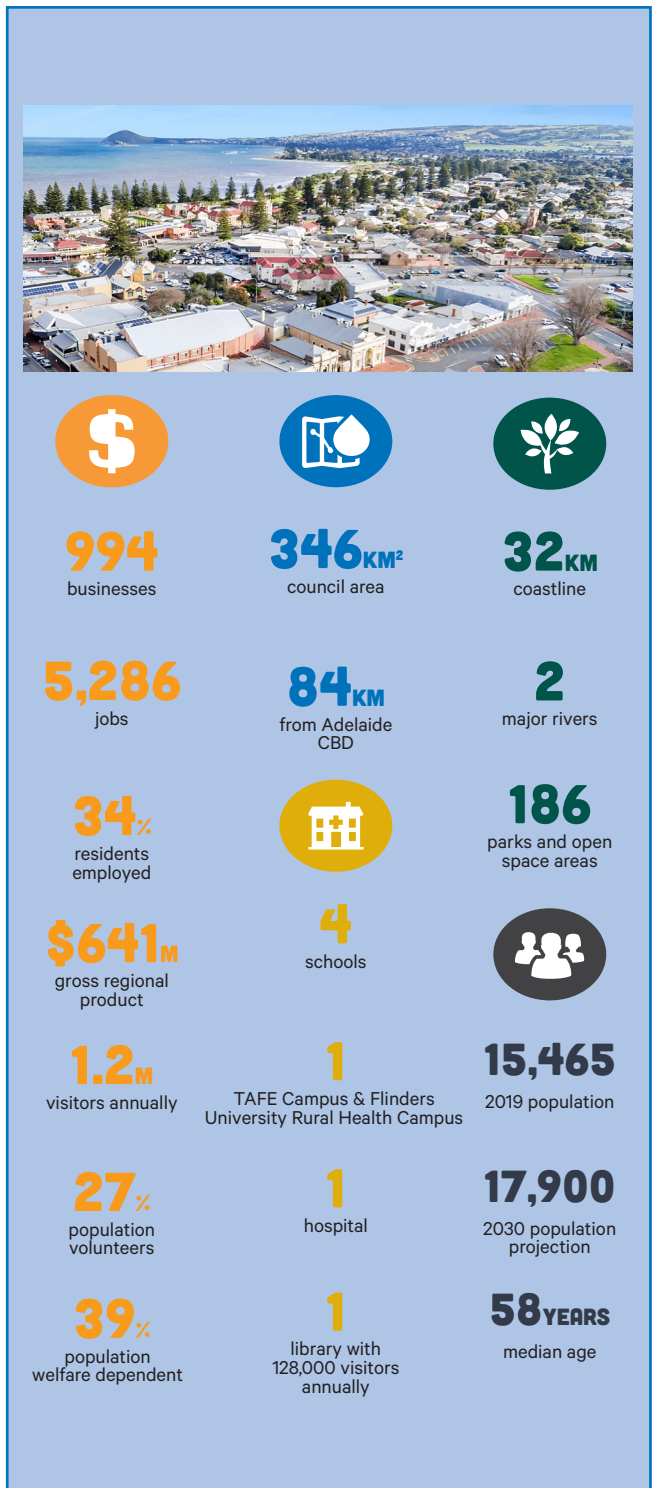


The City of Victor Harbor is home to a welcoming community with friendly spirit and strong family values. The charm of the Victor Harbor community is underpinned by a culture of volunteering. Around one in three people in the City of Victor Harbor volunteer in some capacity, and the Council itself is also fortunate to have a team of around 500 volunteers who assist with the delivery of services, programs and initiatives

Over the years, the peaceful coastal lifestyle of Victor Harbor has been known to attract a mature, retiring population. The average age of people in Victor Harbor is 58 years, with 39 per cent of the population aged over 65 years.

A growing number of young families and diverse individuals have chosen to live, work and invest in the City in 2021. With the COVID-19 pandemic encouraging people across the globe to reflect upon their priorities and values, the lure of living regional has seen many families settle in the area. Schools in the City of Victor Harbor have almost 2,000 students combined, who are drawn from across the southern Fleurieu Peninsula.

Victor Harbor's close proximity to metropolitan Adelaide has also seen an emergence of residents who live in Victor Harbor to enjoy a leisurely coastal lifestyle and commute to the metropolitan area for work.



2020/21 IN REVIEW

RAILWAY PLAZA



New wayfinding signage installed in Railway Plaza

MAJOR CAPITAL PROJECTS

RAILWAY PLAZA PRECINCT



The revitalised Railway Plaza Precinct offers a contemporary and versatile public space that is appropriate for general community use and events.

The major upgrade, extending from Albert Place, past the SA Whale Centre and Train Station, and through to Coral Street, was completed in June 2021.

Various works were carried out as part of the project, including installation of new paving, feature lighting, garden beds, street furniture, landscaping, public art, stormwater reticulation and drainage.



The modern streetscape design celebrates the existing Moreton Bay fig trees and showcases Victor Harbor's cherished heritage buildings. The revitalised space within the town centre also now offers a vibrant welcome to visitors who have arrived at Victor Harbor on the Cockle Train.

During the Whale Expo and launch of WhaleFest in late June 2021, the community was able to see the Precinct transform and thrive with an abundance of market stalls, vibrant entertainment and family-friendly activities.

The City of Victor Harbor commissioned a public art feature from local artist Matt Turley to be installed during the Railway Plaza development. Turley drew inspiration from his perception of the steam locomotive as a myriad of unique parts coming together to work in harmony.

Titled Connection, the work explores the notion of individual entities, unique in their own design and purpose, coming together, and connecting, to create something greater. It forms a sense of place, while remaining true to the history that inspired its design.

SGP Civil, a South Australian construction company, delivered the Railway Plaza Precinct project. The project received 50% funding from the SA Government's Places for People grant program.

MAJOR CAPITAL PROJECTS

GEORGE T FISHER PLAYGROUND (STAGE 2)

The two stage revitalisation of George T Fisher Playground has delivered an interactive, sensory play experience for children within a dynamic, family-friendly setting.

Conveniently positioned in the heart of Victor Harbor's town centre with a backdrop of Encounter Bay, George T Fisher Playground has attracted families from across the Fleurieu for many generations. However, the playground had not seen an upgrade since 2002.

Council recognised the significance of this much-loved playground from a recreation, tourism and cultural heritage perspective and endorsed the development to ensure this iconic play space could remain one of South Australia's favourite regional playgrounds.

The project was carried out over two financial years, with Stage 1 of the redevelopment completed in March 2019, and Stage 2 completed most recently in July 2021.

Some of the new playground features that were added as part of the Stage 2 works include a 1.5-metre-high blue mound with slides, a timber climbing wall, and a tunnel. Coastal themed structures have also been installed around the park, including a penguin egg sculpture beneath the rock mound and fish-shaped hand grips on the play equipment.

Additional seating has also been incorporated within the play space to offer comfort to parents and carers who are observing children on the playground.

This redevelopment project was the first time the playground had received an upgrade since 2002. Council was fortunate to secure \$100,000 through the SA Government's Open Space Grant Program to assist with the delivery of the project.



MAJOR CAPITAL PROJECTS

MAINSTREET PRECINCT MASTER PLAN (STAGE 3)

The Victor Harbor Mainstreet Precinct Master Plan, adopted by Council in 2014 and derived from the original 2006 visionary Town Centre Plan, is a six stage upgrade being undertaken over a number of years.

Each stage of the upgrade will see the heart of Victor Harbor's Town Centre further transformed into a vibrant public space that celebrates the town's character, encourages more activity and improves the links with other areas of the town centre.

Stage 1 (the intersection of Ocean and Coral streets) of the upgrade was completed in 2016, Stage 2 (extending from the northern entrance to Ocean Street to the end of Stage 1) was completed in 2019, and most recently, Stage 3 (the eastern side of Coral Street to the foreshore) was completed at the end of 2020.

Oxigen and Axiom Projects were contracted to deliver Stage 3.

Notably, the stepped foreshore amphitheatre constructed as part of Stage Three was also awarded a 2021 AILA SA Landscape Architecture Award in the Cultural Heritage category, in recognition of its effectiveness in activating Victor Harbor's eastern foreshore and highlighting Ngarrindjeri and Ramindjeri cultural heritage. The amphitheatre has already been utilised for several community events since it was opened to the public, including WhaleFest and NAIDOC Week.



MAJOR CAPITAL PROJECTS

ENCOUNTER BIKEWAY SHARED PATHWAY



The Encounter Bikeway is one of the most well known and regularly used trails in the City of Victor Harbor. Running along the coast between The Bluff and Goolwa, the 31.5km on-road and shared trail is suitable for use by cyclists, walkers, skaters, rollerbladers, and it is also wheelchair accessible.

Ongoing improvements and maintenance to the Bikeway is essential to ensure it can continue to be safely enjoyed by residents and visitors alike. In October 2020, Council carried out works to upgrade a popular section of the trail along Flinders Parade, between Kent Reserve and Oakham Street. This particular section was previously noted as too narrow and rough, based on community feedback gathered during the development of the Victor Harbor Bicycle Strategy.

Council widened this section of the pathway to 3.5 metres, resurfaced the trail with asphalt to smoothen the path, upgraded kerb ramps within the project area, and relocated plant beds and vegetation.

In June 2021, Council also installed a bike repair station along the Encounter Bikeway, allowing riders to service their bicycle on-the-go. The repair station was installed near the Youth Skate Park on Bridge Terrace, making it accessible to both Skate Park users and those commuting on the Bikeway.

There are several handy tools attached to the repair station which can assist riders with pumping up a flat tyre or adjusting brakes.

These enhancements to the Encounter Bikeway are a result of actions within the Victor Harbor Bicycle Strategy, ensuring the much-loved scenic foreshore trail can continue to support a healthy, active lifestyle for the community.

MAJOR CAPITAL PROJECTS

RAILWAY GOODS SHED REDEVELOPMENT

In 2020, the City of Victor Harbor made the decision to enhance the way it delivers visitor services by consolidating the Visitor Information Centre and SA Whale Centre. This change will see both the VIC and SA Whale Centre operating from one location – the site of the Railway Goods Shed on Railway Terrace.

The change to visitor services will allow for a greater investment into marketing the City of Victor Harbor as a desirable holiday destination online, while still facilitating exceptional face-to-face visitor services provided by our passionate community volunteers.

It is expected that these changes will achieve cost savings, eliminate duplication of services, increase our focus on promoting local tourism businesses and enhance digital experiences.

As part of this consolidation, significant development has been required on the existing Railway Goods Shed on Railway Terrace to ensure it can offer a modern and interpretive experience that caters to the needs of Victor Harbor's 1.2 million annual visitors.

The re-purposing of the Railway Goods Shed building has been supported by a substantial investment from the Council as well as grant funding from the Federal Government.

Significant works have already been completed on the project since mid-2020, including demolition of the entry foyer, installation of new toilet facilities and a volunteer lunch room, enhancements to the existing whale and calf mural, replacement of roofing and installation of new insulation.

Installation of a lift shaft and lift across three levels, fitting of a new entry door, resealing the iconic whale and calf mural, window glazing and painting works will also be carried out before the Goods Shed is re-opened to the public.





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MAJOR FESTIVALS AND EVENTS



During 2020/21 there were a number of major festivals and events held in the Council area.

SA Viking Festival

3-5 October 2020

Picnic in the Park

17 October 2020

PTSD Walk

24 October 2020

Beachside Markets in Ocean Street

25 October 2020

RSL Remembrance Day Service

11 November 2020

Rotary Christmas Carols

12 December 2020

New Year's Eve Fireworks

31 December 2020

Rotary Art Show

9-17 January 2021

Fleurieu Milk Gift

23 January 2021

Australia Day Celebrations

26 January 2021

Coast to Coast Tuna Tournament

6-7 February 2021

KiteSurfing SA Competition

7 February 2021

Victor Harbor Fringe

28 February 2021

Artisan Market

28 February 2021

Victor Harbor Triathlon

7 March 2021

Coast to Coast Bike Ride

14 March 2021

Black Dog Ride

21 March 2021

Beachside Markets in Ocean Street

28 March 2021

Flourishing on the Fleurieu Festival

17-30 April 2021

RSL ANZAC Day Dawn Service

25 April 2021

Coastrek

30 April 2021

British Classics Tour

2 May 2021

WhaleFest

30 May - 6 June 2021

Victor Harbor Science Fair

27 June 2021

NAIDOC Week March

30 June 2021



2020 / 21 HIGHLIGHTS AND ACHIEVEMENTS

The following pages outline a summary of highlights and achievements for the City of Victor Harbor during 2020/21



Setting an economic vision for Victor Harbor

A bold Economic Development Strategy was adopted by Council. Implementation is expected to lead to increased employment levels, investment attraction and a more self-sustaining economy.



Arts and Culture Centre design

Work continued to progress the the Victor Harbor Arts and Culture Centre with significant consultation undertaken with the community to assist in finalising the concept design for the facility.



Students build new dog park shelter

The new dog park shelter was delivered in partnership with Victor Harbor High School. Students undertaking a Certificate in Construction built the structure under the guidance of a local builder.



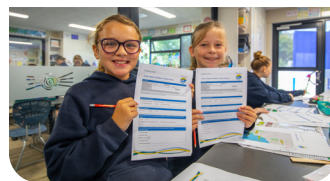
Access and Inclusion Plan adopted

An Access and Inclusion Plan was adopted. The Plan sets out Council's commitment towards doing what it can to ensure access and equity for all, while making sure Victor Harbor is welcoming and inclusive.



Web cams installed at the Bluff Boat Ramp

To help boaties plan their next recreational boating trip, web cameras were installed at the Bluff Boat Ramp. Pictures are streamed via Council's website to provide an idea of boat ramp conditions.



Talking skate facilities with Victor R-7 School

Year five students shared bold ideas and thoughtful suggestions to help with the planning for junior skate facilities in Victor Harbor. Design is currently underway for the Victor Harbor Oval site.



South Coast Disability Expo a success

A free drop-in event was held at the McCracken Conference Centre on 22 June 2021. The Expo helped connect families and individuals with disability support services on the South Coast.



Recognising our extraordinary citizens

More than 300 people turned out on Australia Day to welcome six new Australian citizens to Victor Harbor and celebrate our 2021 Citizen of the Year Award recipients.



Promoting our community services

Council's community services team got out and about to share information about the services and programs offered to Victor Harbor residents, and answer questions from people wanting to find out more.



1999 time capsule unearthed

Victor Harbor was treated to a blast from the past with the unveiling of a time capsule from the turn of the century. Contents included photographs, memorabilia and even some ANZAC biscuits!



Supporting our business community

In August 2020, 24 Victor Harbor businesses shared in just over \$79,000 worth of grants from the City of Victor Harbor to help them navigate through the challenges of COVID-19.



Wall extensions welcomed in the library

Wall extensions to the community room and IT training area were welcomed by patrons to assist with sound proofing and enhancing customer experience in Victor Harbor's much-loved library.



A highly valued transport service

The Southern Communities' Transport Scheme provides a highly valued service to transport disadvantaged people. During the year over 8,000 passenger trips were provided, equating to 868,500 kilometres.



Bay Road mosaic project takes shape

Local artists Mike Tye and Cedric Varcoe are working with the community to create a 36 metre mosaic mural for Bay Road celebrating the Ngarrindjeri and Ramindjeri connection to the Muwerang (Inman River).



Recognising our amazing volunteers

Volunteers are the lifeblood of our community, contributing to a range of important initiatives that keep people connected and our city thriving. Council recognises this through a grants program and appreciation events.



More upgrades for G T Fisher Playground

Stage two of this playground upgrade is complete with a new slide, climbing wall, seating and tables, plus several interactive sensory play items. The SA Government provided 50% funding for the project.



Flourishing on the Fleurieu Festival

Around 28 events were held between 17 to 30 April 2021 to showcase different groups and activities for seniors in our community. Just under 500 people participated in festival events.



Understanding our community's views

Community input is an important part of Council's decision making process. During 2020/21 Council sought the community's views on a number of issues and projects through 20 consultations.



Transition to SA's new planning system

SA's new planning system came into effect in the City of Victor Harbor from 19 March 2021. Considerable resources and staff time was required to administer the roll out and help with a smooth transition.

CONTINUING OUR COVID-19 RESPONSE

Local Government performs a critical role in South Australia's emergency management arrangements as it is the level of Government closest to the community and therefore must assume a leadership role in supporting and informing the public.

On 22 March 2020, the State Coordinator made a Declaration of a Major Emergency under the Emergency Management Act 2004 to reduce the spread of COVID-19 within South Australia. As the Major Emergency Declaration was extended throughout the entirety of 2020/21, Council's response continued accordingly throughout the year.

The City of Victor Harbor has continued to play an integral role in COVID-19 emergency preparedness, response and recovery while also ensuring to provide essential services in a safe manner.

CONTINUITY MANAGEMENT TEAM

The Continuity (or Emergency) Management Team met as required to coordinate and manage Council's response to the COVID-19 pandemic. The team is responsible in supporting the Chief Executive Officer in:

- Emergency management and community recovery
- External and internal communications
- Staffing matters
- Business continuity planning and delivery
- Information technology planning
- Community, contractors and other considerations.

The Local Government Functional Support Group played an important role in facilitating advice on the interpretation and application of State Government public health directives to South Australian councils, including the City of Victor Harbor.

ECONOMIC RECOVERY

The local business community has been significantly impacted by the pandemic. To offer support to these businesses, Council introduced a Business Grants Program. The program enabled Victor Harbor businesses to apply for up to \$5,000 funding support to be used to assist with adaptation initiatives, cashflow and business planning.

Applications were received across a number of business types including restaurants and cafes, health and beauty services, transport and logistics, tourism and retail. Ultimately, the program saw 24 local businesses sharing in just over \$79,000 worth of grants which were released in August 2020.

NOVEMBER LOCKDOWN

On 18 November 2020, the State Government announced a state-wide lockdown to limit the spread of COVID-19. In response to the directives, Council enacted its Business Continuity Plan and implemented immediate changes to services. A number of Council programs and buildings were paused or closed, including the Civic Centre, volunteer programs, Coral Street Art Space, the Library, and Visitor Services.

To facilitate the continuation of essential services, a rapid response team was established to carry out any required field works during the lockdown. Council office staff implemented working from home arrangements, and maintained email and phone contact lines to ensure the public could still contact Council. Library staff adapted to the new directives by promoting online services. Updates and information were also published to the Council's website and social media.

COVID-19 WEB HUB

Throughout the year, the City of Victor Harbor regularly updated a dedicated COVID-19 information hub on our website, providing information on Council's service changes, community support, business support, and links to trusted information sources.

We communicated through social media, the news section of our website, and our regular monthly e-newsletter to update the community of any major changes to our services and health information.

ONGOING PLANNING

Council acknowledges that the COVID-19 pandemic has affected communities world-wide and adopting a flexible and thoughtful approach has been essential for both Councils and communities.

As community leaders, the City of Victor Harbor must continue setting an example by implementing COVID-Safe practices that protect both our organisation and the greater community.

We are proud of the COVID-19 support we have provided for the community and are confident in our resources and capacity to face any future challenges of this nature.



ENGAGING OUR COMMUNITY

Community engagement is a fundamental part of Council's planning and delivery of services, land-use planning, major capital projects and works, and understanding the priorities of our local community.

The City of Victor Harbor takes pride in our community consultation. We recognise that effective community engagement delivers genuine benefits by ensuring our community are properly consulted with and listened to when they inform us on their views, needs and concerns. It enables people to share their views and actively contribute to shaping their community.

In addition to our formal committees, advisory and working groups, Council takes a proactive approach to consulting and engaging with our community stakeholders including residents, ratepayers, businesses, customers, community groups, Traditional Owners and visitors.

Community engagement for Council is about gaining information from the community to contribute to its decision making. The City of Victor Harbor is committed to open, accountable and responsive decision making achieved by effective communication and consultation between Council and the community.

Key projects that set a direction or define a position of Council, have a high level of community interest, or decisions that have significant financial implication are considered by Council to adopt a community consultation plan and commence public consultation.

We communicate opportunities to engage with our community through a variety of channels, including the monthly Victor Viewpoint e-newsletter, social media, media releases, advertising, public notices, radio interviews and then engage participants through our Your Say Victor Harbor website, face to face opportunities and hard copy feedback forms.

OUR PROMISE

The City of Victor Harbor's Public Consultation Policy outlines our commitment to community engagement and the principles for conducting engagement.

Council is committed to five principles that underpin our approach to community engagement:

- **Community Participation.** We are committed to including, informing and involving our community in local decision making from project planning through to delivery
- **Open and Accountable.** We will provide clear and easy to understand information that will inform our community and encourage meaningful engagement
- **Accessibility.** Our community will be able to access information in a variety of ways
- **Careful Planning and Evaluation.** We will carefully plan community engagement activities and evaluate all feedback to meet the needs of our community
- **Closing the Loop.** We will inform our community of our decisions and outline how feedback was considered.

OUR PROCESS

The City of Victor Harbor's engagement approach involves a five step process:

- **Plan.** Develop a Communications and Engagement Plan to maximise opportunities for people to provide input through a simple, easy-to-use process
- **Prepare and Promote.** Prepare for community engagement by developing quality information and communication materials
- **Engage.** Facilitate and deliver the community engagement process
- **Report.** Prepare a report for Council consideration on the outcomes and findings
- **Close the Loop.** Promote the findings and the next steps by making reports and information on final decisions available to the community.

The City of Victor Harbor Public Consultation Policy draws on the International Association for Public Participation's engagement spectrum to ensure that we meet our obligation under the Local Government Act 1999. Council also has a responsibility to consult with community members under other relevant Acts (e.g. Planning Development and Infrastructure Act 2016).

2020/21 PUBLIC CONSULTATIONS

To ensure Council work best serves the needs and interests of the community, the City of Victor Harbor carries out various public consultations each year.

Throughout 2020/21, the community was asked to provide ideas, comments and feedback on 20 projects, programs and initiatives

Between February and June alone, 14 public consultations were undertaken.

While the significant number of consultations is a positive indication of the progress and work being completed by Council, the ongoing outreach for feedback risked creating engagement fatigue among the community. Council needed to innovatively involve the community, using diverse engagement methods and sometimes targeted approaches to attain valuable and informative feedback that could inform future decision making.

In April, great success was seen during the Junior Scooter Park consultation when Council targeted the Victor Harbor R-7 School and physically visited a Year 5 class to seek design ideas for a potential new skate facility. Children sketched their creative ideas on a dedicated survey paper and verbally discussed concepts with Council staff. As a result of the consultation feedback, Council endorsed the preparation of designs for upgraded junior scooter facilities at the Victor Harbor Oval in the May Ordinary Council Meeting.

In May, Council began another successful public consultation relating to the concept designs for a new Arts and Culture Centre and the Mainstreet Upgrade Stage 5. In a bid to facilitate meaningful conversations with community members, the Council planned several public drop-in sessions



(including one in Railway Plaza, pictured above) in addition to the online engagement conducted through social media and digital platforms.

Council staff hosted fruitful drop-in sessions at the Victor Harbor Farmer's Market, Victa Cinema, and at the Whale Expo during WhaleFest. Invitations were also sent to non-resident ratepayers for a drop-in session in Adelaide CBD.




















During 2020/21, the City of Victor Harbor undertook consultation on the following:

- Victor Harbor Croquet Club Lease Proposal
- Disability Access and inclusion Plan 2020-2024
- Economic Development Strategy 2020-2030
- Genetically Modified Crops (SA Government)
- Encounter Bay Football Club Lease Proposal
- The Bluff Boat Ramp Public Toilets
- Rating Review
- Coastal Adaptation Study – Phase 1 and 2
- Victor Harbor Mountain Bike Strategy
- Junior Skate Facilities in Victor Harbor
- Victor Harbor Mainstreet Upgrade Stage 5
- Stormwater Management Plan
- Asset Management Plans
- Victor Harbor Arts and Culture Centre
- Granite Island Recreation Park Visitor Experience Plan (SA Government)
- Victor Harbor Arts and Culture Centre
- Victor Dragons Inc. Lease Proposal
- 2021/22 Annual Business Plan and Budget
- Environment and Food Production Areas Review (SA Government)
- Arts, Culture and Heritage Strategy.

COUNCIL SERVICES: PART OF YOUR EVERY DAY

Most people are surprised when they learn how much councils do for their communities. The City of Victor Harbor provides more than 100 services to keep our community vibrant, clean and safe.

Below is a list of the services Council provides to the Victor Harbor community.

<p>INFRASTRUCTURE & ASSET MANAGEMENT</p> <p>Managing and maintaining roads, footpaths, bridges, bicycle paths, street furniture and cemetery</p> 	<p>WASTE & RECYCLING</p> <p>Kerbside waste collection, recycling depot, street cleaning and graffiti removal</p> 	<p>HERITAGE</p> <p>Heritage advisory services and support for owners of heritage listed places</p> 	<p>PLANNING & DEVELOPMENT</p> <p>Urban planning, building assessments, development assessments</p> 	<p>CUSTOMER SERVICE & INFORMATION</p> <p>Responding to community requests, providing after hours call centre and community information</p> 
<p>FAMILY, YOUTH & CHILDREN'S SERVICES</p> <p>Family support services, youth development programs and events, and immunisation program</p> 	<p>AGED & DISABILITY SERVICES</p> <p>Social support services and supporting planning for aged services</p> 	<p>LIBRARY SERVICES</p> <p>Victor Harbor Library service, activities and events</p> 	<p>TOURISM MARKETING, EVENTS & ATTRACTIONS</p> <p>Festivals and events, visitor information, Horse Drawn Tram and SA Whale Centre</p> 	<p>ECONOMIC DEVELOPMENT</p> <p>Mainstreet Precinct, digital economy strategy, supporting agribusiness and renewable energy programs</p> 
<p>ARTS & CULTURAL ACTIVITIES</p> <p>Arts and culture development, public art, planning for an arts and culture centre</p> 	<p>PARKS & RECREATION</p> <p>Maintaining parks, reserves, playgrounds, walking trails, street trees, aquatic centre, boating facilities</p> 	<p>COASTAL PROTECTION & ENVIRONMENT</p> <p>Foreshore and estuary maintenance, vegetation management, pest animal and plant control</p> 	<p>COMPLIANCE & PARKING</p> <p>Dog and cat management, outdoor dining, nuisance and litter control, parking enforcement</p> 	<p>TRANSPORT</p> <p>Community transport services, advocating for improved public transport</p> 
<p>PUBLIC HEALTH</p> <p>Regulating food safety, waste water systems, water quality, sanitation, swimming pools/spas, vermin control</p> 	<p>EMERGENCY PLANNING</p> <p>Regional bush fire management plan, local and zone emergency management plans</p> 	<p>ADMINISTRATION</p> <p>Records management, FOI requests, Council and committees support, maintaining the electoral roll</p> 	<p>CORPORATE SERVICES</p> <p>Financial & risk management, HR, organisational development, computers and telecommunications</p> 	<p>COMMUNITY DEVELOPMENT</p> <p>Grant programs, community facilities and meeting places, advice, advocating on behalf of the community</p> 

WHERE COUNCIL RATES WERE SPENT

The City of Victor Harbor relies on income from rates to provide essential services that meet the needs of the community and supports the local economy. Grants received are minimal as funding calculations are based on census population data (collected in winter) which doesn't account for the significant increase in population in the summer months. The following infographic outlines how Council allocated every dollar of your Council rates in 2020/21 to help Victor Harbor remain a place of choice to live, work, visit and invest.



KEY FINANCIAL RESULTS

Total Capital Spend	2020/21 \$10.5 MILLION
	18/19 | \$6.9 million 19/20 | \$11.3 million
Total Operating Spend	2020/21 \$31.9 MILLION
	18/19 | \$27.4 million 19/20 | \$28.5 million
Operating Result	2020/21 \$2 MILLION DEFICIT
	18/19 | \$131,000 surplus 19/20 | \$349,000 surplus

INCOME BREAKDOWN (\$'000,000)

	Rates	User Pay Charges	Statutory Charges	Operating Grants and Partnerships	Other Revenues
2020/21	\$23.6 million	\$2.2 million	\$0.6 million	\$2.5 million	\$1.0 million

EXPENSES BREAKDOWN (\$'000,000)

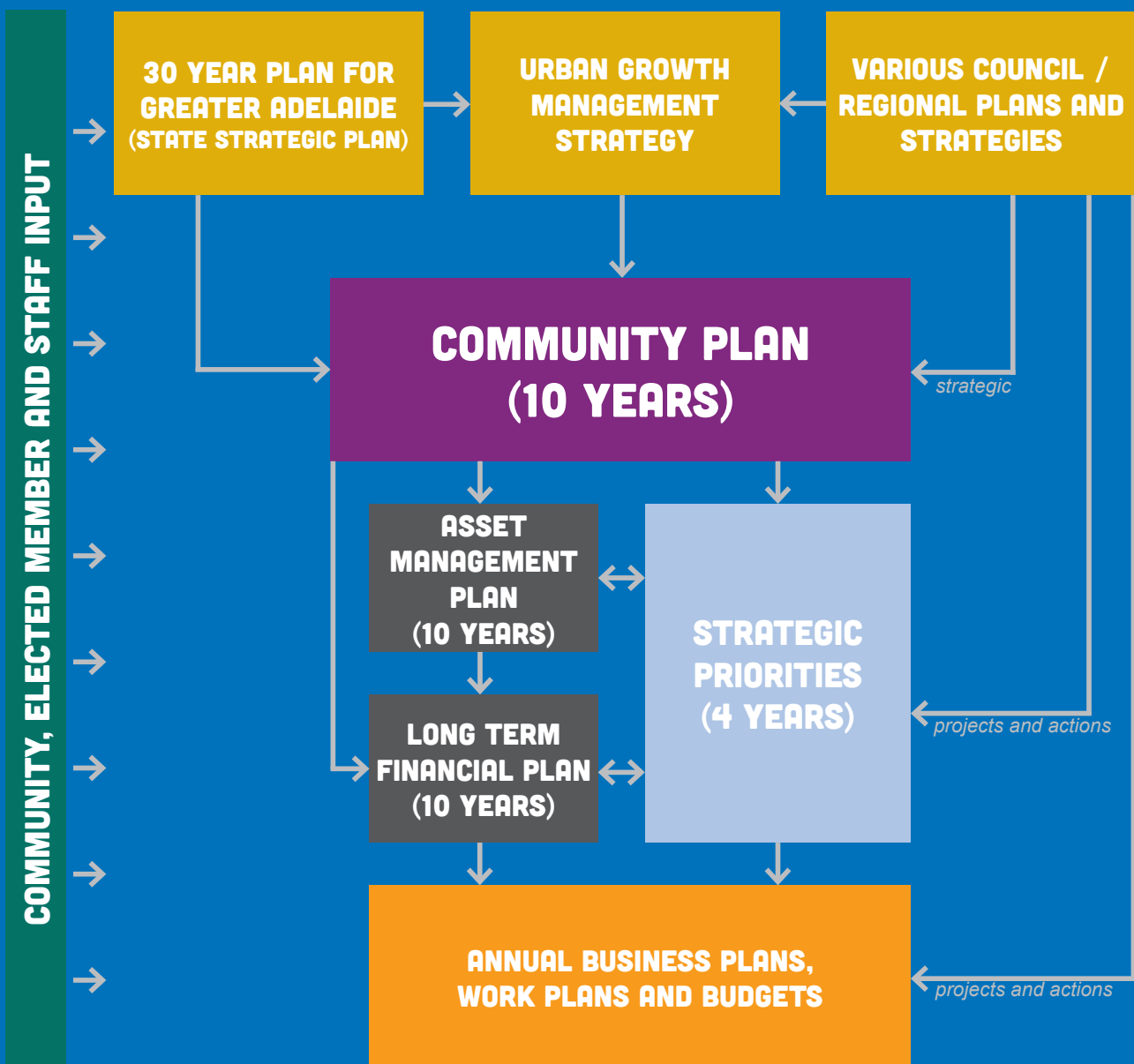
	Business Undertakings	Community Services	Culture	Economic Development	Environment	Recreation	Regulatory Services	Car Parking	Property	Roads, Footpaths and Bridges	Plant, Depot & Indirect	Waste Management	Town Planning	Administration
2020/21	\$957	\$1,954	\$1,895	\$1,443	\$1,548	\$2,702	\$1,132	\$814	\$1,691	\$4,710	\$2,741	\$5,427	\$1,250	\$3,707

An aerial photograph of a river with rapids. The water is a vibrant blue-green, and white foam is visible as it flows over numerous large, smooth, brownish-grey rocks. A small, yellow and blue boat is positioned in the lower right quadrant of the river. The top of the image features a white background with a curved green and yellow border.

PERFORMANCE AGAINST OUR STRATEGIC PLANS

STRATEGIC PLANNING FRAMEWORK

The Council's Strategic Planning Framework assists with strategic decision making, and aligns with our aspirations for Victor Harbor. The framework that this Annual Report is based on is outlined below.



STRATEGIC PLAN OUTCOMES

OUR COMMUNITY PLAN

The Community Plan 2030 is the City of Victor Harbor's guiding strategic document, outlining the community's aspirations for the future. It sets out long term goals, medium term priorities, and the measures we will use to monitor our progress.

The Community Plan 2030 centres around six aspirations that express what we want Victor Harbor to be like now and into the future. They aim to be bold and visionary, at the same time as protecting the essence of Victor Harbor.

The aspirations include:



We are a caring, connected and active community



We have a culture of innovation, collaboration and creativity



We manage growth and change responsibly



We protect our environment



We have services and infrastructure that meet our community's needs



We are a financially sustainable and well-governed organisation

MEASURING OUR PERFORMANCE AGAINST THE COMMUNITY PLAN 2030

The City of Victor Harbor uses a number of methods to measure our progress towards achieving the aspirations within our Community Plan 2030.

Key Planned Activities

Each year Council identifies a number of Key Planned Activities that set out what we will focus on in the coming year to help achieve the aspirations set out in the Community Plan 2030. In 2020/21, Council identified 25 Key Planned Activities. An overview of all of these activities including their current status is provided from **page 34-58**.

As well as undertaking the identified Key Planned Activities, there are a number of other projects and ongoing activities that help Council work towards its aspirations. These activities also ensure that legislative requirements are met and respond to community expectations. A selection of these activities is also highlighted over the following pages.

Financial Management

An overview of Council's financial performance is provided in the Financial Statements at **page 104**, and commentary around key financial indicators is available on **page 60**.

Future Planning

The City of Victor Harbor adopted its 2021/22 Annual Business Plan and Budget on 2 August 2021. The plan shows where Council will spend money and the projects that will be undertaken in the coming financial year to help achieve our vision for Victor Harbor. A brief overview of what is ahead for the City of Victor Harbor is provided on **page 100**.



ASPIRATION 1

WE ARE A CARING, CONNECTED AND ACTIVE COMMUNITY

STRATEGIC CONTEXT

Victor Harbor is well known for its welcoming, friendly and family focussed community. Council’s planning recognises this and outlines strategies to ensure that this continues in the future. In addition to the caring nature of our community, people also often comment that they feel safe in Victor Harbor and that it is a great place for children to grow up.

There is a strong volunteer culture within the City of Victor Harbor. One in three people in the local government area volunteer in some capacity, and the council is fortunate to have a team of around 500 volunteers assisting with the delivery of services, programs and initiatives.

The high level of volunteerism results in a healthy number of thriving community groups, clubs and organisations, all of which provide important opportunities for people to feel valued and included.

Sport and recreation is deeply embedded within our community, and encourages a healthy and active lifestyle as well as important social connections. Access to open spaces is a key part of our lifestyle.

ON-GOING ACTIVITIES

Community services for aged, families, youth and disadvantaged people; Accessibility; Community and charitable donations; Community grants; Supported residential facilities licensing; Volunteer support and assistance; Halls and community buildings; Festivals and events; Parking enforcement and control; Abandoned vehicles; Vermin eradication; Dog and cat control; Livestock impounding; Litter inspection and enforcement; Immunisation; Health and preventative services; Sharps/need collection service; Street furnishing and sweeping.

2020 /21 KEY PLANNED ACTIVITIES

Flourishing on the Fleurieu Festival

Outcome: Complete

Description: The Festival is a biennial event that celebrates retirement and showcases the many organisations and community groups that older people can get involved with. The Festival provides an opportunity for Council to help local groups promote the opportunities available for older people to connect with others.

Commentary: As a result of COVID-19 the Flourishing on the Fleurieu Festival was rescheduled from October 2020 to April 2021. Fifteen community groups were successful in receiving grants to assist with costs to hold events during the festival period. Twenty (20) activities/events were held during the Festival (7 of these were held on more than one date bringing total activities/events to 28). Festival events and activities were attended by 498 people, with 52% of people “new” to the group/activity (88 of these new people indicated they would like to attend the group again). Overall, feedback was extremely positive. Despite the lower number of groups participating this year as a result of COVID-19, the percentage of new people attending the Festival activities was significantly higher than the previous Festival – contributing to achieving the Festival aims. The Festival was held from 17-30 April 2021.

Pedestrian Refuge on Armstrong Road

Outcome: Complete

Description: To improve safety for cyclists and pedestrians crossing Armstrong Road from Ewen Terrace to the Encounter Bay Recreation Grounds a median refuge was installed.

Commentary: Construction works were completed in May 2021. This project received positive media coverage and was well received by the local community.



Events and Festivals Facilitation

Outcome: Complete

Description: Council continues its commitment to facilitating a number of events and festivals that contribute to economic development, tourism and community engagement.

Commentary: Round one of the festivals and events sponsorship program has been completed with \$37,000 funds allocated to support the following events:

- SA Viking Festival, 3-4 October 2020
- Beachside Markets in Ocean Street
- Scouts Victor Harbor 110 year celebrations, 22 November 2020
- Rotary Victor Harbor Christmas Festival, 7-13 December 2020
- Rotary Art Show, 11-19 January 2021

Round two of the festivals and events program has been completed with \$10,500 cash and \$5,500 in-kind support allocated to support the following events:

- Heysen 105, 23-25 October 2021
- SA Viking Festival, 2-4 October 2021
- Fleurieu Fake Film Festival, 13-17 September 2021
- Bengali Festival, 9 October 2021

In terms of Council facilitated events, the New Year's Eve event was cancelled in response to COVID-19, however the midnight fireworks proceeded successfully. The 2020 Rock N Roll Festival was cancelled due to COVID-19 with funds redirected to alternative events including a Fringe on Tour performance on 28 February 2021 and Science Fair on 27 June 2021. The 2021 Tour Down Under event was cancelled in response to COVID-19. A total of \$14,000 from the Tour Down Under budget allocation was transferred of the Festivals and Events grants.

Floating Pontoon for Swimmers

Outcome: 30% Complete

Description: Potential placement of a floating pontoon for swimmers off the beach. Location to be determined as part of public consultation.

Commentary: Council is undertaking due diligence in relation to the viability of installing a floating pontoon. Data is being gathered from the Coast Protection Board, pontoon suppliers and insurers to assess the capital and ongoing maintenance costs, in order to make an informed decision about a pontoon's viability.

Southern Fleurieu Sport and Recreation Precinct

Outcome: Strategic direction changed

Description: Completion of feasibility study and preliminary designs and commencement of detailed designs.

Commentary: The project has progressed with a number of Elected Member workshops and key stakeholder engagement. A report was presented to Council in June 2021 where Council resolved to go to public consultation, subject to inclusion in the Long Term Financial Plan.

Library Wall Extensions

Outcome: Complete

Description: Feedback received during consultation on Library Services was overwhelming in regards to significant noise issues. The Community Meeting Room, IT Room and staff administration rooms have no internal ceiling which add to the overall noise level as well as causing heating and cooling challenges. The walls on these rooms will be extended to the ceiling to provide a sound barrier and reduce transference of noise to the main library space.

Commentary: The wall extensions in the Library's Community Meeting Room and IT Room have been completed.



ASPIRATION 1

WE ARE A CARING, CONNECTED AND ACTIVE COMMUNITY

OTHER HIGHLIGHTS AND ACTIVITIES

Caring Neighbourhood Program



The Council's Caring Neighbourhood Program helps bring people together who need support to do so. It centres around a group of volunteers who extend friendship and support to people who are socially isolated from their community as a result of age related issues.

The program is coordinated by Council and receives funding support from the Australian Government Department of Health. Council staff work closely with the highly valued team of 50 volunteers to deliver individual support and a range of group activities. In 2020/21 these volunteers supported 160 socially isolated older people, providing 9,631 hours of connection and companionship.

Community Grants

The City of Victor Harbor offers a Community Grants Program that assists not for profit community groups and organisations in the planning, coordination and provision of community services to improve the quality of life, independence and wellbeing of people within Victor Harbor.

In 2020/21 four community groups received funding including:

- **Openlight Community Garden Victor Harbor** - \$872 towards the purchase of a poly house for propagating seedlings
- **South Coast Choral and Arts Society Band** - \$500 towards the cost of using three pieces of music in performances
- **Southern Fleurieu Riding for the Disabled** - \$550 for the purchase of a colour printer to assist with administration of client and volunteer information.
- **Victor Harbor Mens Shed** - \$354 for an equipment upgrade to the metal workshop

Dog and Cat Management



The City of Victor Harbor has 3,441 dogs and 964 cats registered. Council's Public Safety Team responded to 69 requests for dogs wandering at large, investigated 22 reports of dog attacks, 35 barking dog complaints and 37 cat requests.

The team also collaborated with the Victor Harbor High School (pictured) to deliver a new shelter at the Dog Park which is highly valued by the many users of the facility.

Disability Access and Inclusion Plan



The City of Victor Harbor recognises the importance of an inclusive community, a community that not only accepts but embraces diversity. Council endorsed the Disability Access and Inclusion Plan 2020-2024 in October 2020. The Plan was developed based on feedback from community and with advice from the Disability Access and Inclusion Advisory Committee. It will support the City of Victor Harbor to understand and take into consideration the needs of people living with a disability.

Access and equity forms part of all of our decision making and planning processes. The Disability Access and Inclusion Plan sets the Council's commitment to doing what it can to ensure access and equity for all and ensuring that Victor Harbor is a welcoming place.

One of the responsibilities of local government is to ensure that all members of our community have the right to be included, participate, have access to services and products and are able to be included in decision making. This is regardless of ability. The purpose of this plan is to provide an integrated, whole of Council approach to strengthen inclusion and access for all. The plan provides a guide to how we will act to support and promote access and inclusion for members of our community and for those visiting our beautiful city.

Support for our Clubs and Organisations

In 2020/21, the STARCLUB Field Officer Program delivered 11 workshops for sporting clubs and associations including:

- Sport and recreation forums in Victor Harbor
- A club strategic planning session
- Child Safe Officer course
- Essentials for Coaching Children course
- Club development webinars (Volunteering, grants, attracting players, setting goals, risk management)
- Sustainable trails workshop for volunteers.

Promoting our Community Services



The community services provided by the City of Victor Harbor are highly valued by those who use them. To further promote the services, members of the community services team got out and about to share information about the programs that are offered, and answered questions from people wanting to find out more.

Immunisation Program

The City of Victor Harbor facilitates the school based immunisation program within our district which provides vaccines for students. Immunisation vaccines are provided to Year 8 and Year 10 students from the Victor Harbor High School, Investigator College and Encounter Lutheran College. In 2020/21, 663 students received 1,010 vaccines.



ASPIRATION 2

WE HAVE A CULTURE OF INNOVATION, COLLABORATION AND CREATIVITY

STRATEGIC CONTEXT

To see our community prosper and flourish, there is a need to embrace new ideas and technology to create opportunities. There is potential to use the creativity within Victor Harbor to enhance our city's vibrancy at the same time as expanding our local economy.

The council understands the importance of providing the right conditions for individuals and the community to prosper, and recognises the importance of collaboration with all levels of government, regional bodies, private sector and the wider community to achieve this.

Art in all forms has the capacity to enrich people's lives and contribute to creating a strong, healthy and connected community.

The increasing emergence of arts and cultural activity in Victor Harbor has provided important social and economic benefits to the city. There is an opportunity to develop this further.

ONGOING ACTIVITIES

Library; Arts and cultural program; Coral Street Art Space; Victa Cinema; Public art and monuments; Citizenship; Representative appointments; Local and regional partnerships.

2020/21 KEY PLANNED ACTIVITIES

Business Victor Harbor Partnership

Outcome: Complete

Description: To assist Business Victor Harbor enhance its ability to support the local business community, Council will provide funding to enable the appointment of an Executive Officer.

Commentary: Funds have been provided to Business Victor Harbor following evidence of governance support documents and a business plan for the organisation. Regular meetings have occurred between Business Victor Harbor executives and Council in order to support this partnership.

Arts and Culture Centre

Outcome: 70% Complete

Description: Council is committed to increasing its focus on art and cultural activities. This will be achieved by progressing detailed design for an Arts and Culture Centre incorporating the existing Town Hall and Coral Street Art Space, and undertaking some repairs to the Victa Cinema.

Commentary: ARM Architecture has been engaged to progress the conceptual designs of the Arts and Culture Centre. A number of workshops with Elected Members and ARM Architecture have taken place. Community consultation has occurred on the updated concept designs, draft business model, and economic analysis with the findings were tabled at the July 2021 Council meeting. It is expected the concept design will be finalised in the second half of 2021. It is expected detailed design and specifications for the project will be undertaken in future financial years.

OTHER HIGHLIGHTS AND ACTIVITIES

Public Art Projects



Public art not only showcases impressive artistic talents but it creates interesting and vibrant public spaces. In 2020/21 the Council commenced the Bay Road Mosaic project which will see a 36 metre mosaic mural depicting the strong cultural connections the Ngarrindjeri and Ramindjeri have to Muwerang (Inman River and Kent Reserve). Local Ngarrindjeri artist Cedric Varcoe and mosaic artist Mike Tye will work with a number of community members to create the mosaic tiles that will be installed along Bay Road. The Council secured \$25,000 funding from Country Arts SA through the Federal Government's Community Grants program to assist with funding of the project. Local community member, Jann Aldridge also generously donated \$1,000 towards the project.

During the year Council also commissioned a piece of public art from local artist Matt Turley for the newly developed Railway Plaza. Titled Connection, the work explores the notion of individual entities, unique in their own design and purpose, coming together, connecting, to create something greater. It forms a sense of place, while remaining true to the history that inspired its design. Council's Arts and Culture Advisory Group, who selected the work through a competitive commissioning process, found the scale of the work to be impressive and felt it would be informative to a broad range of visitors.

Connection presents multiple opportunities for interaction from children, to those looking for a great photo opportunity. Matt Turley also created the artwork on the historic Whalers Well at The Bluff which was installed during the year.

Victa Cinema



During 2020/21 the Council purchased the iconic Victa Cinema. The cinema purchase formed part of the Council's vision to reactivate the town centre and establish Victor Harbor as a regional arts and culture destination. The Council consider an Arts and Cultural Centre will assist to cultivate arts and cultural activity by providing a hub for local artists, groups and the broader community to meet, work, exhibit, collaborate and learn.

The cinema was incorporated into the initial Arts and Cultural Centre proposal, expanding the facility's footprint beyond the Town Hall and Old Library buildings (now the Coral Street Art Space) in Coral Street. Including the cinema into the overall footprint of the Arts and Cultural Centre helps address community concerns with the potential to expand its use as a live performance space and take advantage of the existing tiered seating. The purchase of the cinema also ensures the highly-valued facility remains a key part of the town's entertainment offerings. The Council purchased the cinema business and freehold title for \$1.6 million in October 2020.



ASPIRATION 2

WE HAVE A CULTURE OF INNOVATION, COLLABORATION AND CREATIVITY

Mayor's Short Story Competition



Each year the Mayor's Short Story Competition showcases the talents of young writers from across the region. It is an initiative delivered by the three Fleurieu councils – Alexandrina Council, District Council of Yankalilla and City of Victor Harbor. The 2020 competition saw 460 entries from the City of Victor Harbor council area. City of Victor Harbor winners included:

- **Reception to Year 2:** Luke Greasley (Investigator College) and Ruby Whiteway (Victor Harbor R-7 School)
- **Year 3 to Year 4:** Alex Thompson (Victor Harbor R-7 School) and Jasper Wegener (Encounter Lutheran College)
- **Year 5 to Year 7:** Lily Milosevic (Encounter Lutheran College)
- **Year 8 to Year 10:** Angie Val (Victor Harbor High School)
- **Overall Winner:** Lily Milosevic (Encounter Lutheran College)

Tech Savvy Seniors Program

The City of Victor Harbor's Library offers seniors free technology training to launch them into the online world. The carefully designed training program takes seniors through comfortably paced sessions which cover a range of digital tasks including how to use an

iPad, navigate social media, shop online and access online government services and banking facilities. From October 2020 to June 2021 Library staff delivered 25 training sessions attended by 105 seniors.

The program aims to increase the confidence and skills of local seniors to become more connected in our increasingly digital world.

Citizenship Ceremonies



The City of Victor Harbor conducts citizenship ceremonies on behalf of the Federal Government for local residents. The Council's role to welcome new citizens is one we highly value and enjoy.

Citizenship ceremonies are special events that fulfil requirements under Australian citizenship law. They also provide an opportunity to welcome new citizens to our community.

The ceremonies are undertaken by the Mayor and generally held in the Council Chambers with the exception of Australia Day where the ceremony takes place as part of the community celebration event.

In 2020/21 the City of Victor Harbor held three citizenship ceremonies welcoming 12 new citizens from a diverse range of countries including the United Kingdom, Philippines, Indonesia, Hungary, India, Germany and China.





ASPIRATION 3

WE MANAGE GROWTH AND CHANGE RESPONSIBLY

STRATEGIC CONTEXT

Victor Harbor and its surrounds is growing, with the population set to increase from 15,465 to 17,900 by 2031. This growth will have implications for the provision of services and infrastructure, as well as how we protect our environment, heritage, lifestyle and sense of community. All of which are highly valued and integral to our city's appeal.

Population growth in neighbouring councils will also impact on the City of Victor Harbor which has firmly established itself as the service centre for the region. Appropriate planning will assist to maintain this position, at the same time as preserving the attributes of our city that we most value.

The Victor Harbor economy is heavily reliant upon the income derived from tourism. This income is largely seasonal, providing a challenge for some local businesses to manage revenue fluctuations. There is potential for this sector of the economy to be developed, as well as opportunities to see the growth in other sectors such as aged care, agriculture, building and construction and manufacturing.

ONGOING ACTIVITIES

Economic development; Horse Drawn Tram; Visitor Information Centre and South Australian Whale Centre; Destination marketing; History recording and preservation; Local history collection; Building assessment and inspection; Development assessment; Land use planning.

2020/21 KEY PLANNED ACTIVITIES

Railway Plaza Upgrade

Outcome: 95% Complete

Description: The redevelopment of the Railway Plaza is marked to showcase Victor Harbor's heritage listed buildings and Moreton Bay fig trees within a vibrant, high-use and accessible community space that can transform to host major festivals and events alongside Warland Reserve. The development will also result in a much needed stormwater upgrade for the area.

Commentary: SGP Civil was awarded the contract to undertake the construction works and works commenced on site in September 2020. The project is practically complete with minor defects and omissions being undertaken within the defects liability period. The 2021 WhaleFest event was held within Railway Plaza in June, showcasing the new public space

Mountain Bike Strategy

Outcome: 75% Complete

Description: Preparation of a plan to set the strategic direction for the development of mountain bike trails and networks within the Council area.

Commentary: The first phase of community engagement was complete in April 2021. A summary of the consultation and the initial findings from consultants, Tourism Recreation Conservation, was presented to Council before work commenced on the development of the strategy. The findings of the strategy was presented to Council via an informal gathering on 9 August 2021 before the final stage of consultation was undertaken. This project was delayed due to consultant availability due to interstate travel and COVID-19 restrictions.

Victor Harbor Place Brand and Investment Attraction Project

Outcome: 50% complete

Description: This project involves the continuation of a three stage review of the place brand to grow adoption and participation by both businesses and the community. It will involve web and social media platform, stakeholder workshops, brand ambassadors and promotional materials.

Commentary: As an outcome of the Economic Development Strategy the Council has been working in partnership with Business Victor Harbor on the re design of the Victor Harbor destination brand. The Council have engaged the services of NATION a South Australian based marketing agency to work with the Council and Business Victor Harbor on the branding project. The project has progressed to the phase where artistic elements of the brand are being developed, informed by previous community engagements and workshopping of community leaders. Grant funding to support the design of an investment attraction strategy has been sought through the Building Better Regions Fund (Federal Government). The intent is that the investment attraction strategy will be developed in partnership with Business Victor Harbor.

McKinlay Street Car Park

Outcome: Complete

Description: Demolition of house and provision of additional off street parking.

Commentary: Demolition of the house was undertaken in September 2020 and the site was then sealed to be used as a temporary car park. The space has provided an additional 15 spaces within the McKinlay Street Car Parking Precinct.





ASPIRATION 3

WE MANAGE GROWTH AND CHANGE RESPONSIBLY

OTHER HIGHLIGHTS AND ACTIVITIES

Supporting our business community



Twenty-four Victor Harbor businesses shared in just over \$79,000 worth of grants from the City of Victor Harbor to help them navigate through the challenges presented through COVID-19.

The Business Support Grants were one of the many measures adopted by Council to support its community to deal with the impacts of the COVID-19 pandemic. The program enabled Victor Harbor businesses to apply for up to \$5000 funding support to be used to assist with adaptation initiatives, cashflow and business planning.

Applications were received across a number of business types including restaurants and cafes, health and beauty services, transport and logistics, tourism and retail.

Projects funded under the program have included such things as website developments enabling businesses to serve their customers differently, physical changes to restaurants and cafes, as well as the purchase of plant and equipment that allows for alternative products and services to be offered.

Ocean Street business, All Sweets and Treats, were one of the successful grant recipients. Owner and operator, Justin Thompson said he was grateful to receive the financial support from Council.

“The funds will be used for developing a website and online store allowing us to serve more customers, not just those that walk into the shop,” said Mr Thompson.

“We have a very small floor space, meaning that we quickly exceed the density restrictions that have been in place. The new website will allow us to diversify our business ensuring that we can get through this challenging time and thrive on the other side.”

Setting an economic vision for Victor Harbor

A bold Economic Development Strategy was adopted by Council in October 2020. The new strategy, spanning over 10 years, aims to provide Victor Harbor with a blue print to achieve a sustainable future economy. Centred around four economic pillars and eight principles for change, the plan sets out a clear strategic direction aimed at generating economic opportunity.

Victor Harbor is in a great position to generate sustainable economic activity. We are set in a stunning coastal location that offers a highly desirable lifestyle within close proximity to Adelaide. This plan is about capitalising on these strengths to thrust our city forward and position the region as a place of choice to live, work, visit and invest in.

The plan identifies opportunities to achieve this through targeted investment attraction, key infrastructure delivery and improved educational partnerships.

The future economy forecast will see the emergence of a broader range of industry sectors, increased

levels of economic self-reliance, a balanced year-round economy and recognition of Victor Harbor as a forward thinking community.

The Strategy was developed over the past year with significant input from local businesses, industry and community. It is accompanied by a action plan including indicative budget, Council's role, and specific measures of success.

Regional Study Hub Business Case

The retention of 18-24 year olds within the community is a challenge that all Fleurieu councils have faced over the years, with many young people finishing school and moving outside of the district for higher education or employment opportunities. There are currently no major university or tertiary education campus' located in the Fleurieu region. In fact, Victor Harbor has a significantly under-utilised TAFE campus.

The Council has been focusing on attracting a regional university and improving pre-vocational training opportunities within the Victor Harbor and Fleurieu region.

In order to identify the best study hub model for our region and to assist with future grant funding application, the Council has partnered with Regional Development Australia – Adelaide Hills, Fleurieu and Kangaroo Island and neighbouring councils to develop a business case. Regional Development Australia – Adelaide Hills, Fleurieu and Kangaroo Island engaged ISC Consulting Group to undertake research and complete the business case for the Regional University Centre.

The business case is complete and will be submitted along with other supporting information to the Australian Government Department for Education, Skills and Employment for consideration.

Throughout this process engagement has been occurring with key stakeholders and the steering committee which includes the City of Victor Harbor Mayor and CEO has been meeting.

Throughout May and June visits were made to two Regional University Centres (Murry River Study Hub and Barossa Campus) and potential local campus sites.

Next steps include finalising a governance structure, assessing the proposal for a shared administration model, and prioritising preferred location (with backup sites).

Re-shaping our visitor services



The City of Victor Harbor commenced a transformation of the way it delivers its visitor services. The transformation includes consolidating the Visitor Information Centre (VIC) and SA Whale Centre, and increasing digital marketing to attract visitors.

Each year around 1.2 million visitors come to Victor Harbor, injecting \$153 million into the local economy. The VIC and SA Whale Centre each currently service around 5% of these visitors, with the vast majority of tourists using digital platforms for tourism information and local experiences.

While face-to-face visitor information services will remain an important offering, combining the two centres provides the opportunity for more resources to be channeled into the development of online tourism platforms that will service a larger percentage of visitors and also assist in boosting visitation to Victor Harbor.

The consolidation is also expected to save the City of Victor Harbor up to \$150,000 per annum, and will support the recruitment of a digital marketing officer to drive a new destination marketing strategy for Victor Harbor.

The City of Victor Harbor is unique in the fact that it is responsible for tourism assets like the SA Whale Centre and VIC, and is the owner of the iconic Victor Harbor Horse Tram. Council understands that these services are really important to our local community and our tourism economy, and that we have a responsibility to ensure these services are efficiently operated and they continue to meet the changing needs of visitors who frequent our region.

There is significant research that shows a clear shift in consumer behaviour with visitors increasingly using online and digital technology to inform travel choices, plan trips and source information while at their destination. We want to play a greater role in influencing people to travel to Victor Harbor through this work.

The Council knows it has work to do in this space and this has been a key motivation for our decision to change how we deliver visitor services.

While the Railway Goods Shed is being renovated to cater the new Visitor Centre, visitor services have been operating out of Coral Street Art Space. The Council has been working closely with the team of volunteers and local tourism businesses to deliver the transition.



Transition to SA's new planning system

South Australia's planning system has undergone its biggest reform in 20 years. In 2016 the SA Government passed the Planning, Development and Infrastructure (PDI) Act 2016 to replace the Development Act 1993. The rollout occurred in stages with one of the most significant aspects implemented during 2020/21 – the new Planning and Design Code. The Code is essentially a new 'rule book' for all development in the Council area (and South Australia). It applies new development rules and zoning throughout the Council area and replaced the City of Victor Harbor Development Plan.

A significant amount of preparation and training was required to transition to the new system which went live on 19 March 2021.

While also supporting the transition to the new planning system, the Council's Planning Team assessed more than 750 development applications worth \$154.3 million.



Highlighting Indigenous history and culture

During 2020/21 a number of events were held to highlight local Indigenous culture. A traditional welcoming of the whales and smoking ceremony was held at the new amphitheatre at Soldiers' Memorial Gardens. Locals Mark Koolmatrie and Cedric Varcoe performed the welcoming ceremony with Ngarrindjeri and Ramindjeri Elders present.

NAIDOC Celebrations were also held in Victor Harbor with a town march and celebratory event held on 30 June 2021. MIPAAC (Miwi-inyeri Pelepi-ambi Aboriginal Corporation) hosted the town march with support from the City of Victor Harbor. Following the town march, family friendly festivities were held at the Soldier's Memorial Gardens including a Welcome to Country and flag raising, a smoking ceremony, Aboriginal art activities for kids, nature play activities, face painting, didgeridoo entertainment and a free barbecue lunch.

The theme for NAIDOC Week in 2021 was Heal Country, Heal Our Nation, which encourages us to recognise Indigenous cultural knowledge and understanding of Country as a significant part of our region's heritage. The Healing Country theme acknowledges the need for greater management, involvement, and empowerment by Indigenous peoples over country. It promotes equality for the culture and values of Aboriginal peoples and Torres Strait Islanders.

NAIDOC is celebrated by Australians from all walks of life and presents a great opportunity to learn, connect and support local Aboriginal and Torres Strait Islander communities.

During NAIDOC Week itself, the Victa Cinema was hosting a special documentary screening of *My Name is Gulpilil*, depicting the life and work of David Gulpilil, an Indigenous actor and icon of Australian cinema.



ASPIRATION 4

WE PROTECT OUR ENVIRONMENT

STRATEGIC CONTEXT

The City of Victor Harbor council area is home to many wonderful assets such as Rosetta Head (The Bluff), Granite Island and the Little Penguin colony, Hindmarsh Falls, Glacier Rock, Inman and Hindmarsh Rivers. The natural environment, including the coastal and marine areas, rivers, natural vegetation, clean air and mild climate are all identified as things that make Victor Harbor a great place to live.

Our planning aims to preserve all of the things we value about our environment, at the same time as putting measures in place to address the challenges that face us in the future. Urban growth will place pressure on the natural environment, as well as the general landscape and built form character.

Our changing climate will result in warmer and drier conditions, more frequent extreme weather events, and higher sea levels. A better understanding of both climate variability and climate change will mean the community can better manage the adverse impacts and take advantage of any opportunities that arise.

ONGOING ACTIVITIES

Animal, pest and plant control; Coastal protection; Environmental management; Foreshore maintenance; Climate adaptation planning; Tree planting and maintenance; Waste management.

2020/21 KEY PLANNED ACTIVITIES

Hayward Court Beach Access

Outcome: Complete

Description: Completion of the beach access stairs at Hayward Court in Hayborough.

Commentary: This project was complete in July 2021.

Victor Harbor Coastal Management Study Review

Outcome: 70% Complete

Description: In 2013 the Victor Harbor Coastal Management Strategy was prepared in response to community concerns about the impact of storm damage of the section of the coast between Policeman Point and The Bluff Boat Ramp. A recommendation within the study was that this be reviewed after five years.

Commentary: The review is well underway and being delivered by Integrated Coasts. Two of three community engagement phases have taken place with the third phase expected to occur in September 2021. Elected Member workshops have been held at all stages of this project. It is anticipated this project will be complete in October 2021.





ASPIRATION 4

WE PROTECT OUR ENVIRONMENT

OTHER HIGHLIGHTS AND ACTIVITIES

Using recycled water to look after our parks



Water management is an important issue. Council implements a number of strategies to conserve water resources and protect water quality. Water Sensitive Urban Design principles are applied within our streetscape upgrades and recycled water is used for irrigation of our parks and reserves where possible to help reduce reliance on mains water. In 2020/21, the Council used 18000 kL of recycled water for irrigation of local parks and reserves, which is around 35% of Council's irrigation needs. This is expected to increase in future years as Council works to extend the current recycled water system to additional reserves. In addition to this, Council also uses around 1000 kL of groundwater at Soldiers' Memorial Gardens which contributes around 25% of the total water used to irrigate this high profile coastal reserve.

Climate Ready Communities Project

The Climate Ready Communities project aimed to educate and inspire people to better understand the hazard and risks they are facing and how climate change will amplify these in ways that demand urgent and sustained personal and community action to build resilience.

The project was funded by the Commonwealth Department of Home Affairs and the SA Government, and facilitated by the Red Cross. The City of Victor Harbor was a partner in the project through its membership of the Resilient Hills and Coasts Climate Change Adaptation Group.

Through the program community members were trained and equipped to initiate action, both individually and as collectives, in their community to increase climate preparedness and resilience.

The project provided a platform for engagement, learning and connection for those in the community who are concerned about climate change, disaster resilience, what actions they can take to prepare and how to talk about this to other people. The Climate Ready Champions built resilience in their communities in a way that fit with their existing lifestyle, often focusing on household preparedness, as self-directed volunteers with support from Red Cross and Council partners.

Ten of the project participants either live or work in the City of Victor Harbor Council area.

Where We Build What We Build

As natural hazards intensify, living expenses like energy, mortgages and insurance will get more expensive for climate vulnerable homes – that is, homes that are in high-risk areas and have not been built to mitigate those risks.

The Where We Build What We Build project aims to encourage building or retrofitting of homes that are climate-ready, by demonstrating that the benefits of doing so outweigh the costs.

The Where We Build, What We Build project was undertaken in the Adelaide Hills and Fleurieu Peninsula region. One of the goals of the Adelaide Hills and Fleurieu Peninsula region is to remain liveable, affordable and resilient in the changing climate, by better managing climate risks.



The Where We Build What We Build Program provides a suite of comprehensive resources for members of the community to draw upon when renovating or building a new home.

The resources can be accessed via the City of Victor Harbor's website.

Council's garden trimmings help feed rhinos



The City of Victor Harbor has been working with Monarto Safari Park since late 2020 to supply useful cuttings of acacia that can be recycled as animal feed.

Acacia is a category of plant that grows in some of Victor Harbor's local parks and reserves. Some acacia plant species are invasive, so they are often removed by Council staff.

Certain species of acacia can make great feed for animals and contribute to healthy gut and immune systems, hence why staff from Monarto Safari Park regularly collect the trimmings and transport them back to the park where they can be enjoyed by animals.

Council maintains more than 300 parks, gardens and reserves within the City of Victor Harbor, meaning a significant amount of garden waste is collected through gardening activity. By providing suitable cuttings to Monarto Safari Park, Council can ensure the waste is being recycled and used to support these iconic species. The acacia trimmings are especially appreciated by giraffes and black rhinos like Induna (pictured)!

Monarto Safari Park has also partnered with local volunteer groups like CoastCare and Friends of the Hindmarsh River plus other councils to collect garden trimmings.

For residents who may have useful garden cuttings, Monarto Safari Park provides a free pruning service to residential properties that have healthy species of trees with no traces of poison. This includes willow, ash, elm, hibiscus, mirror bush, lucerne, carob, ficus, guava, acacia, she oak, poplar, and honey locust trees.

Collaborating with volunteers to protect and enhance our environment

The Council supports a number of different volunteer groups who help to look after our local environment. The work of these volunteer groups is highly valued and helps keep Victor Harbor looking great.

Victor Harbor CoastCare is one of these groups, with 44 members volunteering hundreds of hours to protect and maintain our stunning coast. The Council offers an advisory and support role to the group who in the past year have undertaken projects at The Bluff, Franklin Parade, The Esplanade, Causeway, Bridge Point gardens, Hindmarsh River estuary area and around the Kings Beach viewing platform.



ASPIRATION 5

WE HAVE SERVICES AND INFRASTRUCTURE THAT MEET OUR COMMUNITY'S NEEDS

STRATEGIC CONTEXT

Our community considers infrastructure such as roads, footpaths, walking trails, bike paths and playgrounds important for quality of life. Access to health and community services is also highly important to the community. The average age of people in Victor Harbor is 58 years, with children aged 0-14 making up 13% of the population, while 39% are aged over 65. The type and level of services, infrastructure and housing required to support our ageing population is a key component of our planning. This is balanced against the needs of young families who are being drawn to the area through increasing capital investments in the four local schools.

Council owns and maintains a large range of assets including buildings, bridges, roads and open spaces. Management of existing and new assets can be increasingly challenging for council. For example, cost shifting for services and new legislative provisions from Federal and State governments to local government impacts on the Council's ability to provide services and facilities.

Council has long been advocating for improved transport networks, particularly enhancing the Victor Harbor to Adelaide Road. This section of road is highly important to the local Victor Harbor economy, as a major commuter, tourist and freight route.

ONGOING ACTIVITIES

Disaster management; Community transport; Bus shelters; Construction and maintenance of bridges; Construction and maintenance of car parks; Construction and maintenance of footpaths and bicycle infrastructure; Construction and maintenance of roadway infrastructure; Traffic control and statutory signage; Septic tank approval and inspection; Private works; Street and public lighting; Street signage; Drainage infrastructure and stormwater management; Cemeteries; Playgrounds; Parks, gardens and reserves; Sport and recreation facilities; Boat ramps; Public conveniences.

2020/21 KEY PLANNED ACTIVITIES

Bluff Boat Ramp Public Toilets

Outcome: Strategic direction changed

Description: New public toilet facilities at The Bluff Boat Ramp.

Commentary: Community consultation was undertaken on an initial concept plan for public toilets near The Bluff boat ramp. A report outlining the consultation process and feedback was presented to Council and a decision was made to investigate alternative options. It is anticipated a report will be presented to early in the new financial year to consider future options for public toilets in the vicinity of the boat ramp.

Franklin Parade Shared Pathway (Encounter Bikeway)

Outcome: Complete

Description: The existing pathway along Franklin Parade, from Kent Reserve to the Bluff Boat Ramp will be resurfaced and where possible widened to 3.5 metres to make it safer for pedestrians and cyclists.

Commentary: The section of the Encounter Bikeway, which runs along Franklin Parade from Kent Reserve, is one of the most popular areas of the bikeway. During the development of the Victor Harbor Bicycle Strategy, this section of the bikeway received far more comments than any other. Comments related to the bikeway being too narrow and rough, as well as being an area of conflict between pedestrians and cyclists. As a result an action within the Bicycle Strategy was to upgrade the pathway between Kent Reserve and The Bluff. The budget allocation for this project is for stage one of this project with works being undertaken from Kent Reserve to just before Oakham Street. Widening of the path, asphaltting and upgrade of kerb ramps has been completed. A revegetation program on the sea side of the path was completed in early June 2021 using native plant species.

Webcam and CCTV at the Bluff Boat Ramp

Outcome: Complete

Description: To allow online access of boat ramp conditions and deter vandalism.

Commentary: The web cam and CCTV has been installed at the Bluff Boat Ramp to assist boat ramp users to check conditions from a mobile device or computer at any time. The live feed of the web cameras can be accessed via the City of Victor Harbor's website. The web cameras have been promoted to the community via Council's social media, website, e-newsletter and other opportunities.

Kent Reserve Gym Equipment

Outcome: Complete

Description: Installation of new outdoor gym equipment at Kent Reserve.

Commentary: The new gym equipment has been installed at Kent Reserve.

Urban Stormwater Master Plan

Outcome: Stage 1 Complete

Description: Continue the development of the Urban Stormwater Master Plan.

Commentary: This project will be undertaken over two years. The Stormwater Management Authority (SMA) is co-funder of this project, and is also the approving body for the final master plan. The requirement for additional modelling was identified by the SMA and Council has subsequently received additional grant funding from the SMA to cover the increased project scope. A community consultation process was undertaken during March and the resulting feedback will be used, along with other data and consultation with key agencies, to inform the development of the Stormwater Management Plan. Council is currently working with the SMA to refine the outcomes of the study.



Junior Scooter Park Design

Outcome: Complete

Description: Investigate suitable location and undertake design for a scooter park targeted at small children.

Commentary: A community engagement process was undertaken in March/April 2021 and included significant engagement with local young people. The consultation sought input into design elements and potential locations. A report was presented to Council for consideration following the consultation period and detailed design is progressing for the Victor Harbor Oval location. Design is expected to be complete within the first quarter of 2021/22.



ASPIRATION 5

WE HAVE SERVICES AND INFRASTRUCTURE THAT MEET OUR COMMUNITY'S NEEDS

Waggon Road Safety Improvements

Outcome: Stage 1 Complete

Description: This will be undertaken over two years. It involves shoulder construction, improved drainage, increasing the roadway at bends, improved signage, line marking, installation of guard rails and roadside vegetation removal

Commentary: The design component of this project has been awarded to Wallbridge Gilbert Aztec (WGA) who have undertaken survey, geotechnical investigations and commenced detailed design. Native vegetation hazards are currently being assessed.

Railway Goods Shed Redevelopment

Outcome: 70% Complete

Description: Installation of a lift within the SA Whale Centre to provide access for all, as well as installation of air-conditioning.

Commentary: Major buildings works to the Railway Goods Shed are currently underway and will support the transition of visitor services to a consolidated model. A significant portion of the building works will see critical aspects of the building upgraded, including access, fire safety, heating and cooling and bathroom facilities while allowing for modern delivery of visitor services. A supply/manufacture delay for the lift has resulted in completion of the building works being delayed.

Horse Stables and Staff Amenities

Outcome: 30% Complete

Description: Construction of a facility at Canton Place to provide stables, staff amenities, storage and wash down areas for use by the Victor Harbor Horse Tram Authority. This will improve stabling conditions and ability to care for sick or injured horses including veterinary services.

Commentary: A procurement process was undertaken in early 2021 however there were no respondents. A second tender process received one response. A workshop was held with Elected Members in June 2021 to update on budget and project scope. The project will continue in 2021/22.



George T Fisher Playground (Stage Two)

Outcome: Complete

Description: George T Fisher Playground, located on the Foreshore adjacent Flinders Parade, is Victor Harbor's premier regional playground, attracting children and families for generations. The redevelopment of the playground has been long overdue (last upgraded in 2002), with the upgrade split over two financial years. Stage 1 was completed in 2018/19 with funding received from the Open Space Grants Program. The completion of Stage 1 has been met with enormous community support and positive feedback. Stage 2 will complete the project to rejuvenate this playspace including a mounded play area with slides and climbers, and a pathway connection through to the foreshore, defining the edge of the Soldiers Memorial Gardens.

Commentary: Stage Two of the George T Fisher Nature Playground redevelopment is complete and open for use. The Council was fortunate to receive \$100,000 contribution through the SA Government's Places for People grant program.

OTHER HIGHLIGHTS AND ACTIVITIES

Multi-purpose Boating Facilities Business Case



The existing Bluff Boat Ramp in Encounter Bay has reached capacity for recreational boating, Sea Rescue and commercial boating activities. The Council has been considering options for increasing capacity at the existing ramp at Encounter Bay, however its Boating Facilities Working Group recommended to focus on the development of Eastern Beach so that it could be shovel ready for future grant funding opportunities.

To optimise the value gained from any investment in a boat landing facility it would need to be multi-purpose, providing multi-vessel launching options including recreational boating, commercial, sea rescue and emergency services.

Victor Harbor is also listed as a possible future destination and future port option for cruise ships. However, for this to occur infrastructure such as a boat landing facility would need to be introduced to enable tour providers to tender passengers to shore.

During 2020/21 a business case was prepared for Council's consideration and future direction. After seeking advice from the Boating Facilities Working Group the Council wrote to the South Australian Premier seeking Government support and funding to finalise an Environmental Impact Study for the proposed facility.

Community Services Review



Council regularly undertakes service reviews to ensure adherence to best practice and to deliver the most efficient outcomes for the community. The review included:

- An analysis of key Council initiatives and partnerships
- The role of Council in the system
- An evaluation of services and alternate service delivery models
- Recommendations to Council to achieve optimum delivery imperatives and opportunities for Community Services programs.

The review acknowledged that the Council's Community Services team provided valuable, quality services to the people of Victor Harbor and surrounding areas. Outcomes of the service review aim to increase social connectedness, youth leadership development and improved health and well-being. The team will be renamed Community Wellbeing and there will be an increased focus on a Collective Impact model with Council facilitating access to services as well as continuing to deliver a number of key programs including Caring Neighbourhood Program, Fleurieu Families and Youth Development.



ASPIRATION 6

WE ARE A FINANCIALLY SUSTAINABLE AND WELL-GOVERNED ORGANISATION

STRATEGIC CONTEXT

Victor Harbor has a community that is passionate about being involved in shaping the City’s future. People embrace the opportunity to be a part of Council’s decision making, and expect transparent and accountable government.

There is an expectation that the community will receive a high level of customer service, and that the council will continue its program of service reviews to identify efficiencies in operations.

To deliver the community’s aspirations, the Council must ensure it is a financially sustainable, well-governed organisation. Innovative future planning and leadership is critical to sustainable outcomes and efficient operations.

ONGOING ACTIVITIES

Administration and finance; Advocate on behalf of the community; Asset management; Civic functions; Community information; Contract administration; Council elections; Council news and information; Human resources activities; Investment; Industrial relations; local data and statistical collection; Local governance; Local services contact; Maintainer of civic and community records; Policy and by-law management; Amusement and market licensor; Property leases and rentals; Provision and maintenance of plant & equipment resources; Rate levying and collection; Risk management; Statutory fees and charges; Strategic planning; Training facilitator and provider; Work health safety.

2020 / 21 KEY PLANNED ACTIVITIES

Rating Review
Outcome: Complete
Description: Council will conduct a rating review against legislative provisions to provide assess the best rating structure to provide equitable distribution and balanced application of taxation principles. This will allow for public consultation on a range of options to ensure that the system adequately addresses the need for fairness and administrative efficiency.
Commentary: UHY Haines Norton Chartered Accountants were engaged to facilitate the rating review. Elected Members had training to support them in the review process and have also participated in workshops. Public consultation on the Rating Review was undertaken between 25 March 2021 and 26 April 2021. Following the consultation period a report was presented to Elected Members for further consideration at the May 2021 Council Meeting. The Council resolved to retain its rating structure with no changes.



OTHER HIGHLIGHTS AND ACTIVITIES

Future proofing our business systems



Council's software system has been in use for 20 years and no longer meets the organisation's needs. As a result, Council has embarked on a significant project that will see the overhaul of our business systems to future proof our organisation.

The business system is referred to as a Local Government Enterprise Resource Planning system (LG ERP). It is the business software system that Council uses to manage its day to day business activities such as accounting, HR, payroll, procurement, project management, risk management, compliance, property and rates, records management, customer request and asset management. The current LG ERP has been in use for more than 20 years and no longer meets the needs of the organisation.

A significant amount of scoping and planning work was undertaken during 2020/21 to inform the future direction of the project. This included a comprehensive review of the current system against the needs of the organisation now and into the future.

At a Special Council meeting on 12 July, the Council committed to completing the project over a number of

financial years starting with a \$805,500 investment in 2021/22.

The new system will help achieve cost savings, process efficiencies and a superior customer experience.

Asset Management Plans and Long Term Financial Plan Review



During 2020/21 the Council commenced a significant review of its Asset Management Plans and Long Term Financial Plan. This body of work was undertaken over several months and included a number of Elected Member Workshops and community consultation.

The Asset Management Plans support the effective management of Council's assets and the review aimed to update the plans to reflect the Council's current priorities at the same time as reducing the number of plans from eight to three in order to address duplication and make them easier for the community to understand.

The Long Term Financial Plan was also updated to reflect the Council's current priorities and enhance the links between the Asset Management Plans, Community Plan and Annual Business Plans.



ASPIRATION 6

WE ARE A FINANCIALLY SUSTAINABLE AND WELL-GOVERNED ORGANISATION

Upgrade to staff amenities at the depot

New facilities were provided at the Council's depot to cater for both male and female employees. The upgrade was complete in March 2021 and local contractors were used to deliver the project.

Bronze Award for 2019/20 Annual Report

The Community Plan 2030 identifies improving reporting to the public on Council's performance as a priority. To assist in this process the City of Victor Harbor has been entering its Annual Report in the Australasian Reporting Awards, using the feedback to enhance this document.

Following the first year's entry, a significant overhaul of the Annual Report format was undertaken focusing on improving the document and making it easier for the community to read. Improvements included providing more background information about the Council area, increasing the reporting on achievements and significant projects, including profiles on Elected Members and summary sections that provide a brief overview for those that may not want to read the entire report.

The City of Victor Harbor was thrilled to receive a Bronze Award for the 2019/20 Annual Report. Further improvements have again been made to the 2020/21 Annual Report based on feedback received from the judging panel.

Enhancing our Asset Management and Reporting

The City of Victor Harbor's transition to a service-driven, best practice asset management system which is capable of meeting its long-term requirements towards the full scope of modern asset management and reporting was awarded during 2020/21. The project received a Merit Award in the Local Government Risk Services Award program which resulted in a \$5,000 prize to be invested back into risk and WHS initiatives.

Through the success of this project, Council is now able to search, filter and view its assets and service levels more productively, producing more efficient queries and reports over a wide range of service delivery areas from accounting, asset management and tracking daily works requests. Customer enquiries and requests can be addressed more efficiently due to the live data connection between the field and the office.

Council recognised the importance of being able to link and supply the data between the office and field, along with mobility for our field workers. Customer requests can now be addressed and prioritised in real time. Field workers are now more efficiently engaged on site without having to wait to return to the depot to collect critical information.

Through GIS visualisations time and cost-savings in the work scheduling process are realised, and stakeholders of all levels – irrespective of asset management knowledge – understand consequences of asset decision making according to life-cycle modelling of asset health into the future. This level of connectivity and transparency carries tangible and intangible benefits across Council, the community and the sector.



KEY FINANCIAL INDICATORS

Financial indicators identify emerging trends and comparative information about Council's financial sustainability. Although indicators provide an assessment of financial performance and sustainability, they need to be interpreted in the context of Council's operating environment.

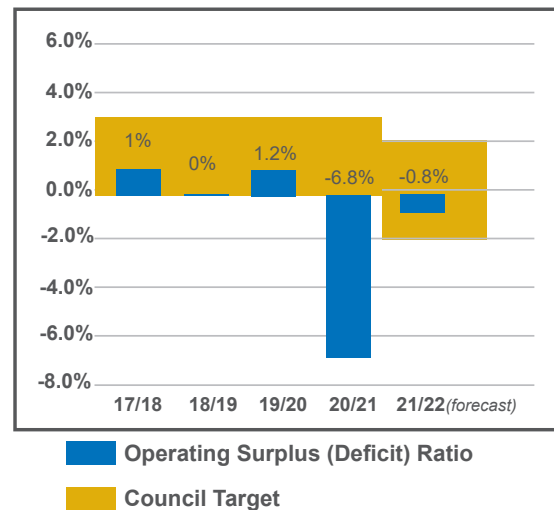
The following section provides an overview of the Council's performance against the three key financial indicators since 2017/18 including forecasts for 2021/22 based on the adopted budget.

Results, trends and commentary are provided in the following section.

OPERATING SURPLUS (DEFICIT) RATIO

This ratio expresses the operating surplus (\$) as a percentage of total operating revenue. A positive ratio indicates that all operating expenses are being fully funded by operating revenue and current ratepayers are meeting the costs of the services that they are using. Council has had positive ratios since 2011/12, however a deficit budget was adopted for 2020/21 due to no rate rise, COVID-19 relief packages and economic stimulus incentives.

Savings and adjustments throughout the year had Council heading for a surplus position until the identification of asbestos contaminated materials by the Fleurieu Regional Waste Authority required the recognition of a liability for remediation works equating to close to \$3.5 million.

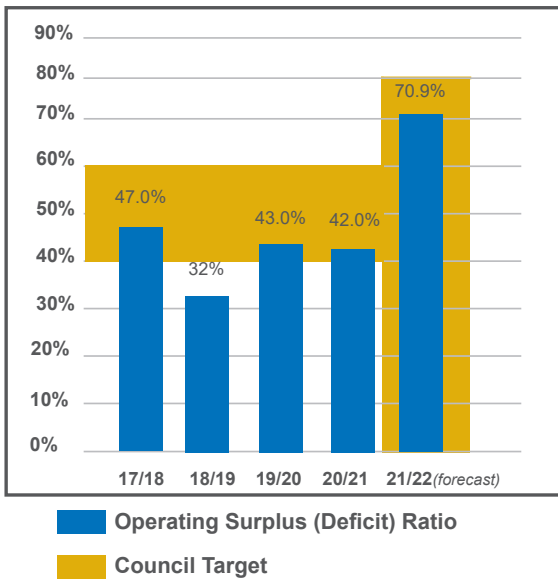


A Operating Deficit Ratio of 6.8% in 2020/21 is well below Council's target range for the reporting period (between 0% to 3% as identified in the 2020-2029 Long Term Financial Plan).

NET FINANCIAL LIABILITIES RATIO

This ratio expresses total liabilities less financial assets as a percentage of total operating revenue. The ratio indicates whether Council can meet its financial liabilities for the year from operating revenue. A higher ratio may indicate higher levels of debt whilst a lower ratio indicates stronger capacity to meet financial obligations.

Council's Net Financial Liability Ratio has been stable over the past few years with ratios within Council's target range of 40% to 60%, excluding a low in 2018/19 of 32%.



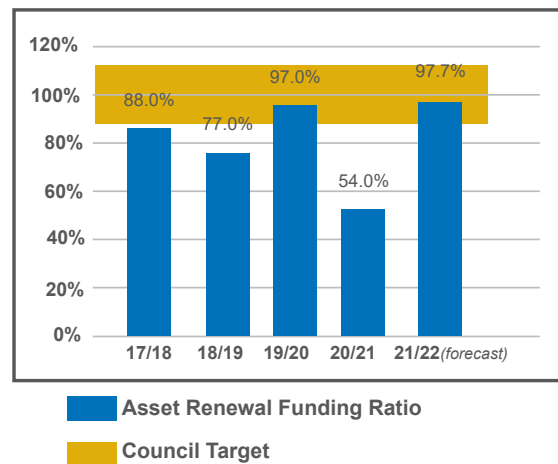
A Net Financial Liabilities Ratio of 42% in 2020/21 falls within Council's target range for the reporting period (40% to 60% as identified in the 2020-2029 Long Term Financial Plan).

ASSET RENEWAL FUNDING RATIO

This ratio is based on expenditure on capital renewal (replacement) as a percentage of planned projects detailed in Council's Asset Management Plans. The ratio indicates whether assets are being renewed in line with Asset Management Plans, with a ratio of 100% indicating that Council is fully funding infrastructure requirements.

Whilst Council intends to fully budget for works required in the Asset Management Plans, the target range of 90% to 110% has been set to achieve an approximate 100% rolling average over a three year period. This allows for changing priorities and delays in completion of projects.

Completion of a number of projects was hampered by COVID-19 restrictions, contractor availability and material supply shortages. A number of projects were 95% complete as at 30 June but do not factor into this equation until fully completed.



Expenditure on completed capital renewal projects in 2020/21 was 54%, well below Council's target range for the reporting period (90% to 110% as identified in the 2020-2029 Long Term Financial Plan).



ELECTED MEMBERS





ELECTED MEMBER PROFILES



MAYOR MOIRA JENKINS

Joining Council in 2014 and elected to the position of Mayor at the 2018 elections, Dr Moira Jenkins is a clinical psychologist with post graduate qualifications in workplace conflict management and the development of healthy workplaces.

2020/21 Highlights

Moira's highlights during the year included advocating for the development of a regional study hub on the Fleurieu Peninsula, and supporting the progression of an Arts and Culture Centre in Victor Harbor.

Committee and representative appointments

- CEO Performance Review Committee (Chair)
- City Activation and Strategic Planning Advisory Committee
- Southern and Hills Local Government Association
- South Australian Regional Organisation of Councils Committee
- Dog and Cat Management Board

The Mayor holds an ex-officio position on all Section 41 Committees, excluding the Audit committee.



COUNCILLOR BRAYDEN MANN

Having recently graduated, Councillor Brayden Mann now works locally as a Lawyer at Bartel & Hall Lawyers & Solicitors. As the City of Victor Harbor's youngest Elected Member, he continues to strive towards improving the lifestyle and opportunities for all who call Victor Harbor home, or their home away from home.

2020/21 Highlights

Brayden's highlight was collaborating with multiple levels of government, businesses and many local volunteers to enhance our Mainstreet, improve our premier playground, and provide new and lasting access to Granite Island. He is excited and hopeful to see the continued partnership of government, business and community to deliver a new Community, Recreation & Sporting Complex in the near future.

Committee and representative appointments

- Encounter Bay Future Recreation, Sports and Infrastructure Working Group
- Recreation and Sport Grant Working Group (Chair)
- Recreation Centre Management Committee (Chair)
- City Activation and Strategic Planning Advisory Committee



COUNCILLOR TIM GLAZBROOK

Councillor Glazbrook has been a resident of Victor Harbor for almost 50 years. After selling his automotive business, Tim found the time to represent the community and was elected to Council in 2014.

2020/21 Highlights

Tim's highpoints included Council's purchase of additional land from SA Water and the completion of the Railway Plaza upgrade. Both projects provide additional recreation opportunities for the community and will be enjoyed for many years to come.

Committee and representative appointments

- Audit Committee
- CEO Performance Review Committee
- City Activation and Strategic Planning Advisory Committee
- Hospital Advisory Council



COUNCILLOR BRYAN LITTLELY

A journalist and media professional, Councillor Bryan Littlely was elected to Council in 2018. His career has taken him to a wide range of communities in South Australia, nationally and internationally while reporting, editing and working closely with all levels of government.

2020/21 Highlights

Bryan was pleased to see the response and efforts, often under duress, of the Elected Member group and Council staff to work through the challenges presented by COVID-19 – it showed a commitment to our community through the toughest of times. Another highlight for Bryan was seeing the delivery of the Railway Plaza upgrade.

Committee and representative appointments

- City Activation and Strategic Planning Advisory Committee
- Boating Facilities Working Group (Chair)
- Recreation and Sport Grant Working Group
- Fleurieu Regional Waste Authority Board Member

ELECTED MEMBER PROFILES



COUNCILLOR NICK HAYLES

Elected to Council in 2014, Councillor Nick Hayles joined Council to represent and work with the younger generations of Victor Harbor's community. Nick currently works at Port Elliot Primary School as part of the wellbeing team and in student support. In addition to this, he is an owner in two small businesses, Planted Coffee House and Notam Development, giving him an appreciation for what it is to do business in his community.

2020/21 Highlights

Nick is proud of Council continuing to make investments that will set our community up for the future, with a great deal of work going into progressing a new recreation and sport complex to replace our dated and at capacity facility as well as plans to further arts and culture locally. He is also thankful for the resilience of our community through the unexpected experience that has been COVID-19.

Committee and representative appointments

- City Activation and Strategic Planning Advisory Committee (Chair)
- Recreation Centre Management Committee
- Victor Harbor R-7 School Governing Council



COUNCILLOR MARILYN HENDERSON

After living and volunteering within the community for seven years, Councillor Marilyn Henderson was elected to Council in 2018. Marilyn's lifelong passion for science was developed through her career in medical and plant research, anatomy, and microscopy and microstructure analysis.

2020/21 Highlights

Marilyn's greatest achievement was bringing to Council a Climate Emergency Declaration in December 2019.

Committee and representative appointments

- Arts and Culture Advisory Group (Chair)
- CEO Performance Review Committee
- City Activation and Strategic Planning Advisory Committee
- Disability Access and Inclusion Advisory Committee (Chair)
- Fleurieu Region Community Services Advisory Committee (Chair)
- Southern Communities' Transport Scheme Advisory Committee (Chair)
- Renewable Energy Working Group
- Festivals and Events Working Group
- Tree Assessment Panel
- Friends of the Victor Harbor Library Committee
- Murray Darling Association (Region 6)
- Australian Coastal Councils Association



COUNCILLOR PETER CHARLES

Councillor Peter Charles became an Elected Member at the City of Victor Harbor in 2014.

Peter tendered his resignation from Council on Monday, 9 August 2021.

Committee and representative appointments

- City Activation and Strategic Planning Advisory Committee
- Council Assessment Panel
- Fleurieu Regional Aquatic Centre Proxy Board Member



COUNCILLOR CAROL SCHOFIELD

Councillor Carol Schofield joined Council in 2014 to share her experience and knowledge gained throughout her diverse career, most notably in aquaculture, agriculture, the dairy industries and in the role of strategic business planner.

2020/21 Highlights

Carol's highlights from the year include seeing the completion of Council's Railway Plaza redevelopment and completion of the George T Fisher playground upgrade project. She was also glad to see significant progress on the Granite Island Causeway and Causeway Plaza upgrades.

Committee and representative appointments

- City Activation and Strategic Planning Advisory Committee
- Fleurieu Region Community Services Advisory Committee
- Victor Harbor Oval Planning Group (Chair)
- Victor Harbor Horse Tram Authority Board Member

ELECTED MEMBER PROFILES



COUNCILLOR DAVID KEMP

Councillor David Kemp joined Council in 2018 after spending 33 years in the Metropolitan Fire Service. Rising to the rank of Commander within the executive team, David gained experience in corporate governance, emergency management, department management functions and representation on state and national committees.

2020/21 Highlights

David's highlight for the year was being involved in the Resilient Futures project to identify current and emerging impacts on the City of Victor Harbor from a variety of categories, and how Council will deal with them.

Committee and representative appointments

- Carrickalinga Board of Management
- CEO Performance Review Committee
- City Activation and Strategic Planning Advisory Committee
- Fleurieu Regional Aquatic Centre Authority Board Member
- Fleurieu Regional Aquatic Centre Authority Audit Committee
- Heritage Advisory Group



COUNCILLOR ANDREW ROBERTSON

Elected to Council in 2018, Councillor Andrew Robertson is committed to community development, smart local government, and improving the economy of Victor Harbor. He is an active member of the Country Fire Service, Victor Harbor Goolwa Sea Rescue Squadron, Rotary Club of Victor Harbor, Newland Memorial Uniting Church Council, Beefsteak and Burgundy Club, Fleurieu Beef Group, Goolwa Regatta Yacht Club, and the Bandicoot Recovery Project.

2020/21 Highlights

The development and adoption of a new Economic Development Strategy was one of Andrew's highlights from 2020/21. He was also proud to receive a Paul Harris Fellow Award from the Rotary Club of Victor Harbor for his community service.

Committee and representative appointments

- Agribusiness Reference Group
- Audit Committee
- Arts and Culture Working Group
- Heritage Advisory Committee (Chair)
- Economic Development Strategy Group (Chair)
- Boating Facilities Working Group
- City Activation and Strategic Planning Advisory Committee
- Victor Harbor High School Governing Council

ELECTED MEMBER REPORTING

ELECTED MEMBER ALLOWANCES

Elected Members are paid an annual allowance as determined by the Remuneration Tribunal on a four yearly basis, in accordance with Section 76 of the Local Government Act 1999. The Remuneration Tribunal, in determining allowances, has regard to the role of members, the size, population, revenue, as well as relevant economic and social factors in the council area.

In 2020/21 Elected Members received the following allowances:

- Mayor - \$51,200
- Deputy Mayor - \$16,000
- Presiding member of a prescribed committee - \$16,000
- Councillors - \$12,800
- Councillors who are presiding members of a Section 41 Committee that is not a prescribed committee - \$12,800 plus \$150 per meeting (up to \$900)

In addition Elected Members are entitled to other support including reimbursement of travel and childcare expenses.

Council's Elected Member allowances and support policy sets out a comprehensive summary of the provisions of the Local Government Act 1999 and the Regulations in respect to Elected Member allowances, expenses and provision of facilities, support and benefits.

It also provides the circumstances under which Council approves the reimbursement of additional expenses on a discretionary basis.

MEETING ATTENDANCE

The City of Victor Harbor's Ordinary Council Meetings are held on the fourth Monday of the month from 5.30pm. During 2020/21, there were 12 Ordinary Meetings and five (5) Special Meetings.

Meeting attendance from 1 July to 30 June

Total number of meetings	17
Mayor Moira Jenkins	17
Cr Brayden Mann	15
Cr Tim Glazbrook	16
Cr Bryan Littlely	17
Cr Nick Hayles	15
Cr Marilyn Henderson	17
Cr Peter Charles	15
Cr Carol Schofield	17
Cr David Kemp	17
Cr Andrew Robertson	17



ELECTED MEMBERS

ELECTED MEMBER TRAINING AND DEVELOPMENT

The following is an outline of training and development activities that were undertaken by Elected Members during 2020/21.

Elected Member	Course / Training
Cr Robertson	Role of an Elected Member on a Council Assessment Panel
Cr Kemp	Role of an Elected Member on a Council Assessment Panel
Cr Henderson	The Planning and Design Code and Its Amendment
Cr Robertson	The Planning and Design Code and Its Amendment
Cr Kemp	The Planning and Design Code and Its Amendment
Mayor Jenkins	Executive Coaching
All Members	Espresso Shot (Team and Leadership Development)
Cr Henderson	Regional Planning and Joint Planning Boards
Cr Robertson	Regional Planning and Joint Planning Boards
Cr Henderson	Fleurieu Food and Wine Tourism Conference
Cr Henderson	Development Compliance and Complaint Management
Cr Robertson	Development Compliance and Complaint Management
Cr Kemp	Development Compliance and Complaint Management
Cr Henderson	Fleurieu Womens Community Awards 2021
Cr Schofield	Fleurieu Womens Community Awards 2021
Cr Henderson	ALGWA SA International Womens Day Dinner

Elected Member	Course / Training
Cr Schofield	ALGWA SA International Womens Day Dinner
Cr Henderson	Public Participation, Reviews and Appeals in the new Planning System
Cr Robertson	Public Participation, Reviews and Appeals in the new Planning System
Cr Kemp	Public Participation, Reviews and Appeals in the new Planning System
Cr Schofield	Coaching Session
Cr Mann	Coaching session
Cr Henderson	Women in Business Function
Cr Henderson	Councils and the Community Engagement Charter
Cr Robertson	Councils and the Community Engagement Charter
Cr Kemp	Councils and the Community Engagement Charter
Cr Schofield	Finniss Annual Dinner

ELECTED MEMBERS

TRAINING AND DEVELOPMENT

The following table is a record of Elected Member attendance at workshops during 2020/21.

Training	Date	Mayor Moira Jenkins	Cr Brayden Mann	Cr Tim Glazbrook	Cr Bryan Littlely	Cr Nick Hayles	Cr Marilyn Henderson	Cr Peter Charles	Cr Carol Schofield	Cr David Kemp	Cr Andrew Robertson
'Designated' Informal Gathering (Closed) – McKinlay Street Car Park Precinct	6/07/2020	.	.	.	A	.	.	.	.	.	.
'Designated' Informal Gathering – City Activation & Strategic Planning Advisory Committee	7/07/2020	.	.	.	.	.	.	.	A	.	.
Informal Gathering - Monthly Council Briefing	13/07/2020	.	.	.	.	A	.	A	.	.	.
Informal Gathering - 2020/21 Draft Budget - Public Consultation Feedback	20/07/2020	.	A	.	A	.	.	A	.	.	.
Informal Gathering - Monthly Council Briefing	10/08/2020	A	.	.	A	A	.	A	.	.	.
'Designated' Informal Gathering (Closed) - 2020/21 Strategic Planning Program	17/08/2020	A	.	.	A	.	.	A	A	.	.
Informal Gathering - Monthly Council Briefing	14/09/2020	.	.	.	.	.	.	X	.	.	.
Elected Member Leadership Session	21/09/2020	.	.	.	.	.	.	X	.	.	.
Informal Gathering - Monthly Council Briefing	12/10/2020	A	A	.	.	A	.	X	.	.	.
'Designated' Informal Gathering (Closed) – Asset Management / Strategic Projects Planning	15/10/2020	.	.	.	A	.	.	X	A	.	.
'Designated' Informal Gathering (Closed) - Asset Management / Strategic Projects Planning	19/10/2020	.	.	.	A	.	.	X	.	.	.
'Other' Informal Gathering - Introduction to Rates	21/10/2020	.	A	.	A	A	.	X	.	.	.
Informal Gathering - Monthly Council Briefing	9/11/2020	.	A	.	.	.	A	X	.	.	.
'Designated' Informal Gathering (Closed) – Asset Management / Strategic Projects Planning	16/11/2020	.	.	.	A	.	.	.	.	.	.
Elected Member Training – Espresso Shot	7/12/2020	.	.	.	.	.	.	.	A	.	.
Informal Gathering - Monthly Council Briefing	11/01/2021	.	A	.	.	A	.	.	.	.	.
'Designated' Informal Gathering - Strategic Risk Register	13/01/2021	.	.	.	.	.	.	A	A	A	A
Informal Gathering - Monthly Council Briefing	8/02/2021	.	.	.	.	.	.	.	.	.	.
'Designated' Informal Gathering (Open) - Asset Management Plans & Long Term Financial Plan	10/02/2021	.	.	A	A	.	.	.	.	.	.

Training	Date	Mayor Moira Jenkins	Cr Brayden Mann	Cr Tim Glazbrook	Cr Bryan Littlely	Cr Nick Hayles	Cr Marilyn Henderson	Cr Peter Charles	Cr Carol Schofield	Cr David Kemp	Cr Andrew Robertson
'Designated' Informal Gathering - Annual Business Plan & Budget Workshop #1	15/02/2021	•	•	•	•	•	•	•	•	•	•
Informal Gathering - Monthly Council Briefing	10/03/2021	•	•	•	•	•	A	•	•	•	•
'Designated' Informal Gathering - Annual Business Plan & Budget Workshop #2	15/03/2021	•	•	•	•	A	A	•	•	•	•
Informal Gathering – Long Term Financial Plan and Asset Management	29/03/2021	•	•	•	A	•	•	•	•	•	•
Informal Gathering - Monthly Council Briefing	12/04/2021	•	A	A	•	A	A	•	•	•	•
'Designated' Informal Gathering (Open) – Strategic Planning Program, Economic Development Strategy Action Plan, Victa Cinema/Arts & Culture 2021/22 Business Plan	19/04/2021	•	A	•	•	•	•	•	•	•	•
Public Meeting Rating Review Consultation	22/04/2021	A	•	•	•	•	A	•	•	•	•
Informal Gathering - Monthly Council Briefing/Budget Workshop	10/05/2021	•	•	•	A	A	•	•	A	•	•
Informal Gathering – Budget Workshop	12/05/2021	•	•	•	A	•	•	•	A	•	•
'Designated' Informal Gathering – City Activation & Strategic Planning Advisory Committee	26/05/2021	•	A	•	A	A	•	•	•	•	•
Informal Gathering - Monthly Council Briefing	15/06/2021	•	A	•	•	A	•	•	•	•	•
'Designated' Informal Gathering (Closed) - Horse Tram Stables	17/06/2021	•	•	•	A	A	•	A	•	•	•

A - Apology

• - Attended

X - Cr Peter Charles suspended

OUR ORGANISATION



The City of Victor Harbor is a dynamic, driven and energetic organisation that is committed to delivering essential services and infrastructure to ensure our city remains a place of choice to live, work, visit and invest.

The Council's workforce is made up of high performing teams, and diversely talented, skilled and passionate individuals. Our workforce assists in the delivery of more than 100 services and programs that help to meet our community's needs.

Our team places our customers at the centre of everything we do. Focus on improving internal and external customer service has led to an enhanced experience. We strive to continually improve and adapt our service delivery to find efficiencies and enhance customer experience.

Our organisation embraces technology and actively looks to integrate this into our practices, at the same time as ensuring accessibility for our diverse community.

Cross-department collaboration is a key focus of the organisation, leveraging extensive skillsets across the organisation to not only deliver great outcomes but upskill and empower our workforce.

The following section provides information about our organisation structure, Senior Management Team, council staff, and our commitment to our workforce.



ORGANISATION STRUCTURE



SENIOR MANAGEMENT TEAM

The City of Victor Harbor is structured as four departments, led by a Senior Management Team:

- Office of the Chief Executive Officer
- Corporate and Customer Service
- Community and Development
- Environment and Infrastructure.

The Senior Management Team is comprised of the Chief Executive Officer, as well as three Directors and the Group Manager Governance and Finance who each have responsibility and accountability for the outputs of their departments.

Units within each department perform specific functions and collaborate with other areas across the organisation to deliver services and projects. In addition to capitalising on the breadth of expertise, it also assists to increase knowledge and enhance skills across the organisation.

SENIOR OFFICERS

The City of Victor Harbor employs four staff members classified as Senior Officers. These officers are employed on a performance based fixed-term contract and include the following:

- Chief Executive Officer;
- Director Corporate and Customer Service;
- Director Environment and Infrastructure; and
- Director Community and Development.

Each Senior Officer receives a remuneration package that includes:

- A negotiated base salary, recognising overtime and out of hours work, limited term of contract, and individual officer performance
- Business and private use of a council vehicle
- Communication expenses
- Professional memberships
- Statutory superannuation entitlements.

Profiles of the City of Victor Harbor's Senior Officers are provided on the following pages.



EXECUTIVE STAFF PROFILES



VICTORIA MACKIRDY
CHIEF EXECUTIVE OFFICER

Joined the Council in 2018.

I was proud to be appointed to the role of Chief Executive Officer for the City of Victor Harbor – the local government area that my family and I call home.

Having worked in local government for more than 30 years, I continue to be inspired by the multi-disciplinary nature of Councils and the feats that can be achieved when such diversely skilled individuals and teams work in partnership towards a common goal.

I am accountable to the Council and the community for the implementation of all Council decisions, and for the overall management and leadership of the organisation. It is a privilege to lead a highly-skilled team of passionate professionals who continue to demonstrate a high level of commitment towards service delivery.

Collaborating with businesses, the community and government to achieve social, economic and environmental outcomes is one of my primary focuses, and this long-term approach is one that I believe can activate a real, constructive difference for people who live, work, visit and invest in our Council area.

Complementary to my role at Council, I am also the Deputy Chair of Regional Development Australia (RDA) Adelaide Hills, Fleurieu & Kangaroo Island; a proud Member of SA Leaders for Gender Equity; and a Board Director for Country Arts SA, Regional Arts Australia, and Local Government Professionals Australia.



GRAHAM PATHUIS
DIRECTOR COMMUNITY AND DEVELOPMENT

Joined the Council in 2009.

Over two decades of working in local government, I have developed a strong passion and deep understanding of the influence and importance of people – both in shaping our vibrant community, and driving our exceptional workforce.

As the City of Victor Harbor's Director of Community and Development, I am responsible for leading the city activation, planning, public safety, regulation, and community services teams. This diverse portfolio sees me coordinating long-term planning across a broad scope of initiatives – from the delivery of support programs, to events and education, to the design and use of space, to the provision of facilities and infrastructure.

Victor Harbor's characteristics present an abundance of opportunity for enjoyable, relational and stimulating experiences. The challenge is to apply an equitable approach that respects the need to balance cultural, social, economic and environmental values. I am privileged to work with a team of highly talented and experienced professionals who are equally committed to meeting this challenge.



KAREN ROKCINSKI
DIRECTOR CORPORATE AND CUSTOMER SERVICE

Joined the Council in 2019.

I commenced my career in local government seventeen years ago, and have since worked across a diverse range of portfolios, including environmental health and the regulatory services, civil construction and maintenance, recreation and open spaces, environmental strategy and sustainability, and community waste/wastewater management.

Now as the Director of Corporate and Customer Service, I bring extensive experience in risk management and process review to lead an exceptionally talented team of professionals across the Library, Customer Service, People and Culture, Information and Communications Technology, and Records departments.

I believe people are at the core of all progress, and I am passionate about driving long-lasting improvements through effective people management and change management. By thoughtfully exercising the skills of my team and applying a strategic lens to all opportunities, I aspire to increase efficiency and data accessibility at the City of Victor Harbor, with the ultimate goal of enhancing our service and outcomes to benefit the Victor Harbor community.



KATHY HAYTER
DIRECTOR ENVIRONMENT & INFRASTRUCTURE

Joined the Council in 2021.

I began working in local government in 2014, bringing formal qualifications in environmental science and extensive experience in both the private and public sectors. My career has seen me work across various disciplines, including science, arts, technology and community development.

Now as the City of Victor Harbor's Director of Environment and Infrastructure, I am fortunate to work with an outstanding team of diversely skilled professionals who are dedicated to delivering the best outcomes for the community. My portfolio combines both the natural and built environment, and I am responsible for leading the infrastructure, environment, property, recreation, construction, maintenance and open spaces teams.

Despite the complexities and challenges associated with preserving Victor Harbor's historically-rich and naturally beautiful features, the Environment and Infrastructure team is committed to sustainability and thoughtful engineering. I am passionate about working for and with our community to conserve Victor Harbor's wonderful natural assets whilst still planning and providing for the needs of our growing City.

COUNCIL EMPLOYEES



SNAPSHOT OF OUR WORKFORCE

131 full time and part time staff (equalling 106.77 FTE)

9.71 YEARS average length of service

78% of our workforce is permanent

8.34% staff turnover

Gender Profile **60%**  **40%** 

Age Profile **2%** <25 years old

42% 25-44 years old **56%** 45+ years old

ABOUT OUR WORKFORCE

The City of Victor Harbor is one of the city's major employers. At 30 June 2021 Council employed 131 staff equalling 106.77 full time equivalents (FTE).

Roles within the Council's organisation structure are diverse ranging from administration, civil services, economic development, planning and building, events, environment and recreation planning, plus many more. A list of the services Council provides is available on **page 28** of this Annual Report.

Demographics

The majority of Council's employees are aged 45 years or older (56%), with 42% aged between 25 and 44 years and 2% under 25 years. Our employees have a diverse range of skills and qualifications including job obtained skills and qualifications at all levels.

The total workforce is made up of 60% females and 40% males, with 78% of the workforce permanent.

The staff turnover rate for 2020/21 was 8.34%.

Length of Service

As at 30 June 2021 the average length of service for City of Victor Harbor employees was 9.71 years.

The following service milestone were achieved and celebrated during the year.

10 Years

- Serena Arscott
- Hamish Lindsay
- Marie Hogg
- Petra Maringer

20 Years

- Ben Langdon (Service to Local Government)
- Scott Pearsons
- David Read

40 Years

- Brian Doman (Service to Local Government).

MEET SOME OF OUR TEAM



BEN POOLE

Team Leader, Library Customer Experience

A passion for helping others and a desire to work in a lively environment led Ben to joining the City of Victor Harbor Library team in 2013.

As part of Ben's role, he is responsible for leading an outstanding team of staff and volunteers, coordinating a range of diverse programs, and overseeing the Library operations.

"Ultimately, I help to ensure the Library is a welcoming, friendly and safe space for the community to enjoy."

One of the most rewarding aspects of Ben's role is being able to support the community. After all, public libraries are much more than a place for books.

"The Library is place where people can find information, learn how to navigate a website, play some scrabble, discover something new to read, get help with their smart devices, browse a newspaper or magazine, or simply relax in a pleasant environment."

He is fortunate to work with an equally passionate team who assist with the delivery of various interesting initiatives – from author talks and tech help sessions to 3D printing and chess games.

"There are so many wonderful things happening all the time. You are always doing yourself a favour by dropping into the Library."

Outside of work, Ben is a DIY artisan who can often be found woodworking at home.



LEE JEFFREY

Environmental Project Officer

Having first started working with the City of Victor Harbor more than two decades ago, Lee is a familiar face at Council and a valued team member with extensive knowledge in environmental management.

It was in 1998 when Lee first joined the Open Spaces team as a gardener, but her role has since developed and diversified to champion various biodiversity and conservation projects.

After being appointed as the Council's Environmental Project Officer in 2020, Lee has been able to split her office-based role with her role in the Open Spaces team – now working half of her hours indoors, and the other half outdoors.

"My passion is looking after Council's natural assets, and I love seeing the results of my work both inside and outside the office."

Some of Lee's key responsibilities include planning and fulfilling the revegetation program and maintaining Council's natural reserves.

She is also leading the implementation of Council's Environmental Management Plan, which guides the protection and enhancement of the local bionetwork.

"I'm a practical person, so being in the Environment and Infrastructure Department and working on projects that make a visible difference on the ground is really enjoyable for me."

In her time off work, Lee enjoys spending time with friends and family as well as walking in nature.

MEET SOME OF OUR TEAM



MALCOLM LINTERN

Group Leader, Operations

Malcolm first began working for the City of Victor Harbor in 1983, and has since contributed to a long list of projects and tasks – all which make a direct impact to the livability of our City.

As the Group Leader of Operations, Malcolm coordinates the ongoing upkeep of Victor Harbor’s assets and infrastructure, and is responsible for managing members of the depot team.

“We look after the construction and maintenance of roads, footpaths, kerbs, stormwater systems, and more.”

Malcolm’s work is carried out in both urban and rural settings, which means every day is different and a range of unique challenges are faced.

“Our great variety of work means that no day is ever dull.”

With almost four decades of experience at the City of Victor Harbor, Malcolm’s extensive knowledge of the area and advanced technical skills make him a well-respected leader in the organisation.

He acknowledges his hardworking team for their collaborative efforts that always ensure a high standard of work is maintained to benefit the wider community.

“We have a good workforce that makes the City of Victor Harbor a great place to work.”

On his weekends, Malcolm enjoys playing cricket and table tennis. He also likes to spend as much time as possible with his family and grandchildren.



BAILEY HUNKIN

ICT Trainee

Since joining the City of Victor Harbor in 2017 as ICT Trainee, Bailey’s technical knowledge and problem-solving skills have been a valuable asset to Council.

“I coordinate and manage the IT Helpdesk system, which is where we receive requests for IT assistance, and I also manage the rollout of new computers and mobile phones to staff members.”

Bailey’s support to the ICT team has been especially appreciated throughout the pandemic, when staff have needed to adapt to new working environments.

“Sometimes my work varies from in-person support to remote support for external sites or when working from home during lockdowns.”

“Being able to assist any and all of the staff in the organisation throughout any given day makes my job interesting and diverse.”

“It means that I am able to build a good rapport with everyone which makes assisting them easier, and also makes my work enjoyable as the friendly staff are easy to get along with.”

Bailey’s work ethic has also been demonstrated in his ability to balance work with study. In May 2021, he graduated from a Diploma in Information Technology. When not in the office, Bailey enjoys camping and exploring the outdoors. He can also be found gaming, both on screen and on tabletop, or enjoying a science fiction movie.

COUNCIL EMPLOYEES

TRAINEESHIPS AND APPRENTICESHIPS

Council supported 11 individuals in traineeship and apprenticeship opportunities in 2020/21 within eight different work areas of council. These initiatives, undertaken in partnership with Statewide Group Training (SA) Inc., have provided a valuable learning environment for our youth by enhancing their abilities to gain future employment.

INDUSTRIAL RELATIONS

There were no matters referred to the SA Industrial Relations Commission during 2020/21.

HEALTH AND WELLBEING

The City of Victor Harbor aims to provide and promote a healthy and safe working environment by providing a Healthy Lifestyle Program. The program is available to all staff and includes an online interactive health program, general health assessments, fitness tests, weight loss programs, nutrition seminars, eye and hearing testing, skin cancer checks, influenza and hepatitis vaccinations.

WORK HEALTH AND SAFETY

In 2020/21, Council had four workers compensation claims amounting to 31 days lost time due to injury. This is compared to four workers compensation claims and 11 days lost time in the previous reporting year. The figures are above Council's targets for the period.

TRAINING AND DEVELOPMENT

The City of Victor Harbor provides training and development opportunities for its employees to ensure that they are able to fulfil the requirements of their roles and meet the needs of the community.

Employees are encouraged to take advantage of Council's comprehensive training programs that are supported by annual budget allocations. Council also supports employee's requests to attend professional conferences within their respective disciplines. This ensures that they maintain their professional accreditation, develop their knowledge and network with their peers.

Training undertaken in 2020/21 was in the areas of leadership and management, incident response, reporting and investigation, hazard and injury management, first aid, mental health first aid, emergency management, warden and extinguisher, contractor management, workzone traffic management, report writing and computer software.

Council also promotes learning on-the-job, a program of job rotation, higher duties and internal promotion to ensure that skills are retained and developed within the organisation.



CITY OF VICTOR HARBOR STAFF RISE TO THE CHALLENGE

In 2020/21, six City of Victor Harbor employees took a leap out of their comfort zone to take part in the Local Government Management Challenge.

The Management Challenge is a sophisticated professional development exercise for local government employees that helps build leadership capacity, problem solving and team work. Staff from varying roles across the organisation formed a team that met each week over three months with mentors to develop strategic thinking, leadership, analytical, communication and team building skills. Preparation also included a pre-challenge task that looked at future workforce requirements for local government.

The program culminated with a Challenge Day at the Morphettville Racecourse where teams from councils across the South Australia come together to respond to and deal with a range of simulated situations which relate to various management themes specific to local government.



Southern Communities
Transport Scheme

Southern Communities Transport Scheme
Des
Volunteer Driver

VOLUNTEERS

Victor Harbor has a strong culture of volunteering, in fact one in three Victor Harbor residents volunteer within the community. Our local volunteers play a valuable role in sustaining a healthy and resilient community and contribute significantly to the quality and vibrancy of our Victor Harbor community spirit.

Volunteers make such an important contribution to Council and the community, collectively providing more than 40,000 hours each year to give back to their community and assist others. In dollar terms, this contribution is worth more than \$1 million.

COUNCIL VOLUNTEERS

The City of Victor Harbor acknowledges all those who contribute their energy to the City of Victor Harbor volunteering programs, including: Caring Neighbourhood Program, Fleurieu Families, Victor Harbor Public Library, South Australian Whale Centre, Southern Communities Transport Scheme, Southern Fleurieu Youth Advisory Committee, Victor Harbor Visitor Information Centre, Coral Street Arts Space and our outdoor parks, gardens, environmental and event volunteer groups.

Volunteering opportunities are available for all ages and abilities.

In 2020/21 the City of Victor Harbor introduced a new role within the organisation of Volunteer Coordinator. This role centralises the coordination of volunteer administration and supports volunteer managers.

Volunteer Recognition

Generally, each year the City of Victor Harbor hosts two celebrations honouring the 500 volunteers who contribute to Council's programs, initiatives and projects. It is important to note that a number of Council's programs and services simply would not exist without the support of volunteers.

These events are held to coincide with International Volunteer Day (December) and National Volunteer Week (May/June). Due to the impact of COVID-19, these events did not go ahead in their traditional format in 2020/21. Instead smaller recognition functions were held for individual groups to thank them for the tireless contribution they make to our community.

COMMUNITY VOLUNTEERS

To acknowledge the efforts of volunteers in the Victor Harbor community, the City of Victor Harbor offers small grants to encourage, and assist, non-profit community groups, management committees and organising committees to celebrate and recognise the contribution of their volunteers. Grants can be used to fund a range of 'thank-you' celebrations during the annual National Volunteer Week that recognise the important contribution of volunteers to the Victor Harbor community. Activities include such things as a morning tea, a lunch, certificates of appreciation, a barbeque, or a small gift.

Council extends thanks and appreciation to all its volunteers, and acknowledges their outstanding service to the community.





CORPORATE REPORTING



DECISION MAKING STRUCTURE

Council makes decisions directly or indirectly through the following mechanisms:

- Council meetings (strategic planning, financial plans, budget, policies etc)
- Subsidiaries
- Council Assessment Panel
- Chief Executive Officer through delegation of the Council (including sub-delegation to Council officers)
- Authorised officers via appointment by the Chief Executive Officer
- Regional representation.

The Council also draws on a number of committees, advisory and working groups to assist with its decision making. A summary of these is provided over the following pages.

COMMITTEES

Audit Committee

The City of Victor Harbor Audit Committee was constituted in 2007 under Section 126 of the Local Government Act 1999. The Committee also operates in accordance with the Local Government (Financial Management) Regulations 1999.

During 2020/21 the Audit Committee met seven (7) times including its regularly quarterly meetings and three special meetings. Items discussed at meetings, as required by the Committee's charter included:

- Internal audit program and results
- External audits
- Financial policies
- Services reviews
- Annual financial statements
- Internal control assessments and sample testing
- Annual Business Plan and Budget
- Community Plan
- Budget reviews
- Long Term Financial Plan
- Asset Management Plans
- Risk management and register
- Reviewing the Charter.

Audit Committee membership changed during the financial year. From July 2020 to November 2020 the

Committee was made up of three Elected Members – Cr Tim Glazbrook (Chair), Cr David Kemp and Cr Andrew Robertson – and two independent members – David Papa and Claudia Goldsmith.

From November 2020 to June 2021 the Committee was made up of two Elected members – Cr Tim Glazbrook and Cr Carol Schofield – and three independent members – David Papa (Chair), Claudia Goldsmith and Nicholas Lopez (appointed from 1 March 2021).

Independent members of the Audit Committee receive a \$350 sitting fee, and the Chair receives a \$450 sitting fee.

CEO Performance Review Committee

The CEO Performance Review Committee works with the CEO to establish relevant performance objectives and undertakes the annual formal review of the performance of the CEO.

During 2020/21 the CEO Performance Review Committee met five times. Membership of the committee includes Mayor Moira Jenkins (Chair), Cr Tim Glazbrook, Cr Marilyn Henderson and Cr David Kemp.

City Activation and Strategic Planning Advisory Committee

The City Activation and Strategic Planning Advisory Committee has been established to oversee the development and review of key Council documents and projects including strategic plans, strategies and policies for the future development and activation of the City of Victor Harbor. The committee also ensures Council meets its requirements under Section 101A of the Development Act 1993.

The committee met six times during 2020/21. All Elected Members sit on the City Activation and Strategic Planning Advisory Committee. The Committee is chaired by Cr Nick Hayles.

DECISION MAKING STRUCTURE

Council Assessment Panel

The Council Assessment Panel (CAP) is a body formed by Council in accordance with Section 83(1) of the Planning, Development and Infrastructure Act 2016. The role of CAP is to determine development applications in accordance with the powers and functions delegated to the panel by Council.

Membership of CAP includes one Elected Member and four independent members.

Members of CAP include Michael Doherty (Presiding Member), Phil Smith, Judith Urquhart, Sue Giles and Cr Nick Hayles.

The Presiding Member of the CAP receives \$450 per meeting and other panel members receive \$350 each per meeting.

Disability Access and Inclusion Advisory Committee

The Disability Access and Inclusion Advisory Committee has been established to assist Council in enabling people with a disability to engage in all aspects of community life, and have equitable access to goods services and facilities. This committee met four times during 2020/21.

Membership of the committee includes two Elected Members (Cr Marilyn Henderson – Chair and a vacant Elected Member position) and four community members (Kathryn Roberts, Kay Ewens, Sid James and Angela Schiller). The Committee also has the capacity to co-opt up to five additional persons if it requires additional skills or experience. During 2019/20 the committee co-opted the following members – Kathryn Meddick, Kerry Taylor, Donna Brook, Alex Ingleton and Kaye Reeves. The Mayor holds an ex-officio role on this committee.

Fleurieu Region Community Services Advisory Committee

The Fleurieu Region Community Services Advisory Committee has been established for the purpose of assisting to improve the quality of life, independence, and wellbeing of Fleurieu region communities.

The committee supports a regional approach between the City of Victor Harbor and District Council of Yankalilla to the planning, development, and co-ordination of community services that respond to current and emerging regional community service needs, and local needs of regional significance.

The committee met 11 times during 2020/21.

Membership included representatives from City of Victor Harbor, District Council of Yankalilla and Country SA Primary Health Network. The Mayor holds an ex-officio role on this committee.

Recreation Centre Management Committee

The Recreation Centre Management Committee has been established to provide advice to Council on the management of the City of Victor Harbor's Recreation Centre. The Committee is made up of representatives from all licenced users and groups with regular bookings, along with two Elected Members. The Mayor holds an ex-officio position on this Committee. The committee met three times during 2020/21.

Southern Communities Transport Scheme Advisory Committee

The Southern Communities Transport Scheme Advisory Committee has been established to assist in addressing the needs of transport disadvantaged people by supporting a regional approach between the City of Victor Harbor and Alexandrina Council to the planning, development and coordination of services. Membership of this Committee includes one staff member and an Elected Member from each of the City of Victor Harbor and Alexandrina Council, a representative from the Department of Communities and Social Inclusion, three volunteers from the scheme, two community members or interested service users and the City of Victor Harbor Mayor in an ex-officio position. This Committee met six times during 2020/21.

ADVISORY AND WORKING GROUPS

Agribusiness Working Group

The purpose of the Working Group is to provide strategic advice to the Committee on matters directly relating to agribusiness, primary production and rural affairs. The Working Group provides a forum for a largely independent sector to collaborate and share common challenges faced by the sector while contributing toward the strategy and design of services and projects that support an agribusiness environment.

Arts and Culture Advisory Group

The Arts and Culture Advisory Group is a sub-committee of the City Activation and Strategic Planning Advisory Committee. It has been established to assist the Council to plan and support the implementation of the City of Victor Harbor Community Plan with initiatives that cultivate a vibrant community culture.

Boating Facilities Working Group

The Boating Facilities Working Group is a sub-committee of the City Activation and Strategic Planning Advisory Committee. It has been established to provide advice to the committee on boating and marine facilities for Victor Harbor.

Economic Development Strategy Working Party

The Economic Development Strategy Working Party has been established to provide advice to the City Activation and Strategic Planning Advisory Committee on the development of a draft Economic Development Strategy for consideration by Council. Following the adoption of the Economic Development Strategy in November 2020 the Working Party was dissolved.

Encounter Bay Future Recreation, Sports and Infrastructure Working Group

The Encounter Bay Future Recreation, Sports and Infrastructure Working Group is a sub-committee of the City Activation and Strategic Planning Advisory Committee. It has been established to provide input into the design functionality and operations of future recreation development in Encounter Bay to ensure that the current and future needs of potential users are considered and well understood.

Heritage Advisory Group

The Heritage Advisory Group is a sub-committee of the City Activation and Strategic Planning Advisory Committee. It has been established to provide advice on heritage related matters.

Recreation and Sport Grant Working Group

The Recreation and Sport Grant Working Group has been established to assess all applications received for the two rounds of Recreation and Sport Grant Funding and to make recommendations to Council in relation to the applications.

Victor Harbor Oval Planning Group

The Victor Harbor Oval Planning Group has been established to meet on a regular basis to consider the future planning options for the Victor Harbor Oval complex and its surrounds. It aims to facilitate communication between stakeholders and where agreed develop design concepts and cost estimates.

Recreation and Sport Grant Working Group

The Renewable Energy Advisory Group has been established to consider opportunities for the Council and the community to adopt renewable energy solutions that lead to reduced levels of carbon emissions, positive economic outcomes and secures Victor Harbor's energy future. The advisory group supports the planning and implementation of the City of Victor Harbor Community Plan 2030.

DECISION MAKING STRUCTURE

REPRESENTATIVE APPOINTMENTS

Council holds a number of representative positions on a local, regional and national level. These are outlined below.

Local Representation

- Inman River Catchment Group
- Carrickalinga Board of Management
- Victor Harbor High School Governing Council
- Victor Harbor R-7 School Governing Council
- Schoolies Festival Working Group
- Victor Harbor CoastCare
- Friends of the Victor Harbor Library
- Friends of the Victor Harbor Dog Park

Regional Representation

- Fleurieu Peninsula Tourism Marketing Committee
- Southern and Hills Local Government Association – Roads Working Party
- Regional Development Australia – Adelaide Hills, Fleurieu and Kangaroo Island
- Hills Fleurieu and Kangaroo Island Emergency Management Committee
- Zone Emergency Management Committee

National Representation

- Australian Coastal Councils' Association

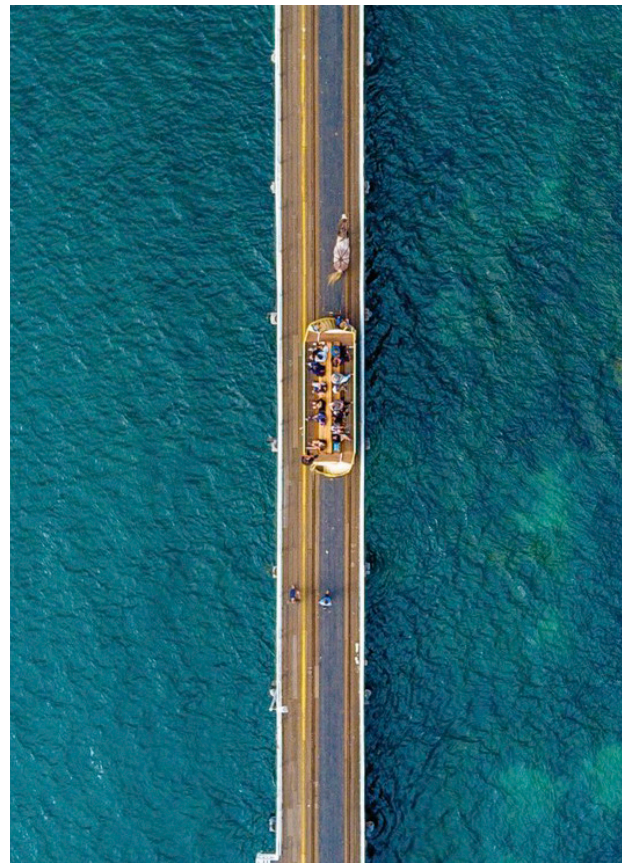
SUBSIDIARIES

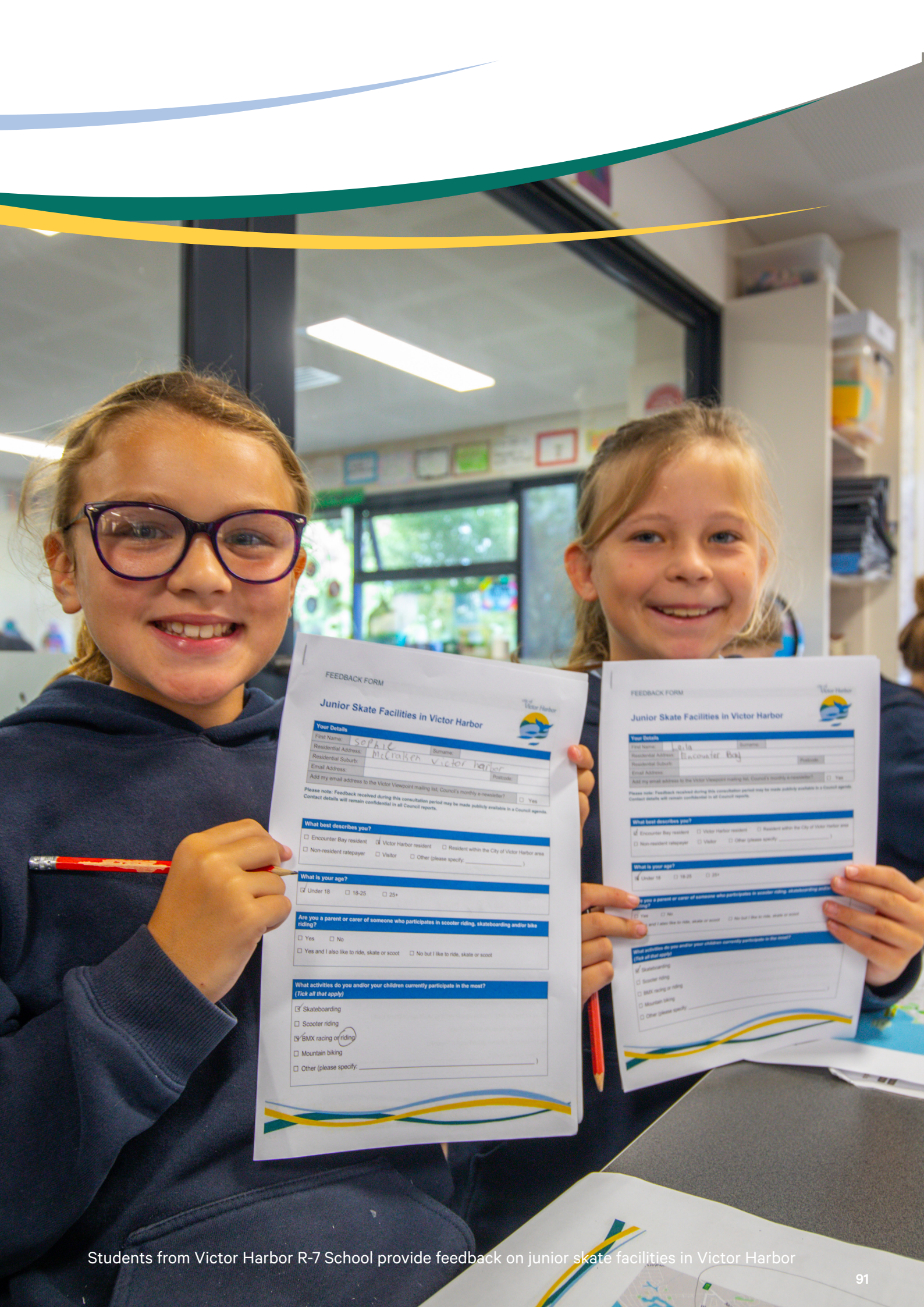
The Victor Harbor Horse Tram Authority was established in October 2018. The Authority is a Section 42 Subsidiary of Council and was established to oversee the operation of the iconic Victor Harbor Horse Tram.

The City of Victor Harbor is also a member of three regional subsidiaries established under Section 43 of the Local Government Act 1999.

- Fleurieu Regional Waste Authority
- Southern and Hills Local Government Association
- Fleurieu Regional Aquatic Centre Authority.

Information about subsidiaries are attached to this Annual Report.





FEEDBACK FORM

Junior Skate Facilities in Victor Harbor

Your Details

First Name: Sophie Surname: _____
Residential Address: McTearns _____
Residential Suburb: Victor Harbor _____
Email Address: _____
Add my email address to the Victor Viewpoint mailing list, Council's monthly e-newsletter? Yes No

Please note: Feedback received during this consultation period may be made publicly available in a Council report. Contact details will remain confidential in all Council reports.

What best describes you?

Encounter Bay resident Victor Harbor resident Resident within the City of Victor Harbor area
 Non-resident ratepayer Visitor Other (please specify: _____)

What is your age?

Under 18 18-25 25+

Are you a parent or carer of someone who participates in scooter riding, skateboarding and/or bike riding?

Yes No
 Yes and I also like to ride, skate or scoot No but I like to ride, skate or scoot

What activities do you and/or your children currently participate in the most? (Tick all that apply)

Skateboarding
 Scooter riding
 BMX racing or riding
 Mountain biking
 Other (please specify: _____)

FEEDBACK FORM

Junior Skate Facilities in Victor Harbor

Your Details

First Name: Lyla Surname: _____
Residential Address: Encounter Bay _____
Residential Suburb: _____
Email Address: _____
Add my email address to the Victor Viewpoint mailing list, Council's monthly e-newsletter? Yes No

Please note: Feedback received during this consultation period may be made publicly available in a Council report. Contact details will remain confidential in all Council reports.

What best describes you?

Encounter Bay resident Victor Harbor resident Resident within the City of Victor Harbor area
 Non-resident ratepayer Visitor Other (please specify: _____)

What is your age?

Under 18 18-25 25+

Are you a parent or carer of someone who participates in scooter riding, skateboarding and/or bike riding?

Yes No
 Yes and I also like to ride, skate or scoot No but I like to ride, skate or scoot

What activities do you and/or your children currently participate in the most? (Tick all that apply)

Skateboarding
 Scooter riding
 BMX racing or riding
 Mountain biking
 Other (please specify: _____)

Students from Victor Harbor R-7 School provide feedback on junior skate facilities in Victor Harbor

REPRESENTATION QUOTA

The City of Victor Harbor has 10 Elected Members including the Mayor. Section 12(4) of the Local Government Act 1999 requires the Council to undertake a comprehensive review of the structure of Council at least once every eight years.

The City of Victor Harbor concluded its most recent review in April 2017. No changes were made to the Council's representation structure during this review.

The representation quota is determined by dividing the total number of electors for the area of the Council by the number of members of the Council.

The City of Victor Harbor's representation quota is 1:1,284.

The table (right) shows the current representative structure for the City of Victor Harbor and comparative data for similar councils.

Council	Elected Members	Electors	Representative Quota
Alexandrina	12	21,150	1,763
Yankalilla	9	4,244	472
Barossa Council	12	18,118	1,510
Copper Coast Council	10	11,728	1,173
Light Regional Council	11	10,545	959
Loxton Waikerie	11	8,217	747
Murray Bridge	10	14,853	1,485
Port Pirie	10	12,927	1,293
Wattle Range	12	8,509	709
Yorke Peninsula	12	8,753	729
City of Victor Harbor	10	12,844	1,284



TRANSPARENCY

FREEDOM OF INFORMATION

Information Statement

Council publishes an updated Freedom of Information Statement on its website annually in accordance with the requirements of Section 9(1a) of the Freedom of Information Act 1991. The purpose of the Information Statement is to assist members of the public to identify the functions and decision-making processes of Council, detail the type of information held by Council and how it can be accessed.

The statement is available on Council's website.

Freedom of Information Applications

Council received 10 applications under the Freedom of Information Act from 1 July 2020 to 30 June 2021.

The outcomes of the 10 applications received under the Freedom of Information Act are as follows:

Full Release	2
Partial Release	5
The reason for the partial release related to:	
<ul style="list-style-type: none">• Documents affecting personal affairs• Documents subject to legal professional privilege• Documents were available for inspection, and• Documents were Internal Working Documents.	
Refused Access	3
The reasons for refusing access related to:	
<ul style="list-style-type: none">• Private documents in public library or archival collections• Documents the subject of secrecy provisions and in conjunction with Sections 54 and 56 of the ICAC Act 2012 and Section 26(4) of the Ombudsman Act 1972• Documents available for inspection	
Total number of FOI applications	10

REVIEW OF COUNCIL DECISIONS

Council's 'Internal Review of a Council Decision Procedure' is available online at www.victor.sa.gov.au or can be viewed at the Civic Centre.

In 2020/21 there was one (1) application to review a Council decision under Section 270 of the Local Government Act 1999. The Section 270 application was regarding whether the minutes of the Ordinary Meeting of Council held on 24 February were a true and accurate record of the proceedings. The outcome of the review determined the minutes meet the statutory requirements of the content required to be within the minutes and no further action was required.

TRANSPARENCY

ITEMS CONSIDERED IN CONFIDENCE

All council and committee meetings are open for the public to observe. On occasion, Council may order that the public be excluded from the meeting pursuant to Section 90 of the Local Government Act 1999, to enable a matter to be considered in confidence. This may be necessary due to the sensitivity of an issue, for legal reasons or as a matter of commercial confidence.

During 2020/21 the City of Victor Harbor convened 12 ordinary and 5 special meetings at which a total of 348 items were considered. The public was excluded from council meetings for 23 agenda items.

Ten (10) of these items have since been released from confidence either in full or in part.

The date, subject of item and grounds upon which Council determined to exclude the public from the meeting are outlined in the table (right).

Grounds on which the public can be excluded from the meeting include:

- (a) Personal affairs
- (b) Commercial advantage
- (c) Trade secret
- (d) Commercial information (not a trade secret)
- (e) Security / safety
- (f) Maintenance of law
- (g) Breach of law
- (h) Legal advice
- (i) Litigation
- (j) Minister of the Crown
- (k) Tenders for supply of goods or services
- (m) Amendment to Development Plan
- (n) Freedom of Information Act 1991

Date	Subject	Confidential order clause
10 July 2020	Visitor Services and Facilities Planning	90(3)(a)(b)
10 July 2020	McKinlay Street Parking Precinct	90(3)(b)
27 July 2020	Audit Committee Minutes – 6 July 2020	90(3)(k)
27 July 2020	Review of Confidential Orders	90(3)(g)
24 August 2020	Arts and Culture Precinct Update	90(3)(b)
28 September 2020	Special City Activation and Strategic Planning Advisory Committee Minutes – 15 September 2020	90(3)(b)(d)(k)
26 October 2020	Commercial Tenancy Agreements – Victa Cinema	90(3)(b)
23 November 2020	Audit Committee Appointment of Independent Member	90(3)(a)
14 December 2020	City Activation and Strategic Planning Advisory Committee Minutes – 1 December 2020	90(3)(b)
14 December 2020	2021 Australia Day Award Recipients	90(3)(g)
27 January 2021	Victor Harbor Golf Club Land Swap Proposal	90(3)(b)(j)
27 January 2021	O’Leary Street Retaining Wall – Additional Information	90(3)(i)
22 February 2021	Audit Committee Appointment of Independent Member	90(3)(a)
22 February 2021	City Activation and Strategic Planning Advisory Committee Minutes – 8 February 2021	90(3)(b)
22 February 2021	McKinlay Street Parking Precinct	90(3)(b)
22 February 2021	O’Leary Street Access Roads Additional Load Rating Information	90(3)(b)
22 February 2021	Victor Harbor Horse Tram Authority Audit Committee – Appointment of Independent Member	90(3)(a)
19 April 2021	Information – Land For Sale	90(3)(b)(j)
27 April 2021	City Activation and Strategic Planning Advisory Committee Minutes – 6 April 2021	90(3)(b)
27 April 2021	Strategic Land Acquisition	90(3)(b)(j)
27 April 2021	Arts and Culture Centre	90(3)(b)
24 May 2021	Potential Sale of Council-owned land	90(3)(b)
24 May 2021	Crozier Hill Development Indemnity	90(3)(f)(h)(i)

PROCUREMENT

COMPETITIVE TENDERING

In compliance with Section 49 of the Local Government Act 1999 the Council has a Procurement Policy which it refers to when acquiring goods and services. This policy is reviewed at least every three years with the last review undertaken in November 2018.

The Procurement Policy ensures that the acquisition of goods and services are underpinned by the following principles:

- Encouragement of open and effective competition
- Obtaining value for money
- Probity, ethical behaviour, fair dealing and professional integrity
- Accountability, transparency and reporting
- Encouragement of the development of a competitive local business and industry and South Australian/Australian made
- Environmental protection and sustainable procurement.

When Council is purchasing goods or services where the estimated level of expenditure is between \$10,000 and \$150,000 formal quotations are obtained, and where the estimated level of expenditure exceeds \$150,000 the Council will call for formal tenders.

NATIONAL COMPETITION POLICY

The National Competition Policy seeks to remove competitive advantages and disadvantages that arise solely through the ownership differences between public sector and private sector organisations.

There are no significant business activities with an annual gross operating income greater than \$2 million to disclose, or that are considered significant to Council's core business activities.

Council is party to the following regional subsidiaries established under Section 43 of the Local Government Act 1999:

- **Fleurieu Regional Waste Authority** established to provide waste and recycling services for the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council.
- **Southern and Hills Local Government Association** established to advocate and lobby on behalf of the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mount Barker District Council, City of Victor Harbor and District Council of Yankalilla.
- **Fleurieu Regional Aquatic Centre Authority** established by the City of Victor Harbor and Alexandrina Council to provide facilities and services at the Aquatic Centre.

The Annual Report of each regional authority is provided as an attachment to this report.

In 2020/21 the City of Victor Harbor operated the following business activities that are not considered 'significant' under the National Competition Policy principles:

- Horse Drawn Tram
- SA Whale Centre
- Victor Harbor Visitor Information Centre.

The City of Victor Harbor reviewed its by-laws in 2015/16 and these were gazetted on 25 August 2016. Consideration was given to the principles of the National Competition Policy during this process. Council was satisfied that the benefits to the community relating to the effective management of activities prescribed in the by-laws, outweigh the potential restrictions on competition or costs posed by a by-law.

City of Victor Harbor by-laws include By-law 1: Permits and Penalties; By-law 2: Moveable Signs; By-law 3: Roads; By-law 4: Local Government Land; By-law 5: Dogs; By-law 6: Cats; and, By-law 7: Foreshore.

Council has a competitive neutrality complaint procedure in place. No competitive neutrality complaints were received during the reporting period.

LOCAL NUISANCE AND LITTER CONTROL

During 2020/21 Council's Public Safety and Regulation team investigated 112 customer requests concerning matters provided for within the Local Nuisance and Litter Control Act 2016.

A snapshot of the requests received is provided below:

- Unsightly - 12
- Litter - 54
- Odour - 4
- Air pollution - 5
- Insanitary - 6
- Nuisance - 31

Our officers continued to focus on engagement and education both proactively and in response to customer requests to achieve the desired outcomes for the community.

Three (3) investigations generated from the Local Nuisance and Litter Control Act 2016 resulted in Abatement Notices being issued.



COMMUNITY LAND

Council is required under the Local Government Act 1999 to prepare and implement Community Land Management Plans for community land owned or under its care, control and management that falls under the following criteria:

- The land falls within the ambit of section 194(1)(b) or (c) of the Act; or
- The land is or is to be occupied under a lease or licence; or
- The land has been, or is to be, specially modified or adapted for the benefit or enjoyment of the community.

Council adopted its initial Community Land Management Plans in December 2004, with Council properties added and removed from the Community Land Register accordingly.

Community Land Management Plans identify the purpose and objectives of the land held for community use and provides consistency and transparency to the maintenance and management of community land to ensure the future needs of the community are considered.

During 2020/21 the Community Land Register was amended as outlined in the tables (right).

Community land acquired

Assess No.	Certificate of Title	Lot	Plan	Community Land Status	Description
A13781	CT 6244/444	255	DP124857	Open Space Management Plan	Triangle piece of vacant land gifted to Council as part of a residential land division. 0.64HA

Land excluded from community land status at acquisition

Assess No.	Certificate of Title	Lot	Plan	Description
A1962	CT 6241/994	580	F165829	Large rectangular piece of vacant land currently leased to the Horse Tram Authority. 1.8 HA
A9739	CT 6241/993	23	DP62106	Large parcel of vacant land currently leased to the Horse Tram Authority. 3.47 HA
A5632	CT 5309/931	86	DP99	Land containing the Victa Cinema. 0.4 HA
	CT 5309/930	94	F165303	



COUNCIL DOCUMENTS

REGISTERS AND CODES

The following registers and codes are required to be kept by Council under the Local Government Act 1999 and other relevant legislation:

Registers

- Council's Delegations Register
- Register of Community Land
- Parking Control Register
- Register of Dogs
- Register of Public Streets and Roads
- Register of Employees' Salaries and Wages and Benefits
- Register of Elected Members' Interests (Returns)
- Register of Interests (Officers)
- Register of Elected Member Allowances and Benefits
- Register of Land Management Agreements
- Register of Development Applications
- Register of Fees and Charges
- Register of By-Laws

Codes

- Code of Conduct for Elected Members
- Code of Conduct for Employees
- Code of Practice for Access to Meetings and Documents
- Code of Practice for Meeting Procedures

Documents available for public inspection

The following documents are made available for public inspection at the Council office or on Council's website, www.victor.sa.gov.au

- Notice and agenda for meetings of Council and Council committees
- Minutes of meetings of the Council or Council committees
- Documents and reports to the Council or Council committee (except any confidential items made under Section 90 of the Local Government Act 1999)
- Recommendations adopted by resolution of the Council
- Strategic Management Plans which include Asset Management Plans and Long Term Financial Plans
- Annual Business Plan and summary
- Annual Budget
- Audited Financial Statements
- Annual Report
- Extracts from Council's assessment book
- List of fees and charges
- Management Plans for Community Land
- Procedures for the review of Council decisions and any report under Section 270(8)
- Terms of Reference for Council Committees
- Charters for subsidiaries established by the council
- Council by-laws
- Campaign Donations
- Return under the Local Government (Elections) Act 1999
- Representation options papers and reports on Council's boundaries
- Victor Harbor (City) Development Plan
- Agenda and Minutes of Council's Development Assessment Panel (reasonable access provided in accordance with the Development Act)
- Documents relating to approved development (within the Development Regulations and to relevant consents and/or copyright obligations)
- Rates Policy Summary (refer to Council's Annual Business Plan)

Council Policy Documents

The following policies have been adopted by Council, and are available for viewing at the Council office or online at Council's website: www.victor.sa.gov.au

- Agribusiness and Rural Affairs
- Assessment Book Record
- Asset Accounting
- Asset Management
- Budget Framework
- Car Parking Fund
- Caretaker
- Civic Centre Venue Hire
- Code of Conduct for Council Members
- Code of Conduct for Employees
- Code of Practice for Access to Meetings and Documents
- Code of Practice for Meeting Procedures
- Community and Sporting Leases, Licenses and Financial Assistance
- Community Grants
- Complaints Handling
- Council Member Allowance and Benefits
- Council Member Access to Information
- Cross Over and Crossing Place
- Debt Recovery
- Disposal of Land and Other Assets
- Donations
- Elected Member Records Management
- Enforcement
- External Grant Funding
- Festivals and Events
- Flag Management
- Footpaths
- Fraud, Corruption, Misconduct and Maladministration Prevention
- Graffiti Management
- Informal Gatherings
- Internal Control
- Internal Review of Council Decision Procedure
- Kerbside Waste Collection
- Light Fleet, Plant and Heavy Vehicles Changeover/ Replacement
- Live Streaming and Recording of Council Meetings
- Media
- Mobile Food Vendor Permit
- Order Making
- Outdoor Dining and Street Traders Permit
- Parks and Street Furniture Donation and Memorial Plaque
- Policy and Procedure Framework
- Privacy
- Procurement
- Prudential Management
- Public Consultation
- Public Interest Disclosure
- Records Management
- Request for Service
- Risk Management
- Road and Place Naming
- Rural Property Addressing – Road Signage Management
- Signage Management
- Social Media
- Street Permit
- Supplementary Elections
- Sustainability
- Training and Development for Council Members
- Treasury
- Tree Management
- Unreasonable Complainant Conduct Management
- Unsolicited Proposal
- Volunteer
- WHS Contractor Management

A smiling woman with long brown hair, wearing a pink jacket and sunglasses on her head, sits on a grassy field. She is holding two children: a young girl in a pink hoodie on her left and a young boy in a blue hoodie on her right. The background shows a sunny outdoor event with trees, a white trailer, and other people. The top of the page features a decorative graphic with blue, yellow, and green curved bands.

LOOKING AHEAD TO 2021/22

Budget Overview

Our 2021/22 budget allows for the continuation of essential services for our community and development of significant infrastructure to support our growing region.

It takes into consideration the needs of our community while also providing for a financially sustainable position.

The budget forecasts a capital works program worth \$15 million, offset by \$1.8 million of grants and other revenue, and operating expenditure of \$30.6 million resulting in a \$231,000 deficit. During the year, the Council will work to identify efficiencies and cost savings to bring this closer to a breakeven result.

A summary of how Council will allocate its budget is provided over the following pages. It includes a breakdown of how we plan to spend every dollar of your council rates, significant capital projects and our 2021/22 rating policy.

Further detail is provided online at www.victor.sa.gov.au/abp or at the Civic Centre (1 Bay Road, Victor Harbor).

HOW WE WILL INVEST IN VICTOR HARBOR'S FUTURE

How we plan to spend every dollar of your Council rates

The following shows how the City of Victor Harbor plans to spend every dollar of your Council rates in 2021/22 to help keep Victor Harbor a great place to live, work, visit and invest in.



Council rates

Council rates will increase by 2.5% across all categories.

For the average residential ratepayer this will mean a \$48 increase compared to last year.

Acknowledging that data from the Valuer-General shows an average 2.8% increase in market and development growth across

the council area, the City of Victor Harbor also extended its rating capping policy to ensure that both residential and primary production properties are not affected by capital valuation increases of more than 15% from the previous year.

Find out more: www.victor.sa.gov.au/rates





Significant major projects to be undertaken in 2021/22



Victor Harbor Mainstreet Precinct Upgrade Stage 4

Stage 4 of the Mainstreet Precinct Upgrade will see the revitalisation of the southern end of Ocean Street and Albert Place in Victor Harbor's town centre. It focuses on improving pedestrian usability, street greening and enhancing the overall appearance to create a cosmopolitan space for locals and visitors alike. Council has secured 50% grant funding to deliver the project in 2022.

Find out more:

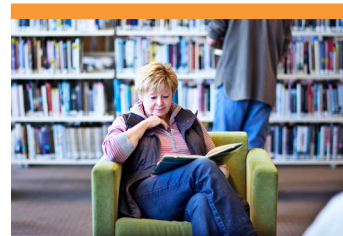
www.victor.sa.gov.au/mainstreet



McKinlay Street Car Parking Infrastructure

Car parking in Victor Harbor's town centre is regularly a hot topic of discussion. Over the years Council has strategically acquired land in McKinlay Street for the purpose of providing additional car parking in the short and long term. Council will focus on developing a multi-deck car park on the southern portion of the McKinlay Street site, making provision in the design for integration with future development opportunities. Find out more:

www.victor.sa.gov.au/mckinlayst



Enhancing the Victor Harbor Public Library

Council will undertake a significant upgrade at the Victor Harbor Library which will see the addition of a mezzanine level. This will allow for the creation of a new children's area that will be a larger room of its own with sound proofing to enable programs to run without disturbing patrons. The upgrade also includes the addition of smaller meeting rooms, a social hub and more flexible spaces. Find out more:

www.victor.sa.gov.au/library



Future proofing our business systems

Council has embarked on a significant project that will see the overhaul of its business systems to future proof the organisation. The current corporate software system has been in use for 20 years and no longer meets the needs of our growing organisation. The new system will be delivered over a number of years and help to achieve cost savings, process efficiencies and a superior customer experience. Find out more:

www.victor.sa.gov.au/systems

Project highlights

In addition to the significant major projects (above) the following is a selection of capital works projects scheduled for 2021/22:

- Completion of the Railway Goods Shed upgrade
- New stables for the Victor Harbor Horse Tram
- Victor Harbor Horse Tram office renovation
- Detailed design for new junior skate facilities
- Continuation of the Encounter Bikeway upgrade from Oakham Street to Tabernacle Road
- Waggon Road safety improvements
- Bridge upgrades on Keen Road and Franklin Island
- Replacement of the playground at Wallage Reserve
- Replacement of the Bridge Terrace railway pedestrian crossing
- Construction of bus shelters for Hindmarsh Road and Bay Road
- Master planning for a new Community, Sport and Recreation Precinct
- Additional public toilet facilities in close proximity to The Bluff Boat Ramp
- Strategic land purchases dedicated to community use

Find out more about what is planned for 2021/22 in our Annual Business Plan at www.victor.sa.gov.au/abp



2020 / 21 FINANCIAL STATEMENTS



City of Victor Harbor

Financial Statements 2021

General Purpose Financial Statements for the year ended 30 June 2021

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General Purpose Financial Statements

for the year ended 30 June 2021

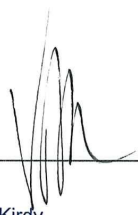
Council Certificate

Certification of Financial Statements

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

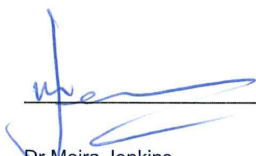
In our opinion:

- 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 2021 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.



Victoria MacKirdy
Chief Executive Officer

01 November 2021



Dr Moira Jenkins
Mayor

01 November 2021

General Purpose Financial Statements

for the year ended 30 June 2021

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 2021.

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 and expenses.
2. **A Balance Sheet**
A 30 June snapshot of Council's financial position including its assets and 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) Council Members, 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.

Statement of Comprehensive Income

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Income			
Rates	2a	23,569	22,887
Statutory Charges	2b	645	525
User Charges	2c	2,196	2,013
Grants, Subsidies and Contributions	2g	2,526	1,882
Investment Income	2d	52	36
Reimbursements	2e	888	860
Other income	2f	64	84
Net Gain - Equity Accounted Council Businesses	19(a)	–	33
Total Income		29,940	28,320
Expenses			
Employee costs	3a	9,905	10,010
Materials, Contracts and Other Expenses	3b	10,454	10,388
Depreciation, Amortisation and Impairment	3c	7,421	7,017
Finance Costs	3d	393	409
Net loss - Equity Accounted Council Businesses	19(a)	3,798	332
Total Expenses		31,971	28,156
Operating Surplus / (Deficit)		(2,031)	164
Physical Resources Received Free of Charge	2h	483	1,127
Asset Disposal & Fair Value Adjustments	4	(1,057)	(1,528)
Amounts Received Specifically for New or Upgraded Assets	2g	1,949	541
Net Surplus / (Deficit)		(656)	304
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	29,599	2,948
Total Amounts which will not be reclassified subsequently to operating result		29,599	2,948
Total Other Comprehensive Income		29,599	2,948
Total Comprehensive Income		28,943	3,252

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

Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	2020
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	1,863	1,816
Trade & Other Receivables	5b	1,407	1,331
Inventories	5c	336	341
Total current assets		3,606	3,488
Non-current assets			
Financial Assets	6a	211	318
Equity Accounted Investments in Council Businesses	6b	6,325	10,124
Other Non-Current Assets	6c	4,782	3,415
Infrastructure, Property, Plant & Equipment	7a(i)	304,535	272,966
Total non-current assets		315,853	286,823
TOTAL ASSETS		319,459	290,311
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	3,490	5,897
Borrowings	8b	1,830	2,144
Provisions	8c	2,326	2,332
Total Current Liabilities		7,646	10,373
Non-Current Liabilities			
Borrowings	8b	8,255	5,142
Provisions	8c	292	489
Total Non-Current Liabilities		8,547	5,631
TOTAL LIABILITIES		16,193	16,004
Net Assets		303,266	274,307
EQUITY			
Accumulated surplus		67,536	67,052
Asset revaluation reserves	9a	234,791	206,377
Other reserves	9b	939	878
Total Council Equity		303,266	274,307
Total Equity		303,266	274,307

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

Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2021					
Balance at the end of previous reporting period		67,052	206,377	878	274,307
Adjustments (Correction of Prior Period Errors)	24	(17)	33	–	16
Net Surplus / (Deficit) for Year	24	(656)	–	–	(656)
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	29,599	–	29,599
Other comprehensive income		–	29,599	–	29,599
Total comprehensive income		(656)	29,599	–	28,943
Transfers between Reserves		1,157	(1,218)	61	–
Balance at the end of period		67,536	234,791	939	303,266
2020					
Balance at the end of previous reporting period		67,021	203,429	605	271,055
Net Surplus / (Deficit) for Year	24	304	–	–	304
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	–	2,948	–	2,948
Other comprehensive income		–	2,948	–	2,948
Total comprehensive income		304	2,948	–	3,252
Transfers between Reserves		(273)	–	273	–
Balance at the end of period		67,052	206,377	878	274,307

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

Statement of Cash Flows

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Cash flows from operating activities			
<u>Receipts</u>			
Rates Receipts		23,209	27,253
Statutory Charges		645	525
User Charges		2,372	1,812
Grants, Subsidies and Contributions		2,529	1,694
Investment Receipts		52	36
Reimbursements		950	774
Other Receipts		85	76
<u>Payments</u>			
Finance Payments		(411)	(414)
Payments to Employees		(9,928)	(9,986)
Payments for Materials, Contracts & Other Expenses		(14,002)	(10,082)
Net cash provided by (or used in) Operating Activities	11b	5,501	11,688
Cash flows from investing activities			
Amounts Received Specifically for New/Upgraded Assets		1,949	541
Sale of Replaced Assets		29	211
Repayments of Loans by Community Groups		162	636
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(2,332)	(4,187)
Expenditure on New/Upgraded Assets		(8,144)	(7,220)
Net cash provided (or used in) investing activities		(8,336)	(10,019)
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from Borrowings		4,943	590
Proceeds from Bonds & Deposits		83	40
<u>Payments</u>			
Repayments of Borrowings		(2,063)	(961)
Repayment of Finance Lease Liabilities		(81)	(76)
Net Cash provided by (or used in) Financing Activities		2,882	(407)
Net Increase (Decrease) in Cash Held		47	1,262
plus: Cash & Cash Equivalents at beginning of period		1,816	554
Cash and cash equivalents held at end of period	11a	1,863	1,816

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



Notes to and forming part of the Principal Financial Statements
for the year ended 30 June 2021

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Notes to the Financial Statements

for the year ended 30 June 2021

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 in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

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

1.2 Historical Cost Convention

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

1.2 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 Estimates and assumptions

The COVID-19 pandemic has impacted the 2020/21 financial statements, which may impact on the comparability of some line items and amounts reported in these financial statements and/or the notes. The financial impacts are a direct result of either Council's response to the pandemic or due to mandatory shutdowns as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health. Examples include additional personal protective equipment, cleaning and sanitising products.

COVID-19 is not expected to have a significant financial impact on Council operations in the 2021/22 above amounts taken into account during the development of the budget assuming that no harsher restrictions are put in place by the government. However, Council has determined that there is no material uncertainty that casts doubt on Council's ability to continue as a going concern.

1.4 Rounding

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

(2) The Local Government Reporting Entity

The City of Victor Harbor is incorporated under the *South Australian Local Government Act 1999* and has its principal place of business at 1 Bay Road, Victor Harbor. 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.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are:

1. Victor Harbor Horse Tram Authority (100% Ownership Interest / 100% Voting Power)

Other entities in which Council has an interest but does not control are reported in Note 19.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(3) Income Recognition

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

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

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

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

Year	Cash Payment Received	Annual Allocation	Difference
2018/19	\$600,773	\$604,611	(\$3,838)
2019/20	\$651,756	\$614,595	\$37,161
2020/21	\$608,696	\$630,632	(\$21,936)

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

The Operating Surplus Ratio disclosed in Note 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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(5) Inventories

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

(6) Infrastructure, Property, Plant & Equipment

6.1 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.

Buildings - new construction/extensions	\$10,000
Roads, Drainage & Other Infrastructure	\$10,000
Plant & Machinery	\$5,000
Minor Plant & Tools	\$1,000
Reserve Furniture & Equipment	\$1,000
Office Furniture & Equipment	\$1,000

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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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.

Plant, Furniture & Equipment

Office Equipment	5 to 10 years
Office Furniture	10 to 20 years
Vehicles and Road-making Equip	5 to 8 years
Other Plant & Equipment	5 to 15 years

Building & Other Structures

Buildings & Other Structures	10 to 100 years
Park Furniture	20 to 40 years
Walkways & Trails	15 to 30 years
Playground equipment	5 to 15 years
Plant & Machinery	2 to 20 years
ICT Equipment	2 to 10 years
Office Furniture	5 to 10 years

Infrastructure

Sealed Roads	16 to 60 years
Unsealed Roads	10 to 15 years
Bridges – Concrete	80 to 100 years
Traffic Devices	20 to 45 years
Stormwater Drainage	80 to 100 years
Footpaths	30 to 50 years
Kerbing	60 to 70 years

Other Assets

Artworks	indefinite
----------	------------

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(7) Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

(8) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

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.

Weighted avg. discount rate 2020/21 = 0.50% (2019/20, 0.34%)

Weighted avg. settlement period 2020/21 = 5 years (2019/20, 5 years)

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

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

Notes to the Financial Statements for the year ended 30 June 2021

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.

10.1 Council as a lessee

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

i) Right-of-Use-Assets

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

- Property - 2 to 16 years

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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(13) New accounting standards and IIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Council are listed below. The Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to AASB 101 and AASB 108 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Council.

Amendments to AASB 16 Covid-19 Related Rent Concessions

In 2020, the AASB issued AASB 2020-4, Amendments to AASs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. This amendment had no impact on the consolidated financial statements of the Group.

Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not effective at 30 June 2021, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

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

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

- AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
- AASB 2014-10 Sale or Contribution of Assets between and Investor and its Associate or Joint Venture (amended by AASB 2015-10 and AASB 2017-5)

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

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and associated standards.



Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

(14) Comparative Figures

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

Rates in Advance - a prior period adjustment has been processed to correctly classify amounts received as a liability. The amount is not considered material and with correct treatment moving forward no further adjustments are anticipated.

Equity Statement has seen an adjustment for correction of prior years errors, with adjustments items identified as Victor Harbor Horse Tram Authority equity and Work In Progress (2017/18).

(15) Disclaimer

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

Notes to the Financial Statements for the year ended 30 June 2021

Note 2. Income

\$ '000	2021	2020
(a) Rates		
General Rates		
General Rates	23,387	22,728
Less: Mandatory Rebates	(249)	(243)
Less: Discretionary Rebates, Remissions & Write Offs	(37)	(39)
Total General Rates	23,101	22,446
Other Rates (Including Service Charges)		
Natural Resource Management Levy	405	401
Total Other Rates (Including Service Charges)	405	401
Other Charges		
Penalties for Late Payment	63	35
Legal & Other Costs Recovered	–	5
Total Other Charges	63	40
Total Rates	23,569	22,887
(b) Statutory Charges		
Development Act & Town Planning Fees	360	232
Health & Septic Tank Inspection Fees	22	14
Animal Registration Fees & Fines	143	143
Parking Fines / Expiation Fees	36	84
Search Fees	69	45
Other Statutory Charges	15	7
Total Statutory Charges	645	525
(c) User Charges		
Cemetery/Crematoria Fees	164	154
Parking Fees	141	101
Caravan Park	251	248
Community Transport	96	105
Recreation Centre	69	51
Whale Centre	87	134
Tourism Marketing & Sales	592	595
Other Leases, Hire & Rentals	282	194
Other User Charges	72	37
Horse Drawn Tram (Note 19)	442	394
Total User Charges	2,196	2,013

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

\$ '000	2021	2020
(d) Investment Income		
Interest on Investments		
- Local Government Finance Authority	23	22
- Banks & Other	1	6
- Loans to Community Groups	28	8
Total Investment Income	52	36
(e) Reimbursements		
Private Works	5	6
Council Contributions	616	531
Employee Reimbursements	6	8
Utilities, Insurance and Cleaning	69	66
Other Reimbursements	192	249
Total Reimbursements	888	860
(f) Other income		
Sundry	56	60
Donations and Contributions	8	24
Total Other income	64	84
(g) Grants, Subsidies, Contributions		
Amounts Received Specifically for New or Upgraded Assets	1,949	541
Total Amounts Received Specifically for New or Upgraded Assets	1,949	541
Untied - Financial Assistance Grants	269	290
Roads to Recovery & LRCI Program	916	274
Other Grants, Subsidies and Contributions	1,001	957
Individually Significant Item - Additional Grants Commission Payment (refer below)	340	361
Total Other Grants, Subsidies and Contributions	2,526	1,882
Total Grants, Subsidies, Contributions	4,475	2,423
The functions to which these grants relate are shown in Note 12.		
(i) Sources of grants		
Commonwealth Government	2,133	1,543
State Government	2,090	790
Other	252	90
Total	4,475	2,423

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

\$ '000	2021	2020
(ii) Individually Significant Items		
Grant Commission (FAG) Grant Recognised as Income	340	361

The above amount was a prepayment of part of Council's 2020/21 Grant Commission (FAG) Grant.

(h) Physical Resources Received Free of Charge

Roads, Bridges & Footpaths	277	666
Stormwater Drainage	130	317
Kerbing	76	121
Open Space	–	23
Total Physical Resources Received Free of Charge	483	1,127

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses

\$ '000	Notes	2021	2020
(a) Employee costs			
Salaries and Wages		7,864	8,059
Employee Leave Expense		1,192	1,103
Superannuation - Defined Contribution Plan Contributions	18	767	712
Superannuation - Defined Benefit Plan Contributions	18	125	134
Workers' Compensation Insurance		195	238
Other Employee Related Costs		225	181
Less: Capitalised and Distributed Costs		(463)	(417)
Total Operating Employee Costs		9,905	10,010
Total Number of Employees (full time equivalent at end of reporting period)		106	104
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		9	17
Elected Members' Expenses		206	203
Election Expenses		5	5
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		81	119
Subtotal - Prescribed Expenses		301	344
(ii) Other Materials, Contracts and Expenses			
Contractors		1,495	1,527
Legal Expenses		136	144
Levies Paid to Government - Landscape Levy		405	402
Levies - Other		49	30
Professional Services		738	413
Materials		579	708
Energy, Fuel and Water		726	1,096
Insurances		504	472
Waste and Cleaning Services		1,913	2,042
Information and Communications		802	750
Donations and Contributions		220	194
Regional Board Contributions		416	359
Horse Drawn Tram (Note 19)		735	784
Sundry		1,435	1,123
Subtotal - Other Material, Contracts & Expenses		10,153	10,044
Total Materials, Contracts and Other Expenses		10,454	10,388
(vi) Individually significant items			
Fleurieu Regional Waste Authority (FRWA)		3,446	-

In March 2021, FRWA undertook testing of its recycled road base materials at the Goolwa Waste Recycling Depot and found that the stockpile contained asbestos.

FRWA notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses (continued)

materials containing asbestos from identified properties in South Australia, in accordance with specific remediation plans.

FRWA raised a provision for remediation costs of \$9,877,286 at 30 June 2021 representing the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of material containing asbestos from identified properties.

The City of Victor, as at 30 June 2021, holds a 35% equity share of FRWA and as such has incurred a book entry net loss of \$3,446,927.

\$ '000	2021	2020
(c) Depreciation, Amortisation and Impairment		
(i) Depreciation and Amortisation		
Buildings & Other Structures	1,218	970
Infrastructure		
- Sealed Roads	2,263	2,246
- Unsealed Roads	444	467
- Stormwater Drainage	523	508
- Kerbing	310	306
- Footpaths	324	303
- Bridges	305	301
- Open Space	657	636
- Carparks & Traffic	263	224
- Other Infrastructure	172	119
Right-of-use Assets	86	86
Plant & Equipment	523	608
Furniture & Fittings	85	88
Library Books	154	155
Goodwill (Victa Cinema)	21	-
Subtotal	7,348	7,017
(ii) Impairment		
Goodwill (Victa Cinema)	73	-
Subtotal	73	-
Total Depreciation, Amortisation and Impairment	7,421	7,017
(d) Finance Costs		
Interest on Loans	380	394
Charges on Operating Finance Leases	13	15
Total Finance Costs	393	409

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2021	2020
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	29	211
Less: Carrying Amount of Assets Sold	(1,086)	(1,739)
Gain (Loss) on Disposal	(1,057)	(1,528)
Net Gain (Loss) on Disposal or Revaluation of Assets	(1,057)	(1,528)

Notes to the Financial Statements
for the year ended 30 June 2021

Note 5. Current Assets

\$ '000	2021	2020
(a) Cash & Cash Equivalent Assets		
Cash on Hand at Bank	139	687
Deposits at Call	1,724	1,129
<u>Total Cash & Cash Equivalent Assets</u>	<u>1,863</u>	<u>1,816</u>
(b) Trade & Other Receivables		
Rates - General & Other	794	635
Council Rates Postponement Scheme	164	137
Accrued Revenues	238	30
Debtors - General	109	279
Other Levels of Government	12	15
GST Recoupment	33	35
Prepayments	28	118
Loans to Community Organisations	27	82
Other - Victa Cinema Distributer Bonds	2	-
<u>Subtotal</u>	<u>1,407</u>	<u>1,331</u>
<u>Total Trade & Other Receivables</u>	<u>1,407</u>	<u>1,331</u>
(c) Inventories		
Stores & Materials	297	298
Trading Stock	39	43
<u>Total Inventories</u>	<u>336</u>	<u>341</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Non-Current Assets

\$ '000		2021	2020
(a) Financial Assets			
Receivables			
Loans to Community Organisations		211	318
Subtotal		211	318
Total Receivables		211	318
Total Financial Assets		211	318

\$ '000	Notes	2021	2020
(b) Equity Accounted Investments in Council Businesses			
Fleurieu Regional Aquatic Centre Authority	19(a)j	9,466	9,818
Fleurieu Regional Waste Authority	19i	(3,141)	306
Total Equity Accounted Investments in Council Businesses		6,325	10,124

(c) Other Non-Current Assets

Other			
Capital Works-in-Progress		4,782	3,415
Total Other		4,782	3,415
Total Other Non-Current Assets		4,782	3,415

Disclosure

Intangible Assets

During the 2020/21 financial year, Council purchased the Victa Cinema including the land, building, furniture and fittings, plant and equipment and the business itself. The purchase of the business is represented as Goodwill within the statements and whilst classification as an intangible asset would normally see reporting in Note 6 - it has been included in Note (7a) for ease of presentation to users of the Financial Statements to adequately disclose the purchase, impairment and future amortisation.

Notes to the Financial Statements for the year ended 30 June 2021

Note 7. Infrastructure, Property, Plant & Equipment

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

	Fair Value Level	as at 30/06/20				Asset movements during the reporting period							as at 30/06/21		
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New/ Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Impairment Loss (recognised in P/L) (Note 3c)	Revaluation Loss Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land - Community	3	33,864	1,381	-	35,245	-	-	-	-	-	13,178	48,423	-	-	48,423
Land - Other	2	15,997	-	-	15,997	856	-	-	-	-	212	16,209	856	-	17,065
Buildings & Other Structures	3	40,676	1,640	(19,676)	22,640	1,132	113	(54)	(1,210)	-	16,522	53,645	1,245	(15,747)	39,143
Buildings & Other Structures Infrastructure	2	813	32	(432)	413	38	-	(38)	(8)	-	(363)	401	-	(359)	42
- Sealed Roads	3	94,906	3,375	(27,262)	71,019	126	992	(167)	(2,263)	-	22	94,931	4,143	(29,346)	69,728
- Unsealed Roads	3	8,301	312	(3,687)	4,926	-	157	(72)	(444)	-	-	8,301	261	(3,995)	4,567
- Stormwater Drainage	3	53,986	4,121	(14,820)	43,287	992	96	(86)	(523)	-	18	59,732	-	(15,947)	43,785
- Kerbing	3	23,889	881	(7,788)	16,982	445	189	(137)	(310)	-	10	23,900	1,315	(8,036)	17,179
- Footpaths	3	11,508	1,339	(3,929)	8,918	1,687	336	(143)	(324)	-	-	11,508	3,094	(4,129)	10,473
- Bridges	3	26,878	-	(4,800)	22,078	-	-	-	(305)	-	-	26,878	-	(5,105)	21,773
- Open Space	3	15,657	1,447	(5,028)	12,076	1,728	152	(59)	(657)	-	-	15,657	3,236	(5,654)	13,239
- Carparks & Traffic	3	9,481	1,743	(2,736)	8,488	485	-	-	(263)	-	-	9,481	2,228	(2,999)	8,710
- Other Infrastructure	3	-	5,614	(1,557)	4,057	126	9	-	(172)	-	-	-	5,749	(1,729)	4,020
Right-of-Use Assets		491	-	(86)	405	-	-	-	(86)	-	-	491	-	(172)	319
Plant & Equipment		-	9,799	(4,962)	4,837	216	270	(10)	(523)	-	-	-	10,171	(5,380)	4,791
Furniture & Fittings		-	2,138	(1,368)	770	23	19	-	(85)	-	-	-	2,181	(1,453)	728
Library Books		-	1,097	(623)	474	-	-	(320)	(154)	-	-	-	-	-	-
Artworks	3	354	-	-	354	-	-	-	-	-	-	354	-	-	354
Goodwill (Vicia Cinema)		-	-	-	-	290	-	-	(21)	(73)	-	-	290	(94)	196
Total Infrastructure, Property, Plant & Equipment		336,801	34,919	(98,754)	272,966	8,144	2,333	(1,086)	(7,348)	(73)	29,599	369,911	34,769	(100,145)	304,535
Comparatives		334,273	25,401	(92,641)	267,033	7,062	4,188	(1,738)	(7,017)	-	2,948	336,801	34,919	(98,754)	272,966

Notes to the Financial Statements for the year ended 30 June 2021

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

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

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 fair value hierarchy as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

Intangible Assets - Goodwill relates to the purchase of the Victa Cinema business.

Whilst Goodwill is not classified as Infrastructure, Property, Plant and Equipment, it has been included in Note (7a) for ease of presentation to users of the Financial Statements and to adequately disclose the purchase, impairment and future amortisation of the Goodwill.

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 estimate of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual value and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques. Accordingly, formal sensitivity analysis does not provide useful information.

Transfers between fair value hierarchy levels

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

Other Information

Notes to the Financial Statements

for the year ended 30 June 2021

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

depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

The following non financial assets of Council are being utilised at other than their highest and best use:

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

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1991. Other types of restrictions also exist.

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

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

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. Other adjustments for found or re-measured assets not included below have been processed against the revelation reserve as shown in Note 7 and do not represent a formal revaluation of these asset classes.

Capitalisation Thresholds

Capitalisation thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Buildings	\$10,000
Roads, Drainage and other infrastructure	\$10,000
Plant and Machinery	\$5,000
Reserve Furniture and Equipment	\$1,000
Office Furniture and Equipment	\$1,000
Minor Plant and Loose Tools	\$1,000

Estimated Useful Lives

Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of a greater or lesser amount:

Buildings and Other Structures	10 to 100 years
Sealed Roads	16 to 60 years
Unsealed Roads	10 to 15 years
Kerbing	60 to 70 years
Footpaths	30 to 50 years
Bridges	80 to 100 years
Traffic Devices	20 to 45 years
Stormwater Drainage	80 to 100 years
Open Space Furniture and Playgrounds	15 to 50 years
Plant and Machinery	2 to 20 years
Office Furniture and Library	2 to 10 years
Artworks	indefinite

Notes to the Financial Statements

for the year ended 30 June 2021

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

Asset Revaluations

Land & Land Improvements

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2020
- Valuer: Public Private Property

The next scheduled revaluation of these assets is to be undertaken in **2024/25**

Buildings

- Basis of valuation: Fair Value / Market Value
- Date of valuation: 1 July 2020
- Valuer: Public Private Property

The next scheduled revaluation of these assets is to be undertaken in **2024/25**

Infrastructure

Car Parks and Traffic Devices

- Basis of valuation: Fair Value / At Cost
- Date of valuation: 30 June 2019
- Valuer: City of Victor Harbor and verified by Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in **2021/22**

Open Space

- Basis of valuation: Fair Value / At Cost
- Date of valuation: 30 June 2018
- Valuer: City of Victor Harbor and verified by Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in **2022/23**

Roads, Kerbs and Footpaths

- Basis of valuation: Fair Value / At Cost
- Date of valuation: 30 June 2018
- Valuer: City of Victor Harbor and verified by Assetic Pty Ltd

The next scheduled revaluation of these assets is to be undertaken in **2021/22**

Bridges

- Basis of valuation: Fair Value / At Cost
- Date of valuation: 30 June 2020
- Valuer: City of Victor Harbor

The next scheduled revaluation of these assets is to be undertaken in **2021/22**

Other Infrastructure

These assets are recognised at cost

Plant & Equipment

These assets are recognised at cost.

Furniture & Fittings

Artworks

- Basis of valuation: Fair Value
- Date of Valuation: 1 July 2019
- Valuer: Theodore Bruce Auctions

The next scheduled revaluation of these assets is to be undertaken in **2024/25**

Library Books

Library books were historically capitalised in bulk and written out when fully depreciated.

As at 30 June 2021, library books are no longer recognised as an asset for accounting purposes and will be expensed at the point of purchase.

All other assets are recognised at cost.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Liabilities

\$ '000		2021 Current	2021 Non Current	2020 Current	2020 Non Current
(a) Trade and Other Payables					
Goods & Services		1,971	–	3,000	–
Payments Received in Advance		995	–	2,648	–
Accrued Expenses - Employee Entitlements		79	–	83	–
Accrued Expenses - Finance Costs		61	–	79	–
Accrued Expenses - Other		256	–	42	–
Deposits, Retentions & Bonds		128	–	45	–
<u>TOTAL Trade and Other Payables</u>		<u>3,490</u>	<u>–</u>	<u>5,897</u>	<u>–</u>

\$ '000	Notes	2021 Current	2021 Non Current	2020 Current	2020 Non Current
(b) Borrowings					
Loans		1,746	8,005	2,063	4,808
Lease Liabilities	17b	84	250	81	334
<u>TOTAL Borrowings</u>		<u>1,830</u>	<u>8,255</u>	<u>2,144</u>	<u>5,142</u>

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

(c) Provisions

Long Service Leave		1,170	138	1,097	119
Annual Leave		1,146	–	1,213	–
Landfill Depot Remediation Liability		10	154	22	370
<u>TOTAL Provisions</u>		<u>2,326</u>	<u>292</u>	<u>2,332</u>	<u>489</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Reserves

\$ '000	as at 30/06/20				as at 30/06/21
	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset Revaluation Reserve					
Land - Community	34,520	13,178	–	–	47,698
Land - Other	1,220	212	–	–	1,432
Buildings & Other Structures	17,946	16,159	–	–	34,105
Infrastructure					
- Roads	72,110	22	–	–	72,132
- Stormwater Drainage	28,889	18	–	–	28,907
- Kerbing	8,436	10	–	–	8,446
- Footpaths	6,092	–	–	–	6,092
- Bridges	19,595	–	–	–	19,595
- Open Space	10,047	–	–	–	10,047
- Carparks & Traffic	4,623	–	–	–	4,623
- Other Infrastructure	1,536	–	–	–	1,536
Plant & Equipment	(21)	–	21	–	–
Furniture & Fittings	(12)	–	12	–	–
Library Books	1,219	–	(1,219)	–	–
Artworks	177	–	–	–	177
Total Asset Revaluation Reserve	206,377	29,599	(1,186)	–	234,790
Comparatives	203,429	2,948	–	–	206,377

\$ '000	as at 30/06/20				as at 30/06/21
	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other Reserves					
Car Park Development	2	–	–	–	2
Developers Contributions	277	1	–	–	278
Economic Development	423	348	(287)	–	484
Open Space	141	1	–	–	142
Renewable Energy	35	–	(2)	–	33
Total Other Reserves	878	350	(289)	–	939
Comparatives	605	432	(159)	–	878



Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Reserves (continued)

PURPOSES OF RESERVES

Asset Revaluation Reserves

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

Car Park Development

Developer Contributions are used for planning, design and construction of car parking facilities within the prescribed area.

Developers Contributions

Developer contributions are used for the construction of footpaths, drainage and other infrastructure.

Economic Development

From commercial/industrial rates and used for economic development initiatives including tourism.

Renewable Energy

Contributions from solar programs participants and contractors and used for renewable energy initiatives.

Open Space

Monies held from creation of sub-divisions to be utilised for future open space projects.

Note 10. Assets Subject to Restrictions

Council does not hold any assets subject to restrictions

Notes to the Financial Statements

for the year ended 30 June 2021

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2021	2020
(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 Balance Sheet as follows:			
Total Cash & Equivalent Assets	5	1,863	1,816
Balances per Statement of Cash Flows		1,863	1,816
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities			
Net Surplus/(Deficit)		(656)	304
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		7,421	7,017
Equity Movements in Equity Accounted Investments (Increase)/Decrease		3,404	299
Non-Cash Asset Acquisitions		(483)	(1,127)
Grants for capital acquisitions treated as Investing Activity		(1,949)	(541)
Net (Gain) Loss on Disposals		1,057	1,528
Other Adjustments - Non Cash Items		(474)	–
		8,320	7,480
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(131)	1,285
Net (Increase)/Decrease in Inventories		5	(8)
Net Increase/(Decrease) in Trade & Other Payables		(2,964)	2,984
Net Increase/(Decrease) in Other Provisions		(203)	(53)
Net Increase/(Decrease) in Other Liabilities		474	–
Net Cash provided by (or used in) operations		5,501	11,688
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of:			
Physical Resources Received Free of Charge	2h	483	1,127
Amounts recognised in Income Statement		483	1,127
Total Non-Cash Financing and Investing Activities		483	1,127
(d) Financing Arrangements			
Unrestricted access was available at balance date to the following lines of credit:			

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12(a). Functions

	INCOME		EXPENSES		OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
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										
Functions/Activities										
Business Undertakings	1,280	1,152	1,736	1,552	(456)	(400)	—	—	10,351	11,568
Community Services	1,855	1,721	2,646	2,337	(791)	(616)	800	785	6,264	1,775
Culture	546	192	1,522	1,401	(976)	(1,209)	485	127	550	828
Economic Development	509	635	1,134	1,568	(625)	(933)	320	—	—	131
Environment	48	25	7,565	4,725	(7,517)	(4,700)	32	—	43,785	43,288
Recreation	154	162	2,903	2,317	(2,749)	(2,155)	5	25	26,454	18,458
Regulatory Services	583	481	2,425	1,738	(1,842)	(1,257)	—	—	246	26
Transport & Communication	284	282	4,730	4,361	(4,446)	(4,079)	274	273	132,482	132,410
Plant Hire & Depot/Indirect	56	8	2,013	1,946	(1,957)	(1,938)	—	—	4,548	3,823
Unclassified Activities	218	184	1,156	1,340	(938)	(1,156)	—	—	78,449	63,583
Council Administration	233	322	4,141	4,871	(3,908)	(4,549)	1	20	16,330	14,421
Revenue	24,174	23,156	—	—	24,174	23,156	609	652	—	—
Total Functions/Activities	29,940	28,320	31,971	28,156	(2,031)	164	2,526	1,882	319,459	290,311

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



Notes to the Financial Statements

for the year ended 30 June 2021

Note 12(b). Components of Functions

The activities relating to Council functions are as follows:

BUSINESS UNDERTAKINGS

Caravan Parks, Victa Cinema, Private Works, Horse Drawn Tram and Whale Centre.

COMMUNITY SERVICES

Crime Prevention, Fire Protection, Other Public Order and Safety, Health Services, Pest Control – Health, Immunisation, Health Services, Community Support, Senior Citizens Facilities, Youth Services, Community Assistance, Community Transport, Family and Neighbourhood Support, Cemeteries, Public Conveniences, Car Parking and Star Club.

CULTURE

Library Services, Town Hall and Other Cultural Services.

ECONOMIC DEVELOPMENT

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

ENVIRONMENT

Waste Services, Coastal Protection, Environment Projects, Stormwater Drainage, Natural Resource Management, Street Cleaning, Street Lighting and Streetscaping.

RECREATION

Parks and Gardens, Indoor and Outdoor Sporting Facilities.

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, Community Bus Service, Footpaths and Kerbing, Roads – sealed and unsealed, Traffic Management, LGGC – roads (formula funded), and Other Transport.

PLANT HIRE & DEPOT

Plant and Machinery, Depot and Indirect Works.

UNCLASSIFIED ACTIVITIES

Other Property, Loans and Interest.

COUNCIL ADMINISTRATION

Governance, Elected Members, Organisational, Support Services, Accounting/Finance, Payroll, Human Resources, Information Technology, Communication, Records, Occupancy, Contract Management, Customer Service, Other Support Services, Revenues, LGGC – General Purpose and Rates Administration.

REVENUE

General Rates, Separate Rates, LG Grants Commission.

Notes to the Financial Statements

for the year ended 30 June 2021

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 fixed interest rates between **0.30%** and **0.45%** (2020: 0.45% and 1.25%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - Rates & Associated Charges

Accounting Policy:

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

Terms & Conditions:

Secured over the subject land, arrears attract interest of 5.05% (2020: 5.2%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Fees & Other Charges

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - Other Levels of Government

Accounting Policy:

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

Terms & Conditions:

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

Carrying Amount:

Approximates fair value.



Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

Liabilities - Creditors and Accruals

Accounting Policy:

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

Terms & Conditions:

Liabilities are normally settled on 30 day terms.

Carrying Amount:

Approximates fair value.

Liabilities - Interest Bearing Borrowings

Accounting Policy:

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

Terms & Conditions:

Secured over future revenues, borrowings are repayable half yearly for fixed rate loans and periodically within the term for variable (Cash Advance Debenture) borrowing; interest is charged at fixed rates between **4.40%** and **6.75%** (2020 4.40% and 6.75%), and variable rates between **1.30%** and **2.20%** (2020 1.30% and 2.05%).

Carrying Amount:

Approximates fair value.

Liabilities - Leases

Accounting Policy:

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets					
2021					
Cash & Cash Equivalents	1,863	–	–	1,863	1,863
Receivables	1,391	–	–	1,391	1,379
Other Financial Assets	–	129	141	270	211
Total Financial Assets	3,254	129	141	3,524	3,453
Financial Liabilities					
Payables	2,495	–	–	2,495	2,495
Current Borrowings	2,003	–	–	2,003	1,746
Non-Current Borrowings	–	7,399	1,446	8,845	8,005
Leases	93	94	218	405	333
Total Financial Liabilities	4,591	7,493	1,664	13,748	12,579
2020					
Cash & Cash Equivalents	1,816	–	–	1,816	1,816
Receivables	1,225	–	–	1,225	1,213
Other Financial Assets	–	208	195	403	318
Total Financial Assets	3,041	208	195	3,444	3,347
Financial Liabilities					
Payables	3,249	–	–	3,249	3,249
Current Borrowings	2,372	–	–	2,372	2,063
Non-Current Borrowings	–	3,742	1,699	5,441	4,808
Leases	93	165	240	498	415
Total Financial Liabilities	5,714	3,907	1,939	11,560	10,535

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

\$ '000	2021		2020	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed Interest Rates	5.34%	10,085	5.58%	7,286
		10,085		7,286

Net Fair Value

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



Notes to the Financial Statements

for the year ended 30 June 2021

Note 13. Financial Instruments (continued)

Risk Exposures

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

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

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2021	2020
(a) Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	83	–
Infrastructure	182	240
	<u>265</u>	<u>240</u>
These expenditures are payable:		
Not later than one year	265	240
	<u>265</u>	<u>240</u>
(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	–	57
Employee Remuneration Contracts	–	3,698
Street Sweeping	–	–
Asset Maintenance	–	232
Security Services	–	127
Other	–	68
	<u>–</u>	<u>4,182</u>
These expenditures are payable:		
Not later than one year	–	4,182
	<u>–</u>	<u>4,182</u>

Disclosure:

Reporting in relation to various operating contracts within this section is no longer reported as they do not meet the criteria of commitments in relation to properties.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Financial Indicators

\$ '000	Indicator 2021	Indicators 2020 2019	
Financial Indicators overview <i>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.</i>			
1. Operating Surplus Ratio			
Operating Surplus			
Total Operating Income	(6.8)%	0.6%	0.5%
<i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>			
2. Net Financial Liabilities Ratio			
Net Financial Liabilities			
Total Operating Income	42%	44%	32%
<i>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.</i>			
Adjustments to Ratios			
<i>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.</i>			
Adjusted Operating Surplus Ratio			
Operating Surplus			
Total Operating Income	(6.7)%	0.4%	(0.7)%
Adjusted Net Financial Liabilities Ratio			
Net Financial Liabilities			
Total Operating Income	42%	44%	33%
3. Asset Renewal Funding Ratio			
Asset Renewals			
Infrastructure & Asset Management Plan required expenditure	54%	97%	77%
<i>Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.</i>			

Notes to the Financial Statements

for the year ended 30 June 2021

Note 16. Uniform Presentation of Finances

\$ '000	2021	2020
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	29,940	28,320
less Expenses	(31,971)	(28,156)
Operating Surplus / (Deficit)	(2,031)	164
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(2,332)	(4,187)
add back Depreciation, Amortisation and Impairment	7,421	7,017
add back Proceeds from Sale of Replaced Assets	29	211
	5,118	3,041
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(8,144)	(7,220)
add back Amounts Received Specifically for New and Upgraded Assets	1,949	541
	(6,195)	(6,679)
Net Lending / (Borrowing) for Financial Year	(3,108)	(3,474)

Notes to the Financial Statements

for the year ended 30 June 2021

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

Property Leases

Council has recognised the following two (2) Right of Use leases as at 1 July 2020:

The portion of the Victor Harbor Foreshore Reserve known as the Visitor Information Centre. Council holds a lease over this property until 28 July 2022, with fixed monthly repayments subject to annual review; and

The portion of land known as the Civic Centre carpark, which provides a first ten (10) year right of renewal through to 30 September 2026, and a further second right of renewal commencing 1 October 2026 expiry 30 September 2036. Annual rent is payable in monthly instalments, with an annual CPI increment. Council has valued this Right of Use Asset on the basis that the second right of renewal will be taken up.

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	Ready to use	Total
2021		
Opening balance	405	405
Depreciation charge	(86)	(86)
Balance at 30 June	319	319
2020		
Opening balance	491	491
Depreciation charge	(86)	(86)
Balance at 30 June	405	405

Notes to the Financial Statements

for the year ended 30 June 2021

Note 17. Leases (continued)

(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	2021	2020
Balance at 1 July	414	491
Accretion of interest	13	15
Payments	(93)	(92)
Balance at 30 June	334	414
Classified as:		
Current	84	80
Non Current	250	334

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

The Group had total cash outflows for leases of \$92,050.

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	86	86
Interest expense on lease liabilities	13	15
Total amount recognised in profit or loss	99	101

(ii) Council as a lessor

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable).

Rentals received from such leases are disclosed as rent and hire of non-investment property in Note 2.

\$ '000	2021	2020
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	336	365
Later than one year and not later than 5 years	1,277	1,384
Later than 5 years	3,429	3,936
	5,042	5,685

Notes to the Financial Statements

for the year ended 30 June 2021

Note 18. Superannuation

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2020/21; 9.50% in 2019/20). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2019/20) of "superannuation" salary.

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

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

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

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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19(a). 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	
	2021	2020	2021	2020
Council's Share of Net Income				
Joint Ventures	(3,798)	(299)	6,325	10,124
Total Council's Share of Net Income	(3,798)	(299)	6,325	10,124

(i) Joint Ventures, Associates and Joint Operations

(a) Carrying Amounts

\$ '000	Principal Activity	2021	2020
Fleurieu Regional Aquatic Centre Authority	Aquatic Centre	9,466	9,818
Fleurieu Regional Waste Authority	Waste Management	(3,141)	306
Total Carrying Amounts - Joint Ventures & Associates		6,325	10,124

Fleurieu Regional Aquatic Centre Authority

A joint initiative between the City of Victor Harbor and Alexandrina Council, the Fleurieu Regional Aquatic Centre is owned by the Fleurieu Regional Aquatic Centre Authority (FRACA). The City of Victor Harbor and Alexandrina Council are joint owners of the FRACA owing 50% each.

Fleurieu Regional Waste Authority

Established by the City of Victor Harbor, Alexandrina Council, District Council of Yankalilla and Kangaroo Island Council in July 2010, this organisation is responsible for the waste management function across the Fleurieu and Kangaroo Island Council areas.

(b) Relevant Interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2021	2020	2021	2020	2021	2020
Fleurieu Regional Aquatic Centre Authority	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Fleurieu Regional Waste Authority	35.00%	35.00%	35.00%	35.00%	25.00%	25.00%

(c) Movement in Investment in Joint Venture or Associate

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19(a). Interests in Other Entities (continued)

(d) Summarised Financial Information of the Equity Accounted Business

\$ '000	Fleurieu Regional Aquatic Centre Authority		Fleurieu Regional Waste Authority	
	2021	2020	2021	2020
Statement of Financial Position				
Cash and Cash Equivalents	749	837	1,385	1,983
Other Current Assets	79	16	987	587
Non-Current Assets	18,245	18,917	4,327	4,155
Total Assets	19,073	19,770	6,699	6,725
Current Trade and Other Payables	137	132	2,270	2,279
Current Financial Liabilities	–	–	811	461
Current Provisions	3	2	10,154	228
Non-Current Trade and Other Payables	–	–	182	333
Non-Current Financial Liabilities	–	–	2,191	2,459
Non-Current Provisions	–	–	65	89
Total Liabilities	140	134	15,673	5,849
Net Assets	18,933	19,636	(8,974)	876
Statement of Comprehensive Income				
Other Income	2,785	2,468	9,221	9,345
Total Income	2,785	2,468	9,221	9,345
Employee Costs	58	43	3,085	3,115
Materials, Contracts & Other Expenses	2,758	2,445	15,239	5,357
Depreciation, Amortisation and Impairment	686	686	659	706
Finance Costs	–	–	99	115
Total Expenses	3,502	3,174	19,082	9,293
Other Revenue / Expense Items	14	42	13	41
Operating Result	(703)	(664)	(9,848)	93

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19(b). Controlled Entities

Subsidiaries

Council's consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with AASB 10 and the accounting policy described in Note 1(c).

Name of Operation/Entity	Principal Activity and Place of Business			
Victor Harbor Horse Tram Authority	Tourism Services, Victor Harbor Causeway			

Interests in Subsidiary \$ '000	Ownership 2021	Ownership 2020	Voting Rights 2021	Voting Rights 2020
Council's Interest in Subsidiary	100%	100%	100%	100%
Non-Controlling Interest in Subsidiary	0%	0%	0%	0%
Total Interests in Subsidiary	100	100	100	100

The nature and extent of significant restrictions relating to the Subsidiary

The Victor Harbor Horse Tram Authority is a subsidiary of the City of Victor Harbor established under section 42 of the *Local Government Act 1999* to oversee the operations, business development and marketing of Victor Harbor's iconic Horse Tram service.

The Authority is subject to the direction and control of the City of Victor Harbor.

The Horse Tram Authority has 5 members - one elected member and four independent members. The independent members are appointed by the City of Victor Harbor.

The City of Victor Harbor is partially funding the Authority covering any deficit that the Authority makes.

A Board has been established to ensure that all plans, targets, structures, systems and practices required or applied to the Authority by the City of Victor Harbor are in place.

The nature of risks associated with Council's interests in the Subsidiary

All property held by the Authority is accounted for by the City of Victor Harbor. Written Down Value of Non-Current Assets of \$800,108 as at 30 June 2021.

The Annual Budget of the Authority is approved by the City of Victor Harbor.

Council intends to continue to partially fund the Authority with a service level and lease agreement under development as at 30 June 2021.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19(b). Controlled Entities (continued)

Summarised Financial Information for the Subsidiary

Summarised Financial Information for the Subsidiary

\$ '000	2021	2020
Summarised Statement of Comprehensive Income		
Revenue	857	787
Expenses	(878)	(784)
Profit for the Period	(21)	3
Total Comprehensive Income	(21)	3
Summarised Statement of Financial Position		
Current Assets	106	125
Non Current Assets	152	–
Total Assets	258	125
Current Liabilities	145	120
Non Current Liabilities	129	–
Total Liabilities	274	120
Net Assets	(16)	5
Summarised Statement of Cash Flows		
Cash Flows from Operating Activities	5	63
Net increase (decrease) in Cash and Cash Equivalents	5	63
Transactions with Council		
Aggregate amount of transactions with Council		
- payments to Council	–	3

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

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

Notes to the Financial Statements

for the year ended 30 June 2021

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

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

1. LAND UNDER ROADS

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

At reporting date, Council controlled 384.5 km of road reserves of average width 6.5 metres.

2. POTENTIAL INSURANCE LOSSES

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

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to 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. BANK GUARANTEES

Council does not expect to incur any loss arising from these guarantees.

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 two appeals against planning decisions made prior to reporting date.



Notes to the Financial Statements

for the year ended 30 June 2021

Note 22. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2021, 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 aware of the following "adjusting events" that merit disclosure;

Fleurieu Regional Waste Authority (FRWA)

Post Balance Sheet Date transactions relating to asbestos rectification works required by FRWA.

As a result of the identification of asbestos in the recycled road base stockpile at the Goolwa Waste and Recycling Depot, remediation works have been planned in 2021/22 and are estimated at a cost of \$9,877,286.

The City of Victor Harbor has a 35% equity share for 2020/21 of these remediation works (future years 30%) and has recognised this as follows:

- Expense - included in the Statement of Comprehensive Income as a Net Loss -Equity Accounted Council Business
- Interest in Other Entities - reduction in Council's Equity Share

Notes to the Financial Statements

for the year ended 30 June 2021

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 2020/21, Council paid member allowances to 10 Councillors. No changes to members in the year.

In 2020/21 there were 19 employees classified as Key Management Personnel (2019/20 = 10 employees). This year had some movement, with 2 staff leaving positions, with one role filled, the other role re-classified. Increase in employee Key Management Personnel this year due to accounting for CEO and Directors (5), Managers (8) and Planners (4).

The increase in employee's classified as Key Management Personnel in 2020/21 was due to a review of the assessment criteria.

In all, 29 persons were paid the following total compensation:

\$ '000	2021	2020
The compensation paid to Key Management Personnel comprises:		
Salaries, allowances & other short term benefits - Employees	2,162	1,303
Salaries, allowances & other short term benefits - Elected Members	195	196
Total	2,357	1,499

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

One KMP has a relationship with Oops Security Pty Ltd. Council paid this entity \$3,763 in 2020/21 (\$7,019 in 2019/20).

Notes to the Financial Statements

for the year ended 30 June 2021

Note 24. Equity - Retained Earnings and Revaluation Reserves Adjustments

Correction of errors relating to a previous reporting period

Nature of prior-period error

Rates Received in Advance have were recognised as income rather than as a liability in 2019/20.

The error identified above has been corrected by restating the balances at 30 June 2020 and taking the adjustment through to accumulated surplus at that date.

Comparatives have been changed to reflect the correction of errors. The impact on each line item is shown in the tables below.

Adjustments to the comparative figures for the year ended 30 June 2020

Statement of Financial Position

\$ '000	Original Balance 30 June, 2020	Impact Increase/ (decrease)	Restated Balance 30 June, 2020
Total assets	290,311	–	290,311
Trade and Other Payables	15,819	185	16,004
Total liabilities	15,819	185	16,004
Accumulated Surplus	67,237	(185)	67,052
Total equity	274,492	(185)	274,307

Statement of Comprehensive Income

\$ '000	Original Balance 30 June, 2020	Impact Increase/ (decrease)	Restated Balance 30 June, 2020
Rates Income	23,072	(185)	22,887
Net operating result for the year	489	(185)	304
Total comprehensive income for the year	3,437	(185)	3,252

Independent Auditor's Report

To the members of the City of Victor Harbor

Opinion

We have audited the accompanying financial report of the City of Victor Harbor (the Council), which comprises the statement of financial position as at 30 June 2021, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, the financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

Basis for Opinion

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

Council's Responsibility for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

DEAN NEWBERY



Samantha Creten
Partner

Signed on the 5th day of November 2021,
at 214 Melbourne Street, North Adelaide

DeanNewbery

Chartered
Accountants

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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE CITY OF VICTOR HARBOR

Opinion

In our opinion, the Council has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to the Internal Controls established by the Council relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2020 to 30 June 2021.

Basis for opinion

We have audited the Internal Controls of the City of Victor Harbor (the Council) under 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 2020 to 30 June 2021 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

The Council's Responsibility for the Internal Controls

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

Our Independence and Quality Control

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

Assurance Practitioner's Responsibilities

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and performed our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

An assurance engagement to report on the designed and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Limitations of Controls

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

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

DEAN NEWBERY



SAMANTHA CRETEN
PARTNER

Signed on the 5th day of November 2021
at 214 Melbourne Street, North Adelaide, South Australia, 5006

City of Victor Harbor

General Purpose Financial Statements for the year ended 30 June 2021

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the City of Victor Harbor for the year ended 30 June 2021, the Council's Auditor, Dean Newbery 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*.



Victoria MacKirdy
Chief Executive Officer



David Papa
Presiding Member, Audit Committee

Date: 01 November 2021

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the City of Victor Harbor for the year ended 30 June 2021, 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*.

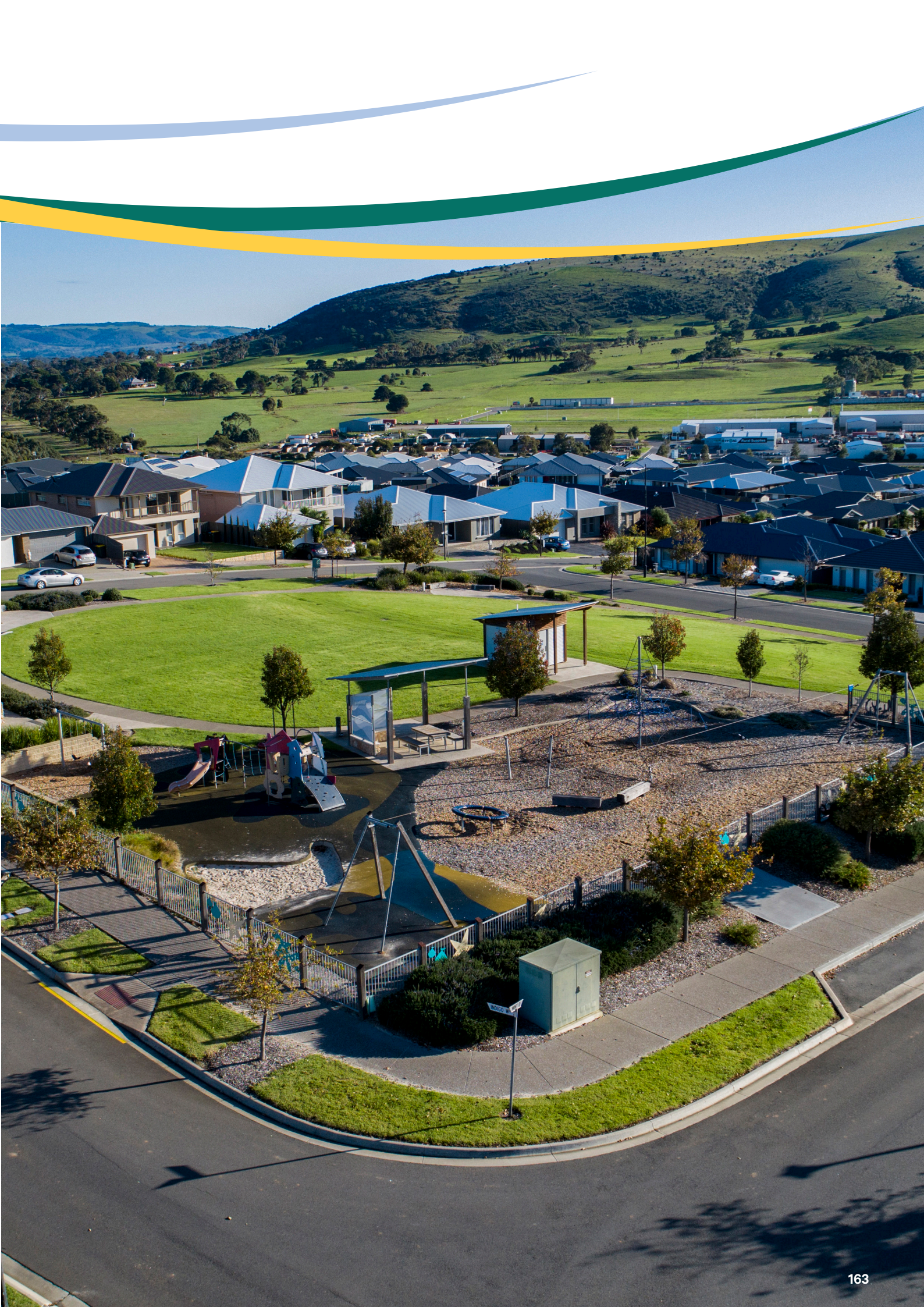


SAMANTHA CRETEN

Partner

DEAN NEWBERY

Dated this 5th day of November 2021



city of
Victor Harbor



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**VICTOR HARBOR
HORSE TRAM AUTHORITY**

2020/21 Annual Report



Victor Harbor Horse Tram Authority Annual Report 2020/21

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Introduction from the Chair

Each year I say this, and this year is no different, it certainly has been another interesting year for the Victor Harbor Horse Tram Authority.

The COVID-19 pandemic has continued to impacted us severely, as it has many other tourism businesses. The Tram Operation has also been impacted by the works on the Plaza and the new causeway, and may have to be suspended in the best interest of the horses, the public and our team of operators.

We are still hopeful of receiving grant funding for the new stable complex and visitor experience centre. This development will go a long way to increasing revenue and adding value to the experience we already provide.

We conducted our annual review and planning day in July again this year, and as always received great input from all of the board and team members under the guidance of an external facilitator. These days are vital to planning the for the Victor Harbor Horse Tram's future and setting our goals for the next 12 months. It is also a valuable opportunity to look well into the future.

I am pleased to say that this year's planning day focused on the positives that will come from the completed causeway, the office and merchandise redevelopment, as well as the possible stable completion and the reduced impact of Covid-19. I am convinced that by the end of this year we will be over the worst of the disruptions and looking at a very bright future.

The Victor Harbor Horse Drawn Tram is an icon, not only in the region but for South Australia. It is one of two such experiences in the world and our survey data indicates that it brings significant visitor numbers, employment and money to the region. This survey data was supported by a study we commissioned by PHD candidate Laura Hodgson on the benefits, financially and historically, that the Tram brings to Victor Harbor. The report is publicly available and shows the very significant contribution the Tram makes to employment and the economy of the region.

Finally, I have made the very difficult decision to step down from the role of Chair but I am very pleased to be able to remain on the board. I have assumed a full-time role that will require a lot of travel and felt that I would not be able to give the role of Chair the time and commitment that it deserves. Congratulations to Nigel Catt who has been elected the new Chair and I am absolutely positive that with his broad business experience and enthusiasm that he will do a fabulous job.

My sincere thanks to Meg and all of the Victor Harbor Horse Tram team for their passion and commitment, and to the board for their unequivocal support of the tram and for the time that they commit. It is not seen by many but the board make an extraordinary commitment in time and expertise. We clearly have a fabulous team driving our vision and for me it has been an absolute honor being the Chair.

Paul Brown





About the Authority

The Victor Harbor Horse Tram Authority (the Authority) is a subsidiary of the City of Victor Harbor (Council), established under section 42 of the *Local Government Act 1999*. The Authority is governed by a Charter approved by the Minister on 17 October 2018, which details its purpose, powers, functions, duties, funding, property and delegation as well as the role, function and requirements of the Authority Board, among other things. The Charter was gazetted on 25 October 2018.

The Horse Tram, like many other services, is subsidised by Council and provides a valuable service to the City of Victor Harbor community on behalf of ratepayers. It serves as an important and highly significant contributor to the economy of Victor Harbor. The Horse Tram is a part of what makes this city thrive.

Strategic Direction

The Victor Harbor Horse Tram's Annual Business Plan outlines the strategic direction for the Authority.

Vision Statement: To deliver historic experiences and create memories.

Mission: To showcase Victor Harbor through the world's leading horse tram experience

Goals: High quality, efficient operation with a reduced financial reliance on City of Victor Harbor.

The Board



Paul Brown (Chair)

Paul Brown is the Owner and Director of Kangaroo Island Wilderness Tours, a high-end tour company on Kangaroo Island with up to 25 team members. They have been looking after guests from around the world for 17 years.

Paul is a former Chair of Tourism Kangaroo Island and the Australian Tourism Export Council (ATEC) SA Branch, as well as a board member of ATEC nationally. He is currently on the Food, Wine, Tourism & Hospitality Industry Skills Council Advisory Group, a member of the Collaborative Project to develop a Professional Certificate in Older People's Mental Health, as well as the board of the Victor Harbor Horse Drawn Tram Authority.

A graduate of the Australian Institute of Company Directors course Paul has always sought to contribute to his industry and community.



Councillor Carol Schofield AM

Councillor Carol Schofield AM is the City of Victor Harbor's Elected Member representative on the Victor Harbor Horse Tram Authority Board. Carol was Chair of the City of Victor Harbor's Horse Tram Advisory Committee before it transitioned to form the Inaugural Victor Harbor Horse Tram Authority. She brings to the Board skills in business management, event management, tourism and agribusiness.

Carol is a long-time resident of Victor Harbor and has been involved in many local organisations. She was a dairy farmer and established her own agriculture business in Inman Valley.



Rachel Kennedy

Professor Rachel Kennedy (PhD, B.Bus(Hons), GAICD) is a globally recognised expert in marketing and evidence-based growth. As a co-founder and director of the Ehrenberg-Bass Institute, she has a proven track record of successful industry engagements that profitably grow businesses and build and protect their iconic assets. She combines this with hands-on experience marketing a local tourism reliant business.

Rachel is passionate about her community in Victor Harbor where she can often be seen walking, at the beach patrolling or playing hockey with her family. She is excited to bring her skills and knowledge to our Horse Tram.



Nigel Catt

Nigel Catt has been in the Australian Wine Industry since 1983 in various roles such as senior winemaker for a number of large and medium wine companies, as well as owning his own vineyards, wineries and wine brands.

During this time, Nigel has produced wines in other countries, consulted to other wineries and the State Government, run Industry Supply Companies at board and management level. He owned the Middleton Winery and Vineyards, developed and built the Flying Fish Café and has been a board member for 10 years at Encounter Lutheran College. National Sales and Marketing Consultant for Radoux, a French oak barrel company that he still represents here in Australia.

Nigel has supported and developed many business', and mentored young business people here and overseas. The majority of Nigel's focus and life has been spent in the Fleurieu Peninsula, specifically Victor Harbor, where he is based with his family.



Natasha Hunt

Natasha Hunt has over 15 years experience working in local government and the tourism industry. She is the Team Leader of the Fleurieu Coast Visitor Centre, who won the 2018 South Australian Tourism Award for Visitor Information Services. Natasha is responsible for the marketing of the Fleurieu Coast region and manages the District Council of Yankalilla's volunteer programs. Natasha represented the Fleurieu Peninsula on the South Australian Tourism Commission's Industry Skills Advisory Committee and was an inaugural member of the South Australian Accredited Visitor Information Centre Network.

Natasha grew up on the Fleurieu Peninsula on her family's farm where they operate two horse-based businesses. Natasha is passionate about the Fleurieu and has volunteered in many community organisations including the Normanville New Year's Eve Pageant, Yankalilla Football and Netball Club and the Fleurieu Horse and Pony Club.

Audit and Risk Committee

In accordance with the Charter, the Authority is required to establish an Audit Committee and may establish its own or with agreement of Council, use the Council's Audit Committee. In 2019/20, Audit Committee requirements were met through the City of Victor Harbor. The Authority has now formed its own Audit Committee for the 2020/21 financial year and into the future.

The Authority is pleased to have secured two independent Committee members with exceptional experience. The Committee is also comprised of two of the Authority's Board members. The Committee held its inaugural meeting on the 8 February 2021 and met again on 11 May 2021. The Committee will meet again on 4 August 2021 to review the Authority's financial statements and audited figures. The new Committee members are booked into the Local Government Association on 16 July 2021 for Audit Committee training. The Authority has also engaged an Auditor of their own for the 2020/21 financial statements, Galpins.

Audit Committee Membership

Member	Representative	Appointed	Expires
Independent Member(s)	John Morgan	23 November 2020	23 November 2022
Independent Member(s)	Kate Christ	22 February 2021	22 February 2023
Independent Member(s)	Laura Hodgson	26 July 2021	26 July 2023
Victor Harbor Horse Tram Authority Board Member	Rachel Kennedy	23 November 2020	23 November 2022
Victor Harbor Horse Tram Authority Board Member	Nigel Catt	26 July 2021	26 July 2023
Office Bearers			
Chairperson	John Morgan	22 February 2021	23 November 2022
Deputy Chairperson	Rachel Kennedy	22 February 2021	23 November 2022

Our Team



Our People

The Victor Harbor Horse Tram Authority Board provides strategic direction to the General Manager who is responsible for the day to day operations of the tram service.

The General Manager is responsible for managing the continual transition of the Victor Harbor Horse Tram Authority's independence. This includes implementing policies and procedures, undertaking recruitment and induction of new staff, reporting of operations to Council, undertaking improvements for the Tramway with the help of Council, forming and implementing work, health and safety policies, running of payroll, finances including all payments and budgeting requirements at the same time as keeping the day to day operations running smoothly.

During 2020/21, the Victor Harbor Horse Tram was supported by a team of 13 staff, ranging from casual junior staff through to an assistant manager.

For the reporting period there were three permanent full time equivalent (FTE) staff members, with the remainder engaged as casual employees.

Our Horses

Our Team of Clydesdales are such a magnificent part of the Victor Harbor Horse Tram and this year they received a 5-star health rating from our Vet – what a highlight. Our Team consists of:



Albert

Albert, who is our oldest and steadiest Clydesdale. Having said that, he is still young at only thirteen years of age. He has a regal attitude and performs his work with effortless elegance. Albert is a smooch with the staff and a favourite of all. Albert is now our lead horse when training youngsters and reassures them with his soothing and zen-like demeanour.



Jay Jay

Jay Jay is thirteen and is similar in height to Albert. Jay is especially soft and fluffy, inside and out. He is a sensitive boy and requires a lot of encouragement, reassurance and love. He has no idea how large he is, and although he performs his work easily, he can also readily lose his confidence. All of the staff go out of their way to ensure that Jay only has positive experiences on the tram, and with competent care, Jay is flourishing as a tram horse.



Murray

Murray is eleven years old and is that tram horse that everyone wants to drive. He always performs his best and tries to do everything right. He pulls the tram so fast, with calm forward-moving energy, and with him on the tram, it is up and back before you can believe it. Murray learns very fast, as he aims to please, and staff try hard to please Murray as well. Murray is sensitive on the outside and is not a fan of being primped and preened. The staff have special soft, natural bristled brushes that they use especially for Murray so that he can enjoy his grooming experiences. The staff love grooming Murray as he is pretty easy on the eye.



Isabella

Isabella is the princess of the team, but she is no shrinking violet. Boy can she really move a tram! She is all “I am woman, hear me roar - past”. When Isabella is at rest she is the softest, most serene being. People express honour just being in her presence. But when there is a job to do she gets it done, and you’d better keep up. She is a brave, sensible, sweet and joyous horse. She adores adoration and knows full well she deserves it and more. At 11 years of age she is wise beyond her years.



Elliot

Elliot is one of our youngest established horses, but nobody tell him. He is our slowest and calmest team member even though he is only ten. He is our steady horse used to train new drivers and staff. He is an irreplaceable member of the team. He is quite goofy and loving, and a long term favourite of the public. He has a large following with people returning frequently to visit him. Staff are often asked if Elliot is working that day and are met with either excitement or extreme disappointment depending on the answer they give. Elliot has recently had a clip as he has quite a luxurious coat, not quite conducive to our summer climate. He is loving his new short coat and is looking stylish as well.



Scotty

Scotty is our new little powerhouse and proving to be a reliable team member, despite being an eight year old P plater. Scotty is adorable and full of cheeky character. He loves to play games with staff and his other team members. He is brave on the causeway and not much worries him. Staff describe him as a little trooper. He is a youngster and gets special attention to make sure he stays on track to become the tram horse he deserves to be.



Chester

Chester is a late starter at the age of ten. He retired from his previous job as a 'stallion' and is settling in to the idea of having a long term career as a famous horse tram horse. Chester is larger than words, both in personality and in size. Standing above 19 hands tall, he really throws a shadow. His personality is just as huge and he has won the hearts of all of our staff. He is Isabella's full brother and the two are incredibly similar in their looks and their softness. Like his sister, Chester adores the pampering, his massages, chiro, grooming, getting his toes done and all of the cuddles too. He loves to be with people and doesn't like to be left out. When there is love and attention being given, he is always front and centre with his commanding presence. He loves to please and is working well as an L plater. He will soon be ready to make his debut as a tram horse, once the new Causeway is completed and his training is resumed.



Karni

Karni has been a valuable member of the team for many years. A staff favourite, with a can-do attitude, he might have been the smallest Clydesdale on the team but he definitely didn't know it. Karni always has had a lot of spunk, sparking the affectionate nickname Crazy Karni. Much to the sadness of staff, Karni has a long term physical condition to do with his stifle that the vet has determined prevents him from being able to undertake further tram duties. Consequently, he has now been retired. Karni has had a successful trial at an amazing property in Kangarilla with a family of experienced horse owners and has now made this his permanent home and family. Karni is looking quite chuffed with his new digs and is getting the best of care.

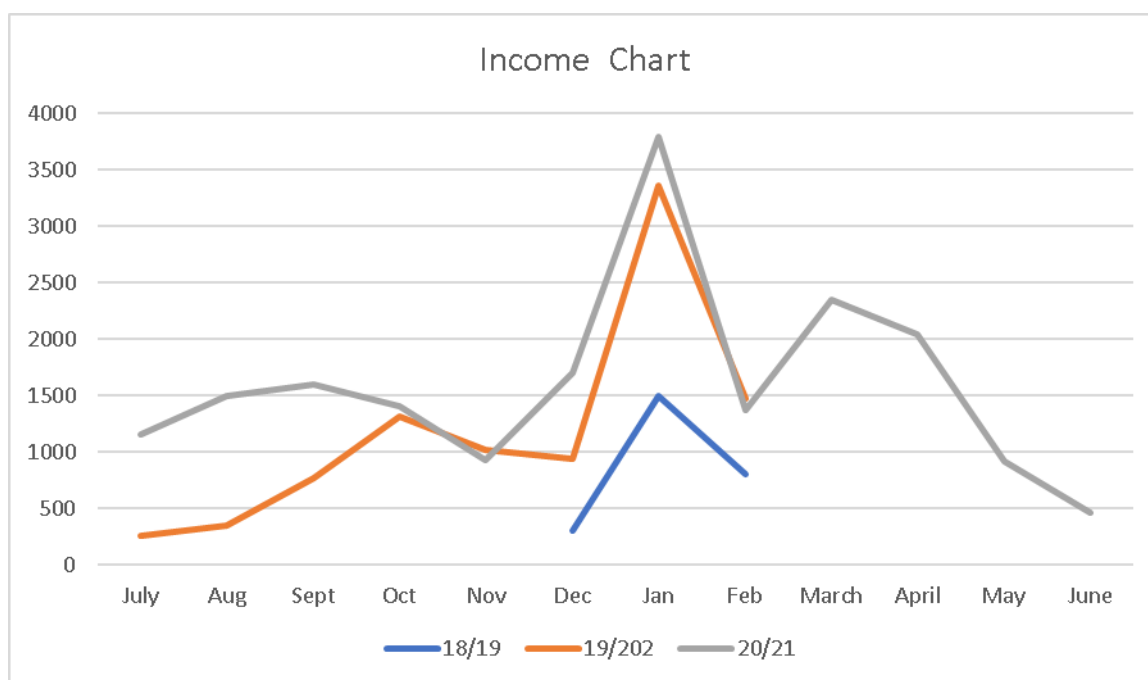
Our Volunteers

The team of volunteers are involved in activities that include providing information on the platform, history talks on the tram and merchandise sales. Future plans to increase volunteer support include the development of new job descriptions that will facilitate the assignment of volunteers to duties that are required to support the operations and which are suited to their expertise. This has been slow to develop due to COVID-19 putting volunteer recruitment temporarily on hold, however the Victor Harbor Horse Tram Authority is looking forward to growth in this area in 2021/22.

Despite small volunteer numbers the merchandise shop and volunteers have been progressing well, with figures showing future promise for when the new Causeway is completed and disruptions to the Horse Tram have ceased. New lines of merchandise are proving to be popular and continual growth in this area is an important part of the Victor Harbor Horse Tram.

The Victor Harbor Horse Tram has annual passes available at really reasonable prices. Last financial year 40 annual passes were sold compared to 48 annual passes sold in 2020/21, despite the price increase, the difficulties with COVID-19 and the new causeway construction build. This is all thanks to our merchandise shop being open two days a week and the volunteers who are great at up-selling.

The graph below shows the growth in merchandise income, comparing financial years from 2018/19 through to the end of 2020/21.



Trading started on a positive note and continued along that vein until weather conditions and causeway closures impacted on visitations to Victor Harbor, resulting in a huge downturn on income. Trading conditions for both volunteers and merchandise display also had a negative impact on sales. Looking ahead to 2021/22 there are plans to create a brand new merchandise store by refurbishing the office. This should see the number of volunteers, and merchandise income, rise significantly.

2020/2021 Achievements

On 27 July 2020, Dan Aubin of Daring Humans facilitated a workshop with the Board, General Manager, Assistant Manager and Administration Assistant. This is our second workshop with Dan and he assisted the Board and Managers in focusing on a more strategic direction, culminating in the revised Business Plan. The workshop helped to shape us as a working group and focus in on the direction forward. The day was a huge success and the progress made because of this day was a compliment to Dan's facilitating ability.

As the Authority continues to become increasingly independent from the City of Victor Harbor, our final staff member employed by the City of Victor Harbor, and seconded to VHHTA, has now moved to be employed by the VHHTA directly and is a very important part of the team, bringing 18 years' experience with him.

This financial year the VHHTA acquired all new saddles for the horses. The saddles have safety features to increase the safety for staff when riding. The saddles were fitted to the horses by a professional saddle fitter, tailoring the saddles to each particular horse's individual body shape and needs, for their comfort and safety. The stirrups feature toe stoppers, (not shown in photo), that prevent a rider's foot from becoming stuck in the stirrup should there be an event. The horses are moving well in their comfortable new saddles and are enjoying ridden exercise more than ever.



The Victor Harbor Horse Tram Authority's social media presence during this financial year has generated significant interest and enthusiasm for the Tram and its horses. This platform is also now used in addition to the website, to update the public on service closures due to weather and general information regarding the horses and their activities. The public love seeing the horses doing what they do whether it's at work, the beach or at the paddock.

A two tram service, requiring four horses per day, was operated for a majority of the time for the entire six weeks of the Christmas Holiday period, despite only having five horses fit for work duties at that time. This required careful management by horse husbandry staff, and amazing care by all staff, to look after the welfare of the horses during such a demanding schedule. Once the period was over the horses returned to a much more relaxing schedule of working a few hours every third day.

A review of the ticket price was undertaken due to the December 2020 / January 2021 decrease in sales because of Covid-19 restrictions to international and interstate travellers. The Board and General Manager decided to increase all ticket prices by \$5 from 1 March 2021. Annual pass prices were also raised. The new ticket price was well received by passengers. The success of the new pricing had the Authority close to making income targets, with benefits to continue when the Horse Tram resumes operation after the Causeway is completed.

Our youngest horse, Scotty, has been a wonderful addition to the team. He has performed amazingly over the year and is now ready to have his figurative P plates come off. He has shown so much resilience in coping with the public, the ocean, sideshows, beach camels and ponies, heavy machinery performing Causeway construction work, and the tram itself. He is now a reliable powerhouse member of the team.

Another horse, Chester, has had his training postponed due to the chaos of the Causeway construction. He is enjoying light exercise to keep his mind and body healthy, and will be brought back into full work once the new Causeway is ready. In the meantime, he is having an extended opportunity to build upon his trusting relationships with staff which will only serve to make his transition to tram horse smoother and more successful.

The rest of the horse team are performing amazingly well and haven't missed a beat during the challenges thrown at them due to the new causeway build, which is well underway. It can't be overstated how proud the team is of the way the horses have handled the new, and ever changing, conditions. The horses all had their annual veterinary examinations, and the VHHTA is beyond pleased to announce that all of the horses had fantastic health results and the horse team as a whole were given 'five stars' for health and fitness and were said to be in the best condition yet. ★★★★★



Jay Jay and Albert enjoying some long and leisurely beach exercise.

The Authority has been thrilled to have had PhD scholar candidate, Laura Hodgson, undertake a research study and publish her findings regarding the economic and historic value of the Victor Harbor Horse Tram. The report investigates the value of the Horse Tram for the City of Victor Harbor. The value of the Horse Tram was considered in four ways; the economic value, value as a historic and cultural tourism experience, value from the perspective of tourists and perceived value by key stakeholders. This research also examined how the value of the Horse Tram could be improved and provides recommendations based on the findings in this research.

Key findings include:

- The Horse Tram is conservatively estimated to contribute between \$1,153,898 and \$1,675,351 to the local economy.
- The Horse Tram is considered a 'drawcard' for Victor Harbor both by stakeholders and tourists.
- The Horse Tram has the potential to be of great historic significance to Australia as an operational, in situ, historic attraction.
- Tourists and locals alike could not imagine Victor Harbor without the Horse Tram.

The work that Laura has done is professional, thorough and impressive. We can't thank Laura, and the University of South Australia, enough for all of their effort. We encourage you to read the report in its entirety. It can be found online on the Horse Drawn Tram website on the following web address: www.horsedrawntram.com.au/about/victor-harbor-horse-tram-authority/



The full renovation of Tram 3, which was started during the Covid-19 lockdown, has nearly been completed – as much as this has taken longer than first thought the results are fantastic and will be perfect for the opening of the new Causeway in December 2021.

The trams are irreplaceable, both physically and financially, so the importance of this undertaking cannot be overstated, with savings of up to \$250,000 achieved through use of in-house labour to undertake the renovation.

The renovation of Tram 3 could not have been possible without the skills and dedication of the Authority's Assistant Manager, who has spent tireless months pulling down the tram to its bones, sanding, painting and rebuilding it, mostly by hand.

The Land opposite the existing stables has been purchased by the City of Victor Harbor and the VHHTA was successful in obtaining a lease on this land for the future of the horse grazing and the build of the new Stables complex.

The Authority applied for a grant through the Building Better Regions program this year to match the funds for building the stable complex on the land at Canton Place. The success of this grant hasn't been announced yet but if successful the funds will be gratefully received to help with the staging of this project and develop the behind the scenes offering.

The upgrade of outdated horse harnesses has continued, with this year seeing the horses receive new halters and bridles handmade by a local saddlery, delivering a polished and professional look for the Victor Harbor Horse Tram. The cleaning and care for this gorgeous and much needed tack is part of the end of day procedures so that it will serve the Authority for a long time to come.

The Authority is pleased to be able to take advantage of the Fleurieu Regional Waste Authority's (FRWA's) weekly food and organic waste collection service that it now provides on a weekly basis to cafés, restaurants and grocery businesses and selected areas across the southern Fleurieu. Disposing of organic waste, such as manure, through FRWA can save money on disposal costs, recover resources and improve the environmental performance of the Authority.

The Authority is constantly striving for ways to lower its ecological footprint. The FRWA's organic waste collection service is the perfect solution for manure created when the horses are at the office working. The organic matter is collected from FRWA by Peats Soil and Garden Supplies. Peats is a second-generation, wholly South Australian company focused on receiving, processing and marketing recyclable organic resources in bulk and bag forms.



In November 2020 the Department of Infrastructure and Transport (DIT) approached the Council about monitoring the wind and the closures of the causeway when needed. Since the VHHTA team already monitor the winds daily it was suggested that the VHHTA take on the contract for the wind monitoring and get paid for the service. This has been a win-win as we now get paid when we can't operate. In the last financial year the VHHTA has been paid \$33,000 for 8 months monitoring. This will continue until the new causeway is completed and in operation.

2020/21		2019/20	
Month	# Days closed	Month	# Days closed
July 2020	3	July 2019	5
August 2020	9	August 2019	7
September 2020	15	September 2019	3
October 2020	6	October 2019	3
November 2020	5	November 2019	11
December 2020	5	December 2019	4
January 2021	6	January 2020	6
February 2021	4	February 2020	2
March 2021	2	March 2020	12 Covid-19 closure
April 2021	6	April 2020	30
May 2021	6	May 2020	31
June 2021	6	June 2020	10
Total 2020/21	73	Total 2019/20	124



Key Performance Results against 2020/23 Annual Business Plan What we will do in 2020 - 2023

In 2019/20 the business plan was focused around operational set-up, change and staff development.

Into the future the focus will be on project development with our 2020-2023 Business Plan priorities including:

Priority 1: Finance & Operational growth

Priority 2: The Stables Project

Priority 3: Communication Strategy

Priority 4: Office & Shop Renovation Planning

The following pages outline objectives under each of these four key areas and corresponding actions the Authority plans to take over the period of the business plan in relation to achievements of these objectives.

Priority 1: Finance & Operational Growth

The Authority will focus on taking strategic steps towards sustainability and growth while ensuring core business operations continue to develop.

1.1 Secure Operational and Capital budget			
Actions	Indicator	Target	
Operational budget approved by Board and Council	Approvals received	April 2020, 21, 22	✓
Capital Budget Approved by Board and Council	Approvals received	April 2020, 21, 22	✓
Provide quarterly budget/finance reports to the City of Victor Harbor	Quarterly reporting received	November 2020, February, May September 2021 for EOFY	✓
Undertake budget reviews in line with legislative requirements	Reviews submitted to board & Council	March, October, December 2020 Mid-Year Review	✓
1.2 WHS Processes			
Actions	Indicator	Target	
Annual WHS processes review	Received by Board & Council	July 2021, 22, 23	Ongoing
Complete Sky trust set-up to track WHS compliance	Staff trained and using	Already partially achieved but final staff set up by July 2021	✓
WHS Plan for during Causeway Construction	Published plan	Completed	Hazard profile updated ✓

1.3 Project & Development Funds			
Actions	Indicator	Target	
Secure & manage 'Stables Project' budget	Approvals received	September 2021	✓ Partial approval
Secure Sponsorship	\$15,000 secured	September 2021	Ongoing
Review and grow merchandise Establish online store	\$10,000 income Online store	October 2022	Ongoing
Budget Office Reno for Budget Bid 21/22	Received by Board & Council	July 2021	✓
Budget Platform improvements for Budget Bid 22/23	Received by Board & Council	July 2022	✓
Review ticket pricing schedule	Board report complete	Annual – March 2021	✓

Priority 2: The Stables Project

This is an exciting development that will enhance care of the horses, OHS for staff, and lead to exciting community engagement and Behind the Scenes / VIP Experiences. Initially the stables project was conceptualised to focus first on establishing the stables and staff facilities to meet the housing and care needs of the Clydesdales. The Authority has been looking for ways to reduce its reliance on Council and has sort grant funding, via the Building Better Regions Fund – Infrastructure Projects Stream, has incentivised the Authority to develop and build the Behind the scenes / VIP Experience simultaneously and in conjunction with the stable project. Timelines and targets for the project have been changed to align with new costings, exceeding the allocated budget, for the project provided by the procurement process.

2.1 Project Planning			
Actions	Indicator	Target	
		Old/New Target	
Confirm Project Team	Regular meetings	June 2021/ November 2021	Awaiting procurement process
Draft Project Schedule	Consultation with Board mentors	June 2021/ November 2021	Awaiting procurement process
Finalise Stage 1 Project Plans	Received by Board & Council	July 2021/ December 2021	Awaiting procurement process
Plan approved by Council	Approval	August 2021/ January 2022	Awaiting procurement process
2.2 Project Implementation			
Actions	Indicator	Target	
Secure land for Horses	Fenced and secure	October 2021	✓
Public Consultation	Feedback received	September 2021	✓
Approach Sponsors	5 Proposals & meetings	October 2021/Jan 2022	Awaiting procurement process
2.3 Build			
Actions	Indicator	Target	
Confirm build team		July 2021/ January 2022	Awaiting procurement process
Commence build	Started	October 2021/ April 2022	Awaiting procurement process
Complete build	Horses moved in, Council Member Tour	December 2021/ June 2022	Awaiting procurement process
2.4 Forward Planning			
Actions	Indicator	Target	
Draft VIP Package	Workshopped by Board	December/February 2021 Depending on the Grant Submission success	✓ Achieved

Priority 3: Communication Strategy

The strategic analysis of the VHHTA's communication priorities at the July 2020 planning day with Dan Aubin identified the priority to develop effective relationships with strategic partners. Unfortunately, due to Covid-19 and the new Causeway construction build, many of local tourist attractions, especially those directly affected by the build, have either been partially or entirely closed during this financial year. We are looking forward to strengthening those partnerships as businesses reopen and life returns to normal.

2.1 Effective Communication			
Actions	Indicator	Target	
Regular Council updates and dialogue	5 F2F meetings	2020/21	✓
Regular staff and project team meetings	1 / fortnight	March 2021	✓
Partner with SA icons, as well as Visitor Experience/Tour Operators to increase Horse Tram promotions/exposure – Causeway construction dependant		June 2021	✓ Partially achieved
2.2 Strategic Partnerships			
Actions	Indicator	Target	
Meet with key government and SATC Stakeholders	5 Key Meetings	October 2021	✓
Open Communication lines with Cause-Way Project team to ensure Horse specific needs and safety are met.	Staff Member consulted	March 2021 and ongoing	✓ Ongoing
Partner with SA icons, and local Tourist Attractions and Venues to increase Horse Tram promotions/exposure	Key Relationships developed	June 2021	✓ Partially achieved
2.3 Marketing			
Actions	Indicator	Target	
Develop a One-page Marketing Plan based on Strategic Planning Workshop Findings	One-Page Plan in Business Plan	July 2021	✓ Draft completed
Seek high-level media Opportunities & Stories	5 Media Stories	Ongoing	✓ Ongoing
Consistent Social Media Content Publication	Weekly Stories	Ongoing	✓ Ongoing
Full Marketing Plan through a consultant	Plan Complete	2021/2022	Awaiting procurement process and grant

Priority 4: Office & Shop Renovation Planning

The Authority intends to improve point-of-sale/customer service experience at the tram office as well as staff facilities by renovating the current office and shop facilities. This will vastly improve the service, possible income streams and staff effectiveness, retention, WHS and wellbeing.

3.1 Office and Shop Renovation			
Actions	Indicator	Target	
Create Project team	Assembled and terms of reference agreed.	June 2021	Awaiting procurement process
Draft three designs based on functionality and attractive enhancements	Place received by Board	February 2021	✓ Achieved
Engage professional to draw up designs based on drafts and consultation.	Engaged & work completed.	January 2021	✓ Achieved
Cost the project	Budgeted	April 2021	Awaiting procurement process
3.2 Merchandise			
Actions	Indicator	Target	
Review current line	Review to Board	July 2021	✓
Establish online store	Store live on Website	June 2022	In process

Financial Results

The results of the financial year 2020/21 are both disappointing and positive at the same time due the ongoing effects of COVID-19 shut downs and Causeway wind shut downs, plus the limitations of the number of passengers able to travel on the Tram at any one time. With the expertise of the management team, the Tram service was able to limit the financial impact of closures due to the causeway and from COVID-19 on the City of Victor Harbor, and at the same time still deliver a high quality experience to tourists.

During the 2020/21 peak Christmas period the impact of not having international and interstate visitors to Victor Harbor was very apparent and negatively affected income takings during this period. As much as South Australian's were visiting the region more than ever, they weren't necessarily spending on the Victor Harbor Horse Tram. The decision was made to increase our ticket pricing and in doing so we came close to mitigate losses during this period. There was a huge increase in interstate visitors over the Easter period, as many state borders were open, and this increase combined with the higher ticket prices saw some of the biggest income days ever recorded for the Victor Harbor Horse Tram.

With the positive results over the 2021 Easter period the VHHTA was able to see a snapshot of a post Covid-19 future, where social distancing and closed borders are a thing of the past. As Covid-19 vaccination levels rise, and as state and international borders open, the VHHTA expects that the operation will see an increased and more consistent income. Layered on top of this is the impending completion of the new Causeway which, once opened, will bring a new lease of life to the area, attracting new and return tourism, and ensure the Victor Harbor Horse Tram's continued service and ability to generate income into the future.

Budget Variance (1 July 2020 to 30 June 2021)

	Actual	Budget	Var AUD
Income			
CVH budget contribution	\$415,400	\$415,400	\$0
Donation Income	\$238	\$300	-\$62
Fleurieu Heritage Sales	\$190	\$240	-\$50
Group Sales	\$1,192	\$1,200	-\$8
Interest Income	\$16	\$0	\$16
Souvenir Sales	\$26,487	\$25,260	\$1,227
Ticket Sales	\$380,723	\$406,000	-\$25,277
Total Income	\$824,246	\$848,400	-\$24,154
Gross Profit	\$824,246	\$848,400	-\$24,154
Plus Other Income			
Causeway monitoring DIT payment	\$33,274	\$32,500	\$774
Total Other Income	\$33,274	\$32,500	\$774
Less Operating Expenses			
Administration Charge - Corporate Support	\$69,097	\$60,000	\$9,097
Administration Charge - Rent on Assets	\$20,407	\$42,000	-\$21,593
Advertising Expenses	\$1,372	\$7,800	-\$6,428
Amortization ROU	\$13,811	\$0	\$13,811
Authority Board Expenses	\$11,699	\$15,500	-\$3,801
Cleaning Expenses	\$5,775	\$5,400	\$375
Consultants and Professional Services	\$13,558	\$25,100	-\$11,542
Depreciation	\$166	\$0	\$166
Employee expenses	\$591,902	\$572,800	\$19,102
Horse Care Expenses	\$53,716	\$57,900	-\$4,184
Interest expense	\$1,827	\$200	\$1,627
Other Expenses	\$220	\$1,700	-\$1,480
Repairs and maintenance	\$22,506	\$17,500	\$5,006
Security Expenses	\$4,998	\$3,600	\$1,398
Staff Amenity Expenses	\$4,484	\$4,600	-\$116
Utility Expenses	\$8,776	\$11,500	-\$2,724
Vehicle and Travel Expenses	\$3,413	\$3,500	-\$87
office costs			
Bank Fees	\$856	\$900	-\$44
Insurance Expenses	\$30,224	\$29,500	\$724
Merchant Fees	\$2,606	\$2,500	\$106
Phone and Data Expenses	\$2,499	\$3,700	-\$1,201
Printing and Stationary Expenses	\$2,971	\$4,200	-\$1,229
Souvenir Purchases	\$11,775	\$11,000	\$775
Total office costs	\$50,931	\$51,800	-\$869
Total Operating Expenses	\$878,659	\$880,900	-\$2,241
Net Profit	-\$21,139	\$0	-\$21,139
Retained earnings	\$5,317	\$0	\$5,317
OPERATING SURPLUS / (DEFICIT)	-\$15,779		-\$15,779

Looking Ahead

With Covid-19 still very prominent in the world, the future for the Victor Harbor Horse Tram involves adapting to the new norms.

The new stable complex which is progressing along nicely, with completion now expected in 2022, is an exciting time for the Authority. To be able to provide the horses and the staff with this well-overdue facility will be extremely rewarding. With the stable complex on the horizon the VHHTA has now developed a business plan for “VIP Experiences” and also “Behind the scenes experiences” where the public can spend time with the tram horses at the stables and facilities. They will be treated to entertaining and educational talks provided by their host, demonstrations of varying training and horse care as well as horsey high tea’s and other events. Guests will be provided with the opportunity to spend intimate time with the horses, getting to know them in their home environment, an offering that is very frequently asked for by tram passengers and the broader public. The Board, with its vast array of skills, ideas and talents can at times struggle to hold back its enthusiasm and marketing ideas for this amazing, iconic, public service that this Council is able to offer the public.

This year many new staff were successfully trained methodically, thoroughly and with a view to continually presenting the horse tram as the professional and iconic service that it is. Going into the future the VHHTA intends to improve on staff offerings, introducing an entertaining and educational spiel, to be provided to passengers during their journey on the tram. Trained staff will deliver the material over a speaker system, increasing passenger’s knowledge and improving the experience overall. Staff are already adept at providing a vast array of information to individual consumers. The VHHTA is looking forward to improving and polishing these skills so that the information can be conveyed to a larger audience for a more rounded and wholesome experience

The VHHTA has been interested in and exploring into equine assisted therapies, which are used to treat all kinds of mental health conditions and also used for personal and professional development. Given the mental health crisis in South Australia, and only exasperated by Covid-19, the VHHTA is moving towards offering equine assisted learning, initially, and into the future equine assisted psychotherapy as staff skills and training are acquired. Three staff members are currently undertaking an Equine Assisted Learning (EAL) course, one of which is the General Manager.

The training will see the three-person team trained and qualified to immediately implement a program to provide EAL services to our local community. EAL is a unique approach to experiential learning, where clients are offered safe experiences with horses for the purposes of personal development, social, emotional and relationship skills building, enhancing quality of life, and, professional / skill development (e.g. leadership and team building). EAL is not therapy, and does not provide treatment for mental or behavioural healthcare issues.

Staff members intend to continue with further study that, within eighteen months, could see the VHHTA offering Equine Assisted Psychotherapy (EAP). EAP is a professional, innovative and experience-based approach to counselling, psychotherapy, and mental health that supports clients of all ages in addressing therapeutic goals (emotional, cognitive, behavioural, relational and spiritual issues, and mental health conditions), with horses as assistants, co-facilitators and teachers in this process. The VHHTA is passionate about mental health and is excited to have embarked down this road. Feedback regarding the coming program has been positive, so watch this space.

While our onsite, volunteer driven merchandise store has grown it has been hampered by the lack of a functional and comfortable, all weather merchandise area. An office refurbishment creating a fabulous and functional, indoor merchandise store is on its way. Once created the VHHTA will have a safe and comfortable space, front and centre to the horse tram's mainland platform, for our volunteers to really blossom. It is amazing what our volunteers have been able to achieve given the limited resources available to them. It will be exciting to see what they can do with right space and the right tools. The location and prominence will provide them with a wider audience to be able to facilitate the continued growth of merchandise sales and the recruitment of a rich and talented volunteer team. It was a pleasure this year to award our volunteers with life memberships to the VHHTA, well deserved!

VICTOR HARBOR HORSE TRAM AUTHORITY

General Purpose Financial Report
for the year ended 30 June 2021

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VICTOR HARBOR HORSE TRAM AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2021**

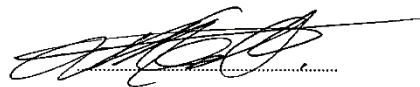
CERTIFICATION OF FINANCIAL STATEMENTS

I have been authorised by Victor Harbor Horse Tram Authority 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 Authority's financial position at 30 June 2021 and the results of its operations and cash flows for the financial year.
- 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 Authority's accounting and other records.



General Manager



Nigel Catt-Chairperson

Date: 8.9.2021

VICTOR HARBOR HORSE TRAM AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Income			
User charges	2	408	383
Other	2	449	404
Total Income		857	787
Expenses			
Employee costs	3	595	467
Materials, contracts & other expenses	3	267	317
Finance costs	9	2	-
Depreciation, amortisation & impairment	9	14	-
Total Expenses		878	784
Operating Surplus / (Deficit)		(21)	3
Asset disposal & fair value adjustments		-	-
Amounts received specifically for new/upgraded assets		-	-
Net Surplus / (Deficit)		(21)	3
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income		(21)	3

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

VICTOR HARBOR HORSE TRAM AUTHORITY

STATEMENT OF FINANCIAL POSITION
as at 30 June 2021

Assets	Notes	2021 \$'000	2020 \$'000
Current Assets			
Cash and cash equivalents	4	75	70
Trade & other receivables		31	55
Total Current Assets		<u>106</u>	<u>125</u>
Non-current Assets			
Infrastructure, Property, Plant & Equipment	9	152	-
Total Non-current Assets		<u>152</u>	<u>-</u>
Total Assets		<u>258</u>	<u>125</u>
Liabilities			
Current Liabilities			
Trade & Other Payables	5	67	105
Provisions	5	46	15
Borrowings	9	32	-
Total Current Liabilities		<u>145</u>	<u>120</u>
Non-Current Liabilities			
Provisions	5	9	-
Borrowings	9	120	-
Total Non-current Liabilities		<u>129</u>	<u>-</u>
Total Liabilities		<u>274</u>	<u>120</u>
Net Assets		<u>(16)</u>	<u>5</u>
Equity			
Accumulated Surplus		(16)	5
Total Equity		<u>(16)</u>	<u>5</u>

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

VICTOR HARBOR HORSE TRAM AUTHORITY

**STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2021**

	Accumulated Surplus	Total Equity
	\$'000	\$'000
Balance at start of period - 1 July 2020	5	5
Net Surplus/ (Deficit) for Year	<u>(21)</u>	<u>(21)</u>
Balance at end of period - 30 June 2021	<u>(16)</u>	<u>(16)</u>
Balance at start of period - 1 July 2019	2	2
Net Surplus/ (Deficit) for Year	<u>3</u>	<u>3</u>
Balance at end of period - 30 June 2020	<u>5</u>	<u>5</u>

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

VICTOR HARBOR HORSE TRAM AUTHORITY

STATEMENT OF CASH FLOWS
for the year ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000
Cash Flows from Operating Activities			
Operating receipts from customers		881	732
Investment receipts		-	-
Employee Costs		(574)	(452)
Materials, contracts & other expenses		(302)	(217)
Finance payments		-	-
Net Cash provided by (or used in) Operating Activities	6	<u>5</u>	<u>63</u>
Cash Flows from Investing Activities			
Net Cash provided by (or used in) Investing Activities		<u>-</u>	<u>-</u>
Cash Flows from Financing Activities			
Net Cash provided by (or used in) Financing Activities		<u>-</u>	<u>-</u>
Net Increase (Decrease) in cash held		5	63
Cash & cash equivalents at beginning of period	6	70	7
Cash & cash equivalents at end of period	6	<u>75</u>	<u>70</u>

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

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

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 equivalents to International Financial Reporting 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*.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of THE City of Victor Harbor.

1.2 Historical Cost Convention

Except where 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 which 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 thousand dollars (\$'000).

2 The Local Government Reporting Entity

The Victor Harbor Horse Tram Authority operates as a subsidiary pursuant to the Local Government Act 1999.

These financial statements have been prepared for use by the Constituent Council of the Authority.

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 'sufficient specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied. 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 a transaction where the consideration to acquire the 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 that 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 Authority satisfies its obligations under the transfer.

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

4 Cash, Cash Equivalents and other Financial Instruments

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

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. A detailed statement of the accounting policies applied to financial instruments forms part of Note 7.

5 Property, Plant & Equipment

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".

5.1 Initial Recognition

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

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.

As at reporting date, the Authority held no property, plant & equipment assets.

All plant and equipment assets deployed to provide services are hired by the Authority from the City of Victor Harbor as/when needed.

6 Payables

6.1 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 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

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

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

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

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

7.2 Superannuation

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with Superannuation Guarantee Legislation (9.5% in 2020/21; 9.5% in 2019/20). No further liability accrues to the Authority 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. The Authority makes employer contributions as determined by the Fund's Trustee based on advice for the appointed Actuary. The rate is currently 6.3% (6.3% in 2019/20) of 'superannuation' salary.

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

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

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

Contributions to Other Superannuation Schemes

The Authority 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 new assets of the scheme, and no further liability attaches to the Authority.

8 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards. Comparative information has not been amended for any changes to accounting standards.

9 Critical Accounting Estimates and Judgements

The Board evaluate 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 based on current trends and economic data, obtained both externally and within the Authority.

10 GST Implications

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

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.

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

11 New Accounting Standards

New accounting standards have come into effect as at 1 July 2020. The Authority has assessed that there is no impact to the accounting policies of the Authority as a result of the new requirements under these accounting standards given it has no deferred revenue arrangement nor long-term operating leases in existence.

12 Economic Dependence

The Authority provides horse tram services to the City of Victor Harbor and annually charges a fee to the Council to fund the costs of operating the Authority. The Authority is economically dependent on the Council annually funding the cost of the Authority's operations given insufficient income is generated through other services provided to fund the costs of operating the Authority.

For the 2020/21 financial year, the Council's contributed income accounted for 50.39% (2020: 51.2%) of total Operating Income recorded by the Authority.

VICTOR HARBOR HORSE TRAM AUTHORITY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021**

	Notes	2021 \$'000	2020 \$'000
Note 2 - INCOME			
USER CHARGES			
Ticket Sales		382	368
Souvenir Sales		<u>26</u>	<u>15</u>
		408	383
OTHER INCOME			
Council Contributions		415	403
DIT Payment		33	
Donations		<u>1</u>	<u>1</u>
		449	404
Note 3 - EXPENSES			
EMPLOYEE COSTS			
Salaries and Wages		506	420
Employee leave expense		23	(5)
Superannuation		45	43
Workers' Compensation Insurance		6	3
Other		<u>15</u>	<u>6</u>
		595	467

The Authority had 3 full time equivalent employees as at reporting date.

The City of Victor Harbor paid for the salaries and wages of the employees of the Authority until 22 October 2019. The comparatives for salaries and wages presented on the Statement of Comprehensive Income are the total salaries and wages paid by the Authority for the period from 23 October 2019 to 30 June 2020.

MATERIALS, CONTRACTS & OTHER EXPENSES

Auditor's Remuneration		3	-
Board Expenses		12	16
Advertising		1	7
Contractor Labour Costs (including on-costs)		-	-
Equipment Rental		20	44
External Contractors		6	4
Horse & Tram Maintenance Costs		76	111
Insurance		30	28
Other Expenses		36	39
Printing, Stationery & Postage		3	5
Professional services		<u>80</u>	<u>63</u>
		267	317

Note 4 - CURRENT ASSETS

CASH & EQUIVALENT ASSETS

Cash on Hand and at Bank		75	70
Deposits at Call		-	-
		<u>75</u>	<u>70</u>

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 5 - LIABILITIES

Notes	2021 \$'000		2020 \$'000	
	Current	Non-current	Current	Non-current
Trade & Other Payables				
Goods & Services	67	-	105	-
Accrued expenses - other	-	-	-	-
	<u>67</u>	<u>-</u>	<u>105</u>	<u>-</u>
Provisions				
Annual Leave	18	-	6	-
Long Service Leave	28	9	9	-
	<u>46</u>	<u>9</u>	<u>15</u>	<u>-</u>

Note 6 - 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 Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows

Notes	2021 \$'000	2020 \$'000
Total cash & equivalent assets	75	70
Less: Short-term borrowings	-	-
Balances per Cash Flow Statement	<u>75</u>	<u>70</u>

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

Net Surplus (Deficit)	(21)	3
Non-cash items in Income Statement		
Leave provision movement	<u>40</u>	<u>15</u>
	19	18
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	24	(55)
Net increase (decrease) in trade & other payables	(38)	100
Net increase (decrease) in other provisions	-	-
Net Cash provided by (or used in) operations	<u>5</u>	<u>63</u>

(c) Financing Arrangements

The Authority had no additional financing arrangements to disclose.

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 7 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.
Short Term Deposits

Terms & conditions: Deposits on Call do not have a maturity period.

Carrying amount: approximates fair value due to the short term to maturity.

Receivables - Gate Fees & Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful Associated Charges debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Carrying amount: approximates fair value (after deduction of any allowance).

Liabilities - Creditors and 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.
Accruals

Terms & conditions: Liabilities are normally settled on 30 day terms.

Carrying amount: approximates fair value.

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 Exposure

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 provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the 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 the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

VICTOR HARBOR HORSE TRAM AUTHORITY

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2021**

Note 7 - FINANCIAL INSTRUMENTS

Liquidity Analysis

2021	Maturity			Non- interest bearing \$'000	Total \$'000
	≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000		
Financial Assets					
Amortised Cost					
Cash Assets	75	-	-	-	75
Receivables	-	-	-	31	31
Total	75	-	-	31	106
Financial Liabilities					
Payables	-	-	-	67	67
Borrowings	-	-	-	-	-
Total	-	-	-	67	67

2020	Maturity			Non- interest bearing \$'000	Total \$'000
	≤ 1 year \$'000	> 1 year ≤ 5 years \$'000	> 5 years \$'000		
Financial Assets					
Amortised Cost					
Cash Assets	70	-	-	-	70
Receivables	-	-	-	55	55
Total	70	-	-	55	125
Financial Liabilities					
Payables	-	-	-	105	105
Borrowings	-	-	-	-	-
Total	-	-	-	105	105

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 8 - COMMITMENTS FOR EXPENDITURE

	Notes	2021 \$'000	2020 \$'000
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Expenditure Commitments

The Authority has no expenditure commitments to disclose.

Note 9 - OPERATING LEASES

Lease payment commitments of Authority

The Authority has no operating lease commitments to disclose.

The Authority has entered into a hire agreement with the City of Victor Harbor for the use of all plant and equipment used in the delivery of horse tram services provided. Set out below are the carrying amount of right of use assets recognized within Infrastructure, Property, Plant and Equipment and the movements during the period.

Right of use assets

	2021 \$'000	2020 \$'000
Initial recognition	166	-
Additions	-	-
Depreciation charge	(14)	-
At 30 June 2021	152	-

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

	2021 \$'000	2020 \$'000
Initial recognition	166	-
Payments	(14)	-
At 30 June 2021	152	-

Lease Liabilities are classified as:

	2021 \$'000	2020 \$'000
Current	32	-
Non-current	120	-
Total lease liabilities	152	-

The following are the amounts recognized in the profit and loss statement:

	2021 \$'000	2020 \$'000
Depreciation Expense	14	-
Interest Expense	2	-

VICTOR HARBOR HORSE TRAM AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 10 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events that occurred after reporting date that requires to be disclosed.

Note 11 - RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other prescribed officers as defined under Section 112 of the *Local Government Act 1999*. In all, 5 people were paid the following compensation:

	2021 \$'000	2020 \$'000
Salaries, allowances & other short term benefits	118	72
Long term benefits	-	-
TOTAL	118	72

Transactions with Related Parties:

The following transactions occurred with Related Parties

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Victor Harbor	415	31	Provision of Horse Tram services to local community

The Related Parties disclosed is the 100% equity owner of the Authority and are referred to as the Member Council. The Member Council has 100% control and influence on the financial and operating decisions of the Authority.

Note 12 – COVID 19 - Pandemic

The COVID-19 pandemic has impacted the 2020/21 financial. The financial impacts are a direct result of either the Authority response to the pandemic or due to mandatory shut downs as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

This included:

- Reduced user charges revenue due to causeway closures
- Additional costs for cleaning and contact tracing records.
- Less patrons due to number restrictions on tram.
- Interstate and international border closures.

The Authority estimates that the reduction in revenue and the increase of expenditure resulted in a decrease of approximately \$30,000 in the 2020/21 net result. The Authority is not able to determine whether further financial impacts will flow into the 2021/22 financial year. However, the Authority had determined that there is no material uncertainty that cast doubt on Authority's ability to continue as going concern. Furthermore, as described in note 12, the City of Victor Harbor contributes income to fund the cost of the Authority's operation.

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renaë Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
Luke Williams CA, CPA
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Mr Nigel Catt
Chairperson
Victor Harbor Horse Tram Authority
PO Box 11
Victor Harbor SA 5211

Chairperson of the board, Mr Nigel Catt

Re: Victor Harbor Horse Tram Authority – Audit clearance letter – 2020/21

We have recently completed our audit of the financial statements of the Victor Harbor Horse Tram Authority and intend to issue an unmodified report for the financial statements.

Our proposed independent auditor's report on the financial report is attached to this letter.

Australian Auditing Standards require us to advise all the Immaterial Uncorrected Misstatements found during the audit. There were no Immaterial Uncorrected Misstatements found as all misstatements identified by audit were adjusted in the financial report.

I confirm also my intention to sign the Statement by Auditor regarding my independence, and confirm that for the audit of the year ended 30 June 2021 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.

Yours faithfully,

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

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

Tim Muhlhausler CA Registered Company Auditor
Partner

16 September 2021

PROPOSED INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL REPORT

To the members of the Victor Harbor Horse Tram Authority

Opinion

We have audited the accompanying financial report of the Victor Harbor Horse Tram Authority (the Authority), which comprises the statement of financial position as at 30 June 2021, 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.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, Local Government Act 1999 and 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 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.

Authority's Responsibility for the Financial Report

The Authority 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 the Authority 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, the Authority is 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 either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority'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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Authority'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 Authority'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 Authority 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

16 September 2021

DRAFT STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of Victor Harbor Horse Tram Authority for year ended 30 June 2021, 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

Tim Muhlhausler
Galpins

Dated this day of 2021.



Southern & Hills Local Government Association

Adelaide Hills Council | Alexandrina Council | Kangaroo Island Council | Mount Barker District Council
City of Victor Harbor | District Council of Yankalilla |

ANNUAL REPORT

2020-2021



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Southern and Hills Local Government Association – Snapshot

6
Councils

SIZE
8,656
Square Kilometres

\$5.36b
GROSS REGIONAL PRODUCT

63,519
EMPLOYED RESIDENTS

5,539
KILOMETERS OF LOCAL ROADS

132,206
REGIONS POPULATION

TOURISM
Destination

Councils Total Revenue
\$192 MILLION

OCEAN COASTLINE OF
652
Kilometres

Largest Industry Employment
Health Care and Social Assistance



About the Southern & Hills Local Government Association region

The Southern & Hills Local Government Association was first formed in July 1969 and is now constituted as a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. Consisting of six (6) local government Councils:

- Adelaide Hills Council
- Alexandrina Council
- Kangaroo Island Council
- Mt Barker District Council
- City of Victor Harbor
- District Council of Yankalilla

Collectively these six (6) Councils have:

- ☑ More than 126,000 people as of 30th June 2020.
- ☑ 5,539 kilometres of local roads
- ☑ Area consists of 8,656 square kilometres.
- ☑ An ocean coastline of 652 Km.
- ☑ The River Murray and lakes form the southeast boundary of the region.
- ☑ The region has extreme diversity from the foothill suburbs of Adelaide to the isolation of the inaccessible west coast of Flinders Chase National Park.
- ☑ Significant areas within the region are under primary production include highly productive farm, horticulture, viticulture, forestry, fishing and intensive animal keeping enterprises and in the more undulating parts sheep farming, cereal growing and dairying.
- ☑ The region contributed nearly \$6 billion in gross value to the State economy
- ☑ Much of the area has, (by South Australian standards) a high rainfall.
- ☑ A large part of the area is within the 30 Year Plan for Greater Adelaide.
- ☑ Significant growth pockets both in population and development, placing demands on infrastructure and the natural environment.
- ☑ Projected change in the population to 2026 by approximately 25%.
- ☑ Within the region, Victor Harbor and Goolwa are key retirement destinations.
- ☑ Within the region, The Adelaide Hills, The Fleurieu and Kangaroo Island are all major tourism destinations.
- ☑ Kangaroo Island is a major component of the Australian and SA tourism plan with tourist numbers targeted to double over the next decade.

President's Report

It has been my pleasure to serve as President and Chair once again during 2020-2021.

I referred to the COVID19 virus pandemic in my previous years report and alluded to its impact "has been far reaching and yet to play out in full". Regrettably the impact has been far greater and longer and broader than we anticipated.

I wish to thank all S&HLGA member councils, all the elected members and the staff for their strong efforts to support each other and their own communities during this time.

Nonetheless we were still able as an organisation to continue the excellent work with many of our important regional programs and projects such as the work of the S&HLGA Roads Working Party and the development of a new 2030 Regional Transport Plan, monitoring the S&HLGA Regional Public Health plan and successfully rolling out two new critical social inclusion projects as well as implementing and monitoring the region's Climate Change Adaptation Plan.

We have continued to cement our many regional stakeholder and partner relationships, working very closely with the RDA to further the regional economic growth strategies and Infrastructure Plan, input into our two regional Landscape Boards Strategic plans supporting the establishment of the SA Coastal Councils Alliance as well as maintaining and reviewing key strategy and performance documents such as the Annual Action Items, Annual Budget and planning our new 2021-2025 Strategy and Business Plan. These activities are all designed to drive and improve the wellbeing of our communities.

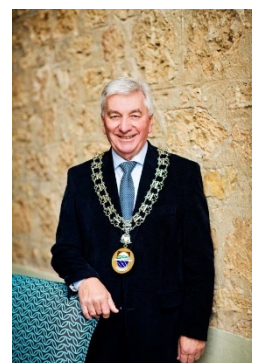
I would once again point out the S&HLGA Value proposition report documents a consistent four figure percentage return on member Council subscriptions demonstrating amazing value for member councils.

S&HLGA has been an active participant on the LGA regional SAROC committee.

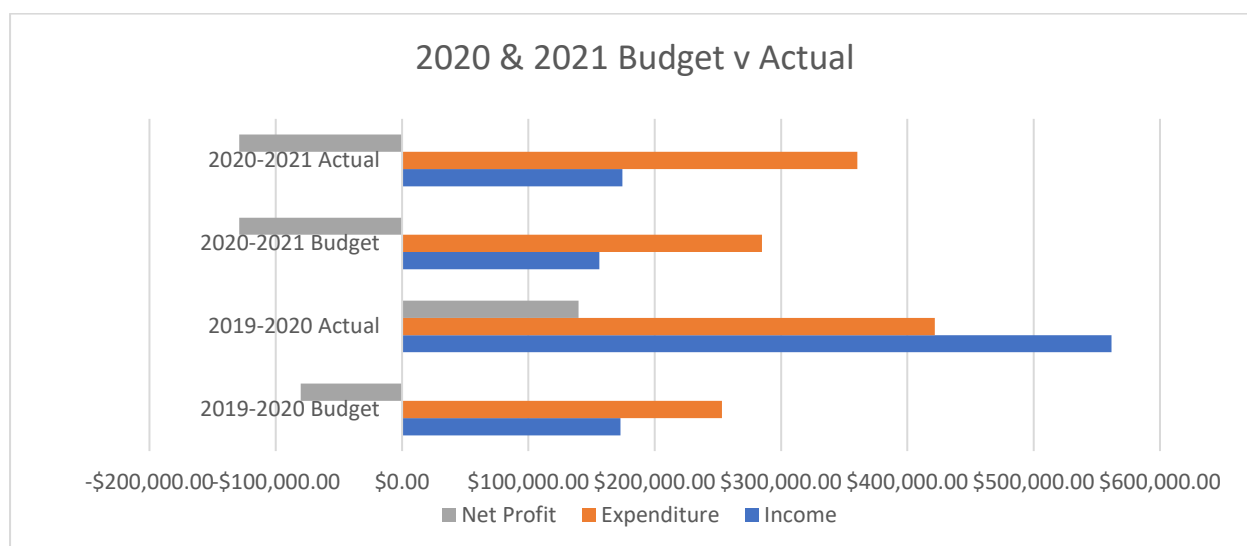
Thank you to our Executive Officer, Graeme Martin for his co-ordination and management and drive in supporting the body. He has been ably supported during 2020-2021 by Penny Worland in the Regional Public Health space.

In closing, I acknowledge and thank all the member councils for their support during the year and acknowledge the ongoing contribution of member Mayors and CEOs to the S&HLGA Board.

Mayor Keith Parkes
President



Dashboard 2020-2021



Transport

- **Commenced the new 2030 S&HLGA Transport Plan**
- **Recommended for Special Local Roads Funding of \$1,853,300**
- **Active participant in South East Transport Corridor Passenger and Freight Committees and forums**
- **Progressed the South Coast Freight Route concept**

Health and Wellbeing

- **Continued with the development of the \$50,00 Community Wellbeing Indicators project**
- **Implemented and monitored the regional and member Council actions of the “Wellbeing in our Community” Regional Public Health Plan for S&HLGA**
- **Activated the two S&HLGA disability and inclusions projects, \$76,464 Regional Champions for Accessible Destinations and \$81,408 Regional Champions for Accessible Communications**

Environment

- **Successfully negotiated and signed a new Climate Change Regional sector Agreement**
- **Implemented and monitored the actions of the Resilient Hills and Coasts Climate Change 2020-2025 Regional Action Plan**
- **Actively worked with the LGA and our regional Landscape Boards on developing strategies to combat and manage Little Corellas**

2021 S&HLGA Value Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$363,062	\$2,178,372
Capacity building	\$7,025	\$42,151
Total	\$390,087	\$2,340,523

ORGANISATION

S&HLGA Organisation and its Board structure, members and Office bearers

The Southern and Hills Local Government Association Board

July 2020

Council	Elected Member Representative	Council Staff Representative
Adelaide Hills	Mayor Jan – Claire Wisdom	CEO Andrew Aitken
Alexandrina Council	Mayor Keith Parkes	CEO Glenn Rappensberg
Kangaroo Island Council	Mayor Michael Pengilly	CEO Greg Georgopolous
Mt Barker District Council	Mayor Ann Ferguson	CEO Andrew Stuart
City of Victor Harbor	Mayor Moira Jenkins	CEO Victoria MacKirdy
District Council of Yankalilla	Mayor Glen Rowlands*	CEO Nigel Morris
	*resigned 17 June 2021	

Council	Proxy Representative	Role
Adelaide Hills	Lachlan Miller	Executive Manager Governance
Alexandrina Council		
Kangaroo Island Council	Bob Teasdale	Deputy Mayor
Mt Barker District Council	Samantha Jones	Councillor
City of Victor Harbor		
District Council of Yankalilla	Simon Rothwell*	Deputy Mayor
	*Appointed to S&HLGA Board 17 June 2021	

Office Bearers 2020 – 2021

President	Mayor Keith Parkes, Alexandrina Council
Deputy President	Mayor Moira Jenkins, City of Victor Harbor
Executive Officer	Mr Graeme Martin
Auditor	Mr Nathan Saluja, Jon Colquhoun - HLB Mann Judd

Elected under the provisions of the Constitution of the Local Government Association:

Delegates to LGA Board	Mayor Keith Parkes	
	Mayor Jan – Claire Wisdom (via Metro/GAROC)	
Delegates to SAROC	Mayor Keith Parkes	Alexandrina Council
	Mayor Moira Jenkins	City of Victor Harbor

**Southern & Hills Local Government Association
Past Presidents and Secretaries / Executive Officers**

Years	President	Council	Secretary / EO
2020 - 2021	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2019 – 2020	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2018 - 2019	Mayor Keith Parkes	Alexandrina Council	Graeme Martin
2017 – 2018	Mayor Keith Parkes ^g	Alexandrina Council	Graeme Martin
2016 - 2017	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2015 - 2016	Mayor Bill Spragg	Adelaide Hills Council	Graeme Martin
2014 - 2015	Mayor Bill Spragg ^f Mayor Ann Ferguson	Adelaide Hills Council DC Mount Barker	Graeme Martin
2013 - 2014	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2012 - 2013	Mayor Ann Ferguson	DC Mount Barker	Graeme Martin
2011 - 2012	Mayor Ann Ferguson	DC Mount Barker	Fred Pedler ^d Graeme Martin ^e
2010 - 2011	Mayor Ann Ferguson ^c Mayor Brian Hurn OAM	DC Mount Barker The Barossa Council	Fred Pedler ^b
2009 - 2010	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2008 - 2009	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2007 - 2008	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2006 - 2007	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2005 - 2006	Mayor Brian Hurn OAM	The Barossa Council	Fred Pedler ^b
2004 - 2005	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2003 - 2004	Mayor Kym McHugh	Alexandrina Council	Fred Pedler ^b
2002 - 2003	Mayor John Crompton ^a	City of Victor Harbor	Fred Pedler ^b
2001 - 2002	Mayor John Crompton	City of Victor Harbor	Fred Pedler ^b
1999 - 2000	Mayor Bernie Eglinton APM	DC Mt Barker	Fred Pedler ^b
1998 - 1999	Mayor Bernie Eglinton APM	DC Mt Barker	Dean Gollan
1997 - 1998	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1996 - 1997	Mayor Janice Kelly	Kangaroo Island Council	Barry Hurst
1995 - 1996	Mayor Anita Aspinall	DC Stirling	Peter Vlatko
1993 - 1994	Cr GR Mayfield	DC Yankalilla	Malcolm Davis
1991 - 1992	Mayor Val Ball	DC Strathalbyn	John Coombe
1989 - 1990	Cr Val Bonython	DC East Torrens	Eric March
1987 - 1988	Cr PD Secker	DC Mt Barker	Dean Gollan
1985 - 1986	Mayor Leon O'Driscoll	DC Strathalbyn	Vernon Cotton
1984 - 1985	Cr CA Phieffer	DC Onkaparinga	David Seaman
1982 - 1983	Cr Brian Pym	DC Mt Pleasant	Adrian Hamiester
1980 - 1981	Cr Roy Galpin	DC Port Elliot and Goolwa	Ron Wellington
1979	Mayor M Checker	DC Gumeracha	Malcolm Anderson
1978	Mayor M Checker	DC Gumeracha	John Grosvenor
1976 - 1977	Mayor A Davidson	DC Strathalbyn	Vernon Cotton
1975	Cr Ray Orr	DC Mt Barker	Reginald Walters
1974	Cr L Hughes	DC Meadows	Wally Richards
1969-1973	No minutes available		
30 th July 1969	First Constitution for S&HLGA Adopted		

Attendance register maintained for annual and half yearly conferences from 1968 to 1990

^a Until 12th May 2003 ^b Executive Officer ^c From February 2011 ^d To December 2011 ^e From January 2012

^f From February 2015 ^g From December 2017

REPORTING AND ACCOUNTABILITY

S&HLGA Reporting flow and performance monitoring

S&HLGA Administration - Flow



The Board

The Board held 6 ordinary bi-monthly meetings during the year. Board Members are generally the Mayor and Chief Executive Officer of each Council. To provide the opportunity for Board Members to gain firsthand knowledge of regional issues, meetings are hosted by Member Councils on a rotational basis and were held at:

Date	Host
21 August 2020	Mt Barker
23 October 2020	Adelaide Hills
11 December 2020	Alexandrina
26 February 2021	Kangaroo Island
16 April 2021	Adelaide Hills
18 June 2021	City of Victor Harbor

Key Issues acted on by the Board included:

- o Transferring, updating and maintaining of the S&HLGA Website to the new LGA Squiz platform
- o Implementing and monitoring the S&HLGA Regional Public Health Plan
- o Continued the development of the Community Wellbeing indicators project
- o Commenced the two ILC disability and social inclusion projects
- o Implementing and monitoring the S&HLGA Regional Climate Change Adaptation Plan and 2020-25 Regional Action Plan
- o Co-ordinated and signed new Climate Change regional sector agreement with DEW
- o Continued to work closely with the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and with RDA officers to implement the 2019 Regional Public Transport study, develop the regional Infrastructure Priority Plan, and the South East Transport Corridor review
- o **The South Australian Regional Organisation of Councils (SAROC)** is a Committee of the LGA that focuses on key issues affecting country Councils. The S&HLGA continues to support the Governance process by attending the meetings, contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils.
- o Commissioned the new 2030 Regional Transport Plan, Special Local Roads Program applications as well as the advocacy of the South Coast Freight Corridor and Public Transport in the region.
- o Having input into and supporting the LGA in developing and highlighting Local Government reform issues and advocacy with the State Government
- o Assisted in the development of the South Australian Coastal Councils strategy and funding model
- o Continued to discuss and develop an updated Charter for S&HLGA

Regional Consultations and briefings were usually coordinated to occur on the day of Board meetings. 5 various speakers addressed meetings of the Board.

The Board reviewed its achievements to date via the 2020-2021 Key Action Plan, tracked the Actual performance against Budget and developed a new Budget and Action Plan for 2021-2022

At the commencement of 2019-2020 the Board completed a review of its Annual Key Actions, the EO performance and its Annual Budget performance covering the previous period.

S&HLGA Value proposition

The S&HLGA provided a report back to its Council members on the estimated value of their membership. This is based on the same methodology utilised by the LGA in determining its membership value.

The value from membership in a regional organisation can be summarised in the following key categories; advocacy and representing the region, establishing and implementing high level regional partnerships and links, developing and strengthening regional capacity.

The table1 below summarise the ongoing value per council and for the region as a total.

2021 Summary	Average Value per Council	Total Value for the S&HLGA region
General advocacy	\$20,000	\$120,000
Programs and Projects	\$363,062	\$2,178,372
Capacity building	\$7,025	\$42,151
Total	\$390,087	\$2,340,523

Table 1

The table 2 below summarises and compares the S&HLGA membership subscriptions and levies total with the value per S&HLGA member Councils as measured in the value proposition over the past years

	2018	2019	2020	2021
Av Council membership	\$12,529	\$12,279	\$13,536	\$15,202
Value per Council	\$427,871	\$430,953	\$401,809	\$390,087
Return on Investment	3,375%	3,385%	2,968%	2,466%

Table 2

COMMITTEES, PROGRAMS AND PROJECTS

S&HLGA Committees, work groups and the programs and projects
undertaken during 2020-2021

Committees and Working/Task Groups

The S&HLGA EO was a member of the following Committees and Working Groups during the course of the year:

Committee	S&HLGA Executive Officer Role	Meeting Frequency	Comment
Regional Public Health	Secretarial/Administration	Every 2 months	ongoing
Resilient Hills & Coast - Climate change Adaptation	Secretarial/Administration	Every 2 months	ongoing
Regional Economic Development Officers	Committee member	Every 2 months	ongoing
Regional EO Management Group	Committee member	Every 2 months	Precedes SAROC
S&HLGA Advisory Group	Secretarial/Administration	As necessary	Precedes S&HLGA Board
S&HLGA Roads Works Group	Secretarial/Administration	Ad hoc but at least 3 times per annum	ongoing
S&HLGA CWMS User Group	Secretarial/Administration	As necessary	ongoing
SAROC	Advisor/Observer	Every 2 months	ongoing



S&HLGA Roads Working Group

The Roads Working Party (RWP) has its membership drawn from directors /managers of technical services of Councils and as required regional managers and infrastructure planners of the Department of Planning, Transport and Infrastructure.

The RWP held meetings on:

Date	Host
15 December 2021	LGA Offices
22 April 2021	HDS (Aust) Pty Ltd offices

Key achievements and outcomes:

- Evaluated the tenders and appointed the consultant for the development of the 2030 S&HLGA Transport Plan
- Co-ordinated the application process of Councils to the SLRP.
- Made recommendations for the SLRP 2021 – 2022 based on the 2020 Transport Plan critical Roads database.

- Reviewed Part A drafts of the next 2030 S&HLGA Transport plan due for completion in 2021
- Further input into the South Coast Freight Corridor concept
- The following projects were recommended, based on the methodology of the Plan and proposed funding under the Special Local Roads Program for 2021 – 2022

Project	Council	Total Project Cost for this stage	SLRP request	Council contribution	comment
Wedgewood/Hickmans Rd	Kangaroo Island	\$1,650,000	\$1,100,00	\$550,000	Stage 4 of 4
Forktree Rd	District Council of Yankalilla	\$1,130,000	\$753,300	\$376,700	Stage 2 of 2
The Lane	Kangaroo Island	\$1,024,000	\$682,666	\$341,334	Stage 1 of 2
Total		\$3,804,000	\$2,535,966	\$1,268,034	



S&HLGA Regional Public Health Plan

S&HLGA Regional Public Health Committee (RPHC) has its membership drawn from Health, Environment and social planning officers of the member Councils

The S&HLGA RPHC held meetings on:

Date	Host
14 July 2020	Alexandrina, Goolwa
8 December 2020	Alexandrina, Strathalbyn
2 March 2021	City of Victor Harbor
18 May 2021	Video Conference

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implement and monitor the Wellbeing in Our Community- Regional Public Health Plan
- Liaise with LGA officers responsible for Public Health Programs
- Liaise with SA Public Health Office
- Represent the region at Forums and workshops
- Liaise with Public Health Researchers
- Prepare funding submissions for regional Public Health projects

Key achievements and outcomes:

- Of significant importance was the further development and administration of the Community Wellbeing Indicators project
- In addition, the region successfully commenced the two ILC grants for disability and inclusion projects for Communications and Destinations.



S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills and Coasts)

Resilient Hills and Coasts has its membership drawn from Environmental officers of the member Councils, RDA, Department of Water and Environment, Green Adelaide and Landscapes Board

The S&HLGA Regional Climate Change Adaptation Committee (Resilient Hills & Coast) held meetings on:

Date	Host
8 October 2020	District Council of Yankalilla
2 December 2020	Adelaide Hills, Stirling
11 March 2021	Alexandrina, Goolwa
25 May 2021	Adelaide Hills, Stirling

Primary tasks and focus for this committee:

- Attendance at Committee meetings to implementation and Monitoring of the Regional Climate Change Adaptation Plan for S&HLGA:
- S&HLGA presentations as required
- Implement and monitor the 2020-2025 Regional Action Plan
- Represent the region at forums and workshops
- Liaise with various "Climate Change" State Government agencies and authorities

Key achievements and outcomes:

- Developed and signed off on 2020-2025 Regional Sector Agreement
- Assisted South Australian Coastal Councils with funding and governance model
- Worked with SAROC developing a Little Corella management strategy
- Liaised with Hills and Fleurieu Landscape Board and had input into its Strategic Plan and annual business plan



Regional Economic Development Network Committee

The S&HLGA has strongly supported the activities and research of the Adelaide Hills Fleurieu and Kangaroo Island Regional Development Australia Board and worked closely with RDA officers to partner with the organisation in the general Economic Development of the region.

This Committee has been formed with the Economic Development Officers from the S&HLGA Member Councils under the guidance of the RDA.

The RDA Economic Development Network Committee held meetings on:

Date	Host
10 August 2020	Video Conference
12 November 2020	Yankalilla, Normanville
8 February 2021	McLaren Vale
17 May 2021	Lobethal

Primary tasks and focus for this committee:

- To share information, achieve procurement and resource sharing efficiencies and develop a regional infrastructure Plan
- Identify and collating infrastructure projects from Council plans
- Grade them according to Local, District or Regional category, dollar value and impact and probability
- Review the criteria to insure relevant social and environmental impacts are captured
- Generally, identify and develop regional economic growth strategies and opportunities

Key achievements and outcomes:

- Continued advocacy on behalf of effected Councils for bushfire recovery funding
- Assisted and guided applicants with their Federal Government Building Better Regions Fund
- Worked through the meeting Action items
- Shared information and knowledge about individual Council projects and programs



Regional LGA Organisations EO Management Group

The Regional LGA EO group has its membership drawn from each of the Executive Officers of the respective regional LGA organisations

The Regional LGA Organisations EO Management Group held meetings on:

Date	Host
2 July 2020	LGA House
27 August 2020	Whyalla
16 December 2020	LGA House
3 February 2021	Video Conference
28 April 2021	In - studio Adelaide

Primary tasks and focus for this committee:

- To provide input into the sector, develop capacity, share knowledge and develop co-operation between the regions:
- Have input into SAROC Business Plans and the Agenda
- Develop a working relationship with the LGA Management team
- Have input into sector issues
- Advocate on behalf of the regions
- Share information and provide collegiate support
- Develop a priority issues and action list

Key achievements and outcomes:

- Input into the SAROC 2020-2021 Business Plan
- Identified critical regional issues with CWMS and Waste recovery and developed research discussion papers on same
- Lead reviews of Special Local Roads Program and LGA Regional Capacity Building Grant program



SAROC

The South Australian Regional Organisation of Councils (SAROC) is a Committee of the LGA that focuses on key issues affecting country Councils.

The S&HLGA supports the Governance process by contributing to agenda items for SAROC meetings, the distribution of Key Outcomes Statements and/or Minutes of meetings to S&HLGA Board meetings and collegiate support to prepare submissions on behalf of country Councils that included:

Key achievements and outcomes:

- Review of the 2020 SAROC Annual Business Plan and development of the 2021 SAROC Annual Business Plan
- Working on the management and control of abundant pest species particularly Little Corellas
- Assist and input into the development and rollout of the new Planning and Design Code

- Continued working on Coastal Council Alliance project and the development of its Governance structure, strategic plan and funding model
- Taking a leadership position on Waste and recycling strategy
- Continued its work with the State Government on support for the second tranche of Climate Change and adaptation sector partner agreements
- Continued working with the State Government on the role of the LG sector in any economic recovery and stimulus programs
- Advocated to address deteriorating medical services in regional areas



MP Relationships

In conjunction with the CEO and Chair of the RDA, the EO S&HLGA met regularly with the regions State government MPs (Finniss, Kavel and Heysen) to discuss key priorities and policy impact for the region.

Federal MP Rebekha Sharkie (Mayo) and/or members of her team were regular attendees at S&HLGA Board meetings

Regional Research Papers and Submissions

The following Papers and Submissions have been prepared on behalf of Member Councils during the course of the year:

- 2021 Value proposition
- Review of the S&HLGA Charter
- Response and input into the Hudson Howell review of the Special Local Roads Program
- Report for the signing of the second Climate Change Regional Sector agreement
- Report for the continuance of the exemption for an Audit Committee

Workshops and seminars

The Executive officer represented the member Councils at various workshops and seminars during the course of the year:

Date	Event
September 2020	LGA Reform workshop
October 2020	RDA Rail Corridor meeting
October 2020	LGA AGM
February 2021	Hills Transport passenger group workshop
February 2021	Premiers Climate Change Council of SA Leaders Awards
March 2021	Hills Transport freight group workshop
April 2021	Bailey Abbott opportunities meeting
May 2021	LGA SLRP workshop

LGA Board

Mayor Jan – Claire Wisdom (Adelaide Hills Council) along with Mayor Keith Parkes (Alexandrina Council) have represented the Southern and Hills Region at the Local Government Association State Board meetings.

Resources

The continuation of the capacity building grant from the Local Government Research and Development Scheme has improved the capacity of the Executive Officer that has been applied across a range of Association projects and programs during the year.

Part of the additional capacity has supported the administrative processes and project outcomes around the S&HLGA Roads Working Party and the applications to the Local Government Transport Advisory Panel, involvement with SAROC, the regional EO group, the regional committees and various reports, submissions and forums throughout the year.

Mr Graeme Martin has provided Executive Officer services to the Association.

Penny Worland has provided under contract, project oversight of the S&HLGA Community Wellbeing Indicators project, ILC Champions for accessible destinations, ILC Champions for accessible communications and a preliminary review of the current S&HLGA Regional Public Health plan in anticipation of a new S&HLGA 2021 Regional Public Health plan as required under legislation.

2020-2021 KEY ANNUAL ACTION PLAN

S&HLGA Key Annual Action Plan report for 2020-2021



KEY CATEGORIES & THEMES

THE 2017-2021 S&HLGA BUSINESS PLAN

OBJECTIVE
1. To provide leadership and advocacy for Member Councils on regional issues.
2. To market & promote the Southern & Hills Local Government Association
3. To support sustainable economic, environmental and social development in the region
4. To improve infrastructure to meet the community's needs.
5. To strengthen the capacity of the Association to meet its service obligations.

THE 2020-2021 S&HLGA ANNUAL KEY ACTION PLAN











Key themes

The LGA member's 2019 poll highlighted three major themes- Local Government reform, Waste strategy and Environmental/Climate change issues.

S&HLGA response:

- Managing in a post COVID 19 environment with expected revenue headwinds for member Councils – doing with less!
- The assessment of the history of S&HLGA value proposition demonstrates the high value of regional collaboration
- Be prepared for the “other side” and build in flexibility and nimbleness to respond to post COVID 19 recovery. Focus on the likely infrastructure opportunities via the co-operation with our RDA in refining our regional Infrastructure Priorities list
- Identify those projects and committees which may have to hibernate during 2020-2021. Actively seek external funding.
- Along with Business as usual in the administration area the Key 2020-2021 Action is the project scoping, appointment and production of the 2030 Regional Transport Plan
- Focus on any priority areas which have been on the radar but so far received minor attention. e.g., Waste

Theme	Items & Actions
General Administration (sound financial and compliance management)	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals.
Projects and support (sustainability and development)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Community Wellbeing Indicators project, 2030 Regional Transport Plan
Leadership, advocacy and marketing	LG reform, Continue relationship building with Government MPs, Website transition & maintenance, Peri-Urban grouping
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, External Funding, Regional Development Assessment Panel, Telecommunications and 5G

Theme	Items & Actions	Item	Status	Comment
General Administration (sound financial and compliance management)	Budget, Charter Review, Board meetings, Subscriptions and Levies, Key Actions, Audit, Annual Report, Grant reporting & acquittals, 3 year S&HLGA forward forecast	Budget		2020-2021 Budget adopted June 2020
		Charter review		Awaiting approval April 2021
		Subscriptions & levies		Members invoiced July 2020
		Audit		Completed July-August 2020
		Annual Report		Completed and distributed by 30 September 2020
		LGA Grants		Annual LGA Regional Capacity application submitted and received by 30 Sept 2020
		Website		Transitioned to Squiz. Maintained during 2020-21. Updated March 2021.
Projects and support (sustainability and development)	Regional Public Health Plan, Resilient Hills & Coast Climate adaptation Plan, Regional Transport Plan	Regional Public Health Plan		Defer new Regional Public Health Plan until 2021-2022. Maintain Committee and conclude Community Wellbeing Indicators project
		Resilient Hills & Coast Climate adaptation Plan		Defer appointment of regional Co-ordinator unless it is externally funded. Maintain Committee and continue to implement the Regional Climate Change adaptation plan.
		Regional Transport Plan		2020-21 SLRP applications submitted and successful. 2021-22 due 28 May 2021. South Coast Freight corridor concept review. New 2030 Transport Plan being developed

Theme	Items & Actions	Item	Status	Comment
Leadership, advocacy and marketing	LGA Peri-Urban Governance review, New Government Policies and LG Reform, Relationship building with State Government MPs,	LGA peri Urban Governance review		Peri-urban regional organisation to be investigated
		LG reform		Continue to work with the LGA/SAOC
		Relationship with MPs		Regularly meeting
Opportunities (capacity and infrastructure)	CWMS, Waste, Regional Infrastructure Plan, External Funding and telecommunications	CWMS		Committee to meet regularly. Liaise with Legatus
		Waste		Liaise with the regional Waste Authorities to co-ordinate the regional strategy around waste management and the circular economy
		Infrastructure Plan		Recent RDA priority project forum/ Committee meeting regularly
		External funding		Project based and WIP. Overabundant species research required. Funding for Climate Change Officer required
		Telecommunications		Seek funding opportunities as presented

Key		Not on track/overdue / yet to commence
		Past due date but some minor action commenced
		Past due date / action commenced and on track
		completed / no further action required

Category	S&HLGA Role	Item	Comment/Description
Administration	Active/Lead	Charter Review	Draft tabled Dec 2020. Draft Charter out with Member Councils for consideration. All Council feedback now received. Estimated completion date now Sept 2021
	Active/Lead	Budget 2020-2021	Endorsed by Board 19/06/2020. 2021-2022 Budget out for information.
	Active/Lead	Key Action 2020-2021	Endorsed by Board 19/06/2020. 2021-2022 Key Action plan out for comment

Category	S&HLGA Role	Item	Comment/Description
	Active/Lead	Regional Capacity grant acquittal 2019-2020	Completed 21/07/2020
	Active/Lead	Audit 2019-2020	Completed 31/08/2020
	Active/Lead	Annual Report 2019-2020	Completed
	Active/Lead	2021-2022 year forward financial forecast	Draft 2021-2022 Budget issued April 2021 for discussion. Engagement plan with member elected bodies on offer. SAG to consider a draft 3 year Budget and funding model.
Projects – Lead/S&HLGA Committee	Active/Lead	Regional Public Health Plan	Ongoing. Committee has recommended a refresh to the Regional Plan due in 2021. Looking for an internal resource to undertake this task
	Active/Lead	Resilient Hills & Coast	On going
	Active/Lead	S&HLGA Advisory Group	Focus to move to 2021-2025 Business Plan, 2021-2022 Budget and Annual Key Action Plan have been discussed and recommended for endorsement at June Board meeting
	Active/Lead	Road Works Party	S&HLGA 2030 Transport Plan in progress with HDS and GTA. EO currently working with LGA on the LGA/Hudson Howell SLRP paper and recommendations
	Active/Influence	CWMS	Legatus Group now leading sector review
Projects – Lead	Active/Lead	Grants Commission methodology review	Ongoing
	Lead/Partner/Influence	Regional LGA Management Group	Regular meeting of the LGA EOs and development of priority projects in conjunction with SAROC
Projects - Partner	Partner/Influence	Coastal Alliance project	Adam Gray appointed as project consultant Jan 2020. Strategic & Business Plans developed. Governance and Funding paper out for discussion. Decision required by S&HLGA Coastal councils re: funding
	Partner/Advocate	Telecommunications	Advocating for regional black spot funding and ready for 5G
	Partner/Influence	Economic Development Officers Forum	RDA lead but focus on Regional Infrastructure plan, Federal stimulus opportunities and Public

Category	S&HLGA Role	Item	Comment/Description
			Transport. Last meeting 17 May 2021
	Partner/Influence	Waste Management Strategy	EO on the Steering Committee. Project completed and with LGA for decision and action
	Partner/Advocate	Northern Freight Bypass	Co-ordinating next phase with RDA. Workshop completed 1 Dec. Ongoing review of the SE Hills Transport Corridor. Two sub committees formed Meetings 23 and 26 March 2021. Report being finalised
	Partner/Influence	Overabundant Species	S&HLGA/LGA/Landscapes Board working on collaborative project for managing Little Corellas
Relationships	Active/Lead/Influence	State MPs/Federal MP	Continue regular catch ups during 2020-2021
	Active/Lead/Influence	Peri –Urban Group	Advocate and seek input from potential expanded Council members into a larger peri – urban Regional Organisation. Meeting convened by Gawler Council August 2019. Information conveyed to Adelaide Plains Mayor Nov 2019 Planned meeting with Barossa in 2021

Acronyms

AICD.....	Australian Institute of Company Directors
CEO.....	Chief Executive Officer
CWMS.....	Community Wastewater Management Systems
DEW.....	Department of Environment and Water
EO.....	Executive Officer
ESCOSA.....	Essential Services Commission of South Australia
GAROC.....	Greater Adelaide Region of Councils
LGA.....	Local Government Association
MDBA.....	Murray Darling Basin Authority
MOU.....	Memorandum of Understanding
NBN.....	National Broadband Network
NRM.....	Natural Resources Management
OLG.....	Office of Local Government
PIRSA.....	Primary Industries & Regions SA
RH&C.....	Resilient Hills and Coasts Committee
RDA.....	Regional Development Australia
RPHC.....	Regional Public Health Committee
RWP.....	Roads Works Party
SA.....	South Australia
SAROC.....	South Australian Regional Organisation of Councils
S&HLGA.....	Southern and Hills Local Government Association
SLRP.....	Special Local Roads Program

FINANCIALS

S&HLGA Audited Financial statement for 2020-2021

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

FINANCIAL STATEMENTS

Statement of Comprehensive Income for the Year Ended 30th June 2021

	Notes	2021 \$	2020 \$
Income			
Subscriptions	1.8	91,214	81,214
Operating Grants	2.2	42,151	423,581
Investment Income	1.7	1,258	2,282
Other		39,832	54,478
Total Income		<hr/> 174,455	<hr/> 561,555
Expenditure			
Contractual Services	3	153,741	243,951
Finance Charges		4,036	3,958
Other		202,560	173,850
Total Expenditure		<hr/> 360,338	<hr/> 421,759
Surplus (Deficit) from Operations		<hr/> (185,882)	<hr/> 139,796

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Balance Sheet as at 30th June 2021

	Notes	2021 \$	2020 \$
Current Assets			
Investments		201,700	376,271
Debtors		<u> </u>	<u>10,450</u>
Total Current Assets		<u>201,700</u>	<u>386,721</u>
Current Liabilities			
Accounts Payable		0	14,300
GST		(9,912)	(6,179)
PAYG Payable		2,576	2,760
Employee provisions		23,194	4,117
Rounding		(15)	(15)
Superannuation payable		906	906
Wages payable		<u>3,406</u>	<u>3,406</u>
Total Current Liabilities		<u>20,156</u>	<u>19,295</u>
Net Current Assets		<u>181,544</u>	<u>367,426</u>
Net Assets		<u>181,544</u>	<u>367,426</u>
Equity			
Accumulated Surplus		<u>181,544</u>	<u>367,426</u>
Total Equity		<u>181,544</u>	<u>367,426</u>

The above Balance Sheet should be read in conjunction with the accompanying notes

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Changes in Equity for the Year Ended 30th June 2021

	2021	2020
Notes	\$	\$
Accumulated Surplus		
Balance at beginning of period	367,426	227,630
Net Surplus / (Deficit)	<u>(185,882)</u>	<u>139,796</u>
Balance at end of period	<u>181,544</u>	<u>367,426</u>
Total Equity	<u>181,544</u>	<u>367,426</u>

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

Statement of Cash Flows for the Year Ended 30th June 2021

	Notes	2021	2020
		\$	\$
Cash Flows from Operating Activities			
Receipts		202,013	678,147
Payments		(390,984)	(448,083)
GST Paid (received)		17,179	(33,398)
Finance Costs		(4,037)	(3,958)
Interest Receipts		1,258	2,282
		(174,571)	194,990
Net Cash Provided by (Used in) Operating Activities		(174,571)	194,990
Net increase/(decrease) in Cash Held		(174,571)	194,990
Cash at the beginning of the reporting period		376,271	181,281
Cash at the end of the reporting period		201,700	376,271

Reconciliation of Change in Net Assets to Cash from operating activities

		2021	2020
			\$
Net Surplus		(185,882)	139,796
Decrease / (Increase) in Debtors		10,450	137,225
(Decrease) / Increase in Accounts Payable		860	(2,031)
(Decrease) / Increase in Grants in Advance		-	(80,000)
		(174,571)	194,990
Net Cash provided by Operating Activities		(174,571)	194,990

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

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

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 Southern & Hills Local Government Association is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, Alexandrina Council, Kangaroo Island Council, Mt Barker District Council, City of Victor Harbor and District Council of Yankalilla.

All funds received and expended by the Association have been included in the financial statements forming part of this financial report.

1.2 Historical Cost Convention

Except where 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

1.5 Non Current Assets and Non Current Liabilities

The Association has no non current assets or non current liabilities.

1.6 Employees

The Association has one employee having converted the EO from contractor to employee in February 2019.

1.7 Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

1.8 Subscriptions

Clause 6 of the Charter of the Association prescribes that subscriptions (not levies) by Constituent Councils are equal.

Constituent Council Subscription 2021	\$13,667
Constituent Council Subscription 2020	\$12,000

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.9 Income recognition

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

1.10 Cash

For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis.

1.11 New accounting standards for application in future periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and interpretations that have mandatory application dates for future periods. The organisation has assessed that it is not expected to be materially impacted by those changes.

2 Functions / Activities of the Association

2.1 Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note 2.2.

2.2 The activities of the Association are categorised into the following broad functions:

Administration: The operation of the Office of the Association and its decision making forums.

Special projects: The research into and implementation of projects prescribed by Acts or regulations or approved by Board decision.

Note 2.2 Functions / Activities of the Southern & Hills Local Government Association

Administration

Year	Revenue				Expenses		Surplus (Deficit)
	Grants	Other	Total Revenue	%	Expenses Total	%	
2021	0	92,472	92,472	53.0%	205,278	56.9%	(112,806)
2020	104,959	120,640	225,599	40.2%	176,808	41.9%	48,791
Projects							
2021	62,251	19,732	81,983	47.0%	155,060	45.4%	(73,077)
2020	318,622	17,334	335,956	59.8%	244,951	58.1%	91,005
Total							
2021	62,251	112,204	174,455	100%	360,338	100%	(185,882)
2020	423,581	137,974	561,555	100%	421,759	100%	139,796

SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

3. Contractual Services

Contractual Services involve payments or liabilities for the external provision of services and include (net of GST):

		2021	2020
Consultants:	Jeanette Pope	\$20,400	\$0
	URPS	\$47,496	\$0
	HDS Australia Pty Ltd	\$28,810	\$5,653
	Centre for Inclusive design	\$10,500	\$0
	Seed Consulting	\$0	\$117,182
	Jack Jensen	\$17,500	\$60,222
	Penny Worland Consulting	\$27,455	\$60,894
	ILC Advisors	\$1,580	\$0
Totals		\$153,741	\$243,951

4. Comparison of Budget and Actual Results

	2021		2020	
	Budget	Actual	Budget	Actual
	\$	\$	\$	\$
Revenue				
Administration	92,214	92,472	152,914	225,599
Projects	63,910	81,983	20,033	335,956
Total Revenue	156,124	174,455	172,947	561,555
Expenditure				
Administration	184,449	205,278	175,750	176,808
Projects	100,559	155,060	77,400	244,951
Total Expenditure	285,008	360,338	253,150	421,759
Surplus (Deficit)	(128,884)	(185,882)	(80,203)	139,796

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern & Hills Local Government Association to certify the financial statements in their final form. In our opinion:

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

Dated 31st August 2021



Graeme Martin
EXECUTIVE OFFICER



Mayor Keith Parkes
PRESIDENT

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern & Hills Local Government Association for the year ended 30 June 2020, the Association's Auditor, HLB Mann Judd, 169 Fullarton Rd, Adelaide, 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*.

Dated 31st August 2021



Graeme Martin
EXECUTIVE OFFICER



Mayor Keith Parkes
PRESIDENT

The Board
C/- Graeme Martin
Executive Officer
Southern & Hills Local Government Association
13 Ringmer Drive
Burnside SA 5066

TO THE BOARD MEMBERS OF SOUTHERN & HILLS LOCAL GOVERNMENT ASSOCIATION

**STATEMENT OF AUDITORS INDEPENDENCE
ANNUAL FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2021**

I confirm that, for the audit of the financial statements of Southern & Hills Local Government Association for the year ended 30 June 2021, 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 that reads 'HLB Mann Judd'.

**HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants**

Adelaide, South Australia
31 August 2021

A handwritten signature in blue ink that reads 'Jon Colquhoun'.

**Jon Colquhoun
Director**

hlb.com.au

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Independent Auditor's Report to the Members of Southern & Hills Local Government Association

Opinion

We have audited the financial report of Southern & Hills Local Government Association ("the Association") which comprises the Balance Sheet as at 30 June 2021, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Association as at 30 June 2021, and its financial performance and its cash flow for the year then ended in accordance with Australian Accounting Standards.

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 Association in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Board Members for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as management 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, management is responsible for assessing the Association'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 management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Board Members are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

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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 in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management'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 Association'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 Association 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 Board Members 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.

HLB Mann Judd

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
31 August 2021



Jon Colquhoun
Director

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**Southern and Hills Local Government Association
Independent Assurance Report**

Qualified Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Southern and Hills Local Government Association ('Association') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2020 to 30 June 2021 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, in all material respects:

- (a) The controls established by the Association in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2020 to 30 June 2021.

Basis for Qualified Opinion

The Association sought exemption from the requirement in clause 30 of Schedule 2 of the *Local Government Act 1999*. The Minister granted the exemption on the basis that the Association would periodically review and update its internal controls and encouraged the use of the practical and contemporary guidance material on internal controls issued by the Local Government Association's 'Better Practice Model – Internal Financial Controls'.

The Association's 'Operations Manual – Finance Policy' is available on the Association's website and was last updated in October 2014.

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 Engagement on Controls, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects. 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 qualified opinion.

The Associations Responsibility for Internal Control

The Association is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives
- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

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Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 Quality Control for Firms that Performs 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 Authority's compliance with Section 125 of the Local Government Act 1999 in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical 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 Authority 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 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected. An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitations of Use

This report has been prepared for the members of the Authority 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 Authority, or for any purpose other than which it was prepared.



HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
31 August 2021



Jon Colquhoun
Director

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Fleurieu Regional Waste Authority

Annual Report 2020-21



FLEURIEU REGIONAL
WASTE AUTHORITY



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Message

From the Independent Chairperson

It is my pleasure to present the Fleurieu Regional Waste Authority Annual Report for 2020-21.

The 2020-21 financial year was a challenging year, yet another one, following China Sword and the continuing pandemic. It was a year where the Authority and our member Councils collaborated on a number of issues to ensure that the Authority continues to deliver positive outcomes for the Councils and their communities that it serves.

It is now the tenth year of operation of the Authority and, together with the member Councils, a significant review of the Authority's constitutional document, known as its Charter, was undertaken. The Councils recognise that the Authority is working in a dynamic, progressive and extremely competitive industry and agreed to amend the Charter in order to ensure that it is well placed, moving forward, to achieve its strategic objectives and to activate a local circular economy.

The other foundation document that the Authority and the Councils have worked together on, in a collaborative partnering approach, was the Fleurieu Regional Waste Authority Business Plan 2021-24. The Business Plan contains a raft of innovative initiatives to ensure that the Authority achieves the objectives goals of its Strategic Plan. The initiatives range from providing kitchen caddies in every home to expanding the services we provide and the development of a carbon emissions reduction road map. It was reassuring that all member Councils approve the plan in the early part of 2021.

The Board also took steps to improve and evolve the governance oversight of the Authority by not extending the Ministerial exemption but, instead, forming an Audit Committee accordance with the Local Government Act 1999. The Board formed the Audit Committee in June 2021 which will comprise up to five members including two who are independent. This, in my view, is a further example of the evolving maturity of what is now, an established Authority.

Financially, the Authority provided a positive outcome for all Councils with a healthy surplus, before extraordinary liabilities. Relevantly, the Authority, increased its own source revenue from a budgeted 24% to 28%, due to increased patronage at the Waste and Recycling depots as well as through an increase in the range of services it offered to the community.

However, in March 2021, staff discovered traces of asbestos within recycled road rubble that the Authority produces as part of its resource recovery activities at the Goolwa Waste and Recycling Depot. The Environment Protection Authority was notified and we have been working with consultants and contractors to remediate affected properties. The contamination has been found to date back to December 2018 with approximately 26,000 tonne of material being sold since that time. At the time of writing this Message, over 138 properties have registered as having purchased or received contaminated material with 5 properties fully remediated.

Whilst the remediation process has commenced with the contaminated material removed from 5 properties at the time of writing, Administration has undertaken a review of all recycling activities and implemented appropriate risk-management processes to minimise the risk of any recurrence. This is

an unfortunate incident, one that the Authority did not identify, but one which serves to highlight the challenges in resource recovery in the circular economy.

I am particularly proud of the increase in the range of services that FRWA now provides to the Council communities, in particular the Weekly Food Waste Collections for businesses and the Special Collections Services where residents and businesses can arrange additional waste collection services outside of the schedule of their normal collections. These services demonstrate a level of responsiveness to community but also innovative business-thinking that goes to less reliance on Council funding.

In the latter part of the financial year, the Authority was recognised for its part in the bush fire recovery program on Kangaroo Island. It was named as a finalist in the Local Government Professionals SA 2021 Leadership Excellence Awards, Excellence in Disaster Recovery & Emergency Response Management Award.

In closing, I recognise and thank the Management Team led by our Executive Officer, Simon Grenfell but also expressly acknowledge all of our employees for their ongoing commitment and support in providing the diverse, efficient and flexible resource management services that our communities are proud of. I also recognise and thank my fellow Board members for their vision, wise counsel and support over the past twelve months, noting that many will no longer be Board members into the future, consequent upon the changes being made to the governance structure of the Authority. Finally, special mention must be made of the support that the Authority has received from the CEO's of the member Councils over the past 12 months, in working through some of the challenging issues. Thank you, all.

Michael Kelleedy
Independent Chairperson
Fleurieu Regional Waste Authority



FRWA Governance

FRWA is administered by a Board in accordance with the requirements of the *Local Government Act 1999* and the Fleurieu Regional Waste Authority Charter. The membership of the Board comprises nine members including an Independent Chairperson, to govern and lead the Authority. The eight other members, comprise an elected member and an officer from each Constituent Council. This year we welcomed two new members in Paul Simpson from Kangaroo Island Council and Karen Rokicinski from the City of Victor Harbor. Paul Simpson replaced John Fernandez who has been a long time supporter of the Authority and has been either a Board member or deputy member over the past ten years. Karen replaced Glen Sanford who retired from the Board at the end of last year.

This year changes were made to the governance structure via the amended Charter that will see a revised Board in 2021/22.

Board Members: Paul Simpson, Simon Grenfell (EO), Karen Rokicinski, Tim Glazbrook, Elizabeth Williams, Alistair Christie, Michael Kelledy (Independent Chairperson), Andy Baker, Peter Denholm, Michael Scott.



The Board held seven meetings during the 2020-21 financial year. Given the wide area that the Authority covers, it holds Board meetings in each Council area during the year. The table below details the Board Member attendance.

Board Member	Meetings
Mr Michael Kelledy (Independent Chairperson)	7 of 7
Mr Andy Baker (District Council of Yankalilla)	6 of 7
Cr Alistair Christie (District Council of Yankalilla)	6 of 7
Cr Peter Denholm (Kangaroo Island Council)	7 of 7
Mr John Fernandez (Kangaroo Island Council)	2 of 2
Mr Paul Simpson (Kangaroo Island Council)	5 of 5
Cr Tim Glazbrook (City of Victor Harbor)	7 of 7
Ms Karen Rokicinski (City of Victor Harbor)	5 of 5
Cr Michael Scott (Alexandrina Council)	7 of 7
Ms Elizabeth Williams (Alexandrina Council)	6 of 7

Deputy Board Member	Meetings
Mr Brian Doman (City of Victor Harbor)	1 of 2
Mr Mark van der Pennen (Alexandrina Council)	1 of 1

Schedule 2 to the *Local Government Act 1999*, requires local government subsidiaries to establish an Audit Committee to ensure that the Authority meets its legislative and probity requirements as required by the Act and other relevant legislation, standards and codes.

FRWA was been granted an exemption from this provision by the Minister of Local Government until June 2021 from this requirement. A condition of this exemption is that FRWA establish an Internal Audit Committee to provide oversight of its risk and audit functions.

The Internal Audit committee held seven meetings during the 2020-21 financial year. The table below details the Internal Audit Committee Member attendance

Internal Audit Committee Member	Meetings
Mr Peter Fairlie-Jones (Independent Chairperson)	7 of 7
Cr Alistair Christie (District Council of Yankalilla)	6 of 7
Cr Tim Glazbrook (City of Victor Harbor)	4 of 4
Ms Karen Rokicinski (City of Victor Harbor)	4 of 5
Ms Elizabeth Williams (Alexandrina Council)	7 of 7
Mr Andy Baker (District Council of Yankalilla)	3 of 3
Brian Doman (City of Victor Harbor)	1 of 2

Executive Officer Report

The waste and resource sector is always throwing up challenges and this year was no different.

Despite the challenges of COVID-19, lockdowns, changing community behaviours and managing contaminated materials; we achieved the priority actions in the 2020-21 Business Plan.

This year we also undertook a number of initiatives to increase the range of services we provide to the community and reduce waste to landfill.

FRWA now provide weekly food waste collections for commercial businesses and special on-demand waste collections for business and holiday home owners that have a bin that needs to be collected urgently.

We rolled out kitchen caddies to Mt Compass households and undertook a Summer Recycling Collections Pilot. These initiatives will provide long term benefits through waste diversion and provide vital information for the development of policies and services in the future.

We have continued to improve the management of our business with the implementation of the 3Logix Waste Track system in our collection vehicles.

The weekly FOGO collections for commercial businesses allows people to recycle their food waste at work as well as at home. While special bin collections provides a service for holiday home owners to ring up and order an out of cycle bin collection. We also formalised the collection program for caravan parks that is tailored to meet their needs. These

programs provide a foundation for further diversion of waste from landfill into the future.

This included a Summer Recycling Collection Trial that provided weekly collection of Recycling bins and FOGO bins in the Chiton and Hayborough area this resulted in a diversion rate of 84% and provided valuable information that will inform the setting of summer time services in the future.

Food Waste is still the number one contributor of waste to landfill. In analysing our collection data it was found that Mt Compass had low presentation rates of FOGO Bins and higher bin weights than most other areas. FRWA supported by Alexandrina Council and Green Industries SA delivered kitchen caddies to all Mount Compass households, provided educational material, promoted the program through local publications and Facebook. The Mount Compass Area School got on board and implemented FOGO bins throughout their school to demonstrate how circular use of material. Peats Soils donated 150 bags of compost to give away as prizes.

The program was a success increasing the FOGO bin presentation rate from 42% to 58% and increased FOGO collection by 45%.

FRWA continues to be held up as the leading regional waste authority. I made presentations to the Green Industries SA Regional Waste Forum, the Waste Management Association Australia State Conference and to the Murray Lands and Riverland LGA. I also provided advice and assistance to the Copper Coast Council in its transition to fortnightly collection of kerbside waste and recycling.

The discovery of small traces of asbestos in crushed rock at the Goolwa Waste and Recycling Depot has been devastating for our recycling practices. We have reviewed our recycling practices. We have reviewed our processes and are currently developing Recycled Product plans to ensure that we have procedures and practices in place that eliminates the risk of this occurring again.

FRWA will be working with consultants and contractors over the next twelve months to remediate the impacted properties and eliminate any risks to health and property.

This year's achievements would not have been possible without the commitment and hard work of the FRWA Board, the Constituent Councils and, importantly the staff of FRWA. I look forward to continuing to work with member Councils and the Board to build on these achievements into the future.

Simon Grenfell

Executive Officer

Fleurieu Regional Waste Authority



KIRRC Supervisor Brian Biddell with mulch produced by the FRWA In-Vessel Composter.

Our Mission & Objectives

About FRWA

The Fleurieu Regional Waste Authority (FRWA) is a local government regional subsidiary of the Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council. With a vision of *“FRWA will provide diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community are proud of”*.

Objectives

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

Key Performance Indicators

- Increase kerbside diversion rates from 50% to 70% by 2030
- Reduce the amount of organic waste in the blue bin from 44% to less than 15% by 2025
- Reduce contamination of the recycling bin to less than 8% by 2025
- Reduce greenhouse gas emissions of FRWA by 30% by 2030

Objective 2: Advocate and facilitate a local circular economy

Key Performance Indicators

- Value of recovered materials is increased by 10% by 2025
- Reduce freight kilometres by 5% by 2025
- Constituent councils purchase recyclable materials equivalent to 30% by weight of material collected in the yellow bin.

Objective 3: Provide flexible services that meet the needs of councils, residents and visitors.

Key Performance Indicators

- Reduce the number of bin banks in rural areas by 15% by 2025
- Increase range of services provided to customers by 20% by 2025
- Increase range of services provided to constituent Councils by 2025

Objective 4: Provide efficient and effective Regional Subsidiary

Key Performance Indicators

- Reduce the cost of kerbside collection per property by 5% by 2025, excluding CPI and solid waste levy
- Reduce the cost to councils of waste transfer station operations by 10% by 2025 excluding CPI and solid waste levy.

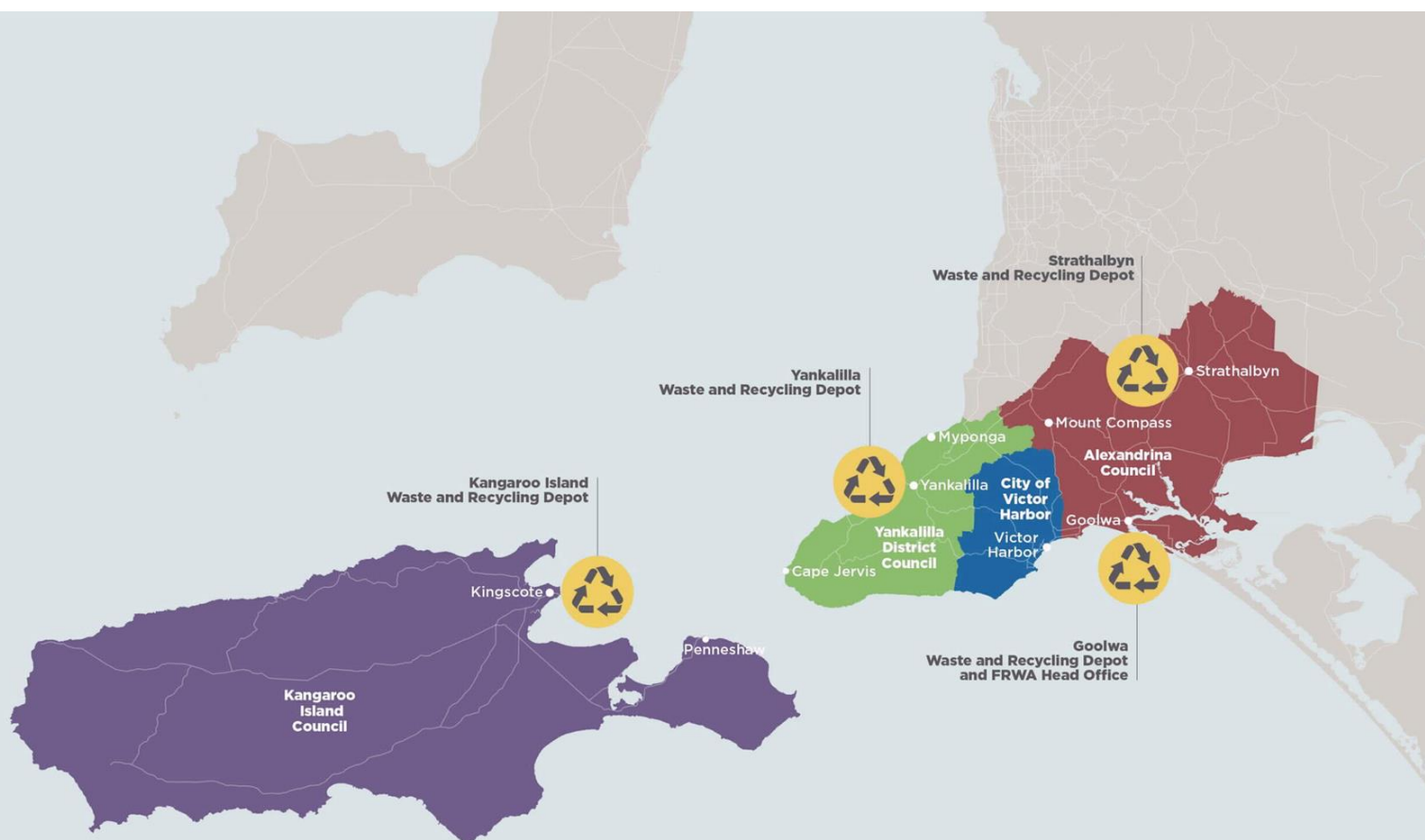
Our Services

The Fleurieu Peninsula and Kangaroo Island covers 7,341km² and has a resident population of 54,000 which increases by up to 50% in coastal areas during holiday periods.

FRWA is a fine example of local governments working together to achieve efficiencies across boundaries. We are capturing the best practices brought over from the Councils: reducing waste going to landfill, increasing recycling, and promoting a cleaner and healthier environment for today and tomorrow.

We offer a range of services to the communities we serve including:

- 3-bin fortnightly collection of kerbside waste
- Public Waste and Recycling Depots in Goolwa, Yankalilla, Strathalbyn and Kingscote
- Public Litter Bin collections
- Additional Waste Collection Services including: Event Bins, Weekly commercial FOGO collections, Exceptional Circumstances Bins
- Community Waste Education
- Customer Service
- Sale of composting equipment, kitchen caddies, bins and supplies
- Representation and advocacy on behalf of constituent Councils.



Kerbside Collection Services

FRWA has a fleet of 13 collection vehicles and provides fortnightly collection of waste, recycling and Food Organics Garden Organics to over 32,000 properties.

The kerbside collection teams continued to review their operations and improve their efficiency using data from the 3Logix Waste Track system installed in 2019/20.

These improvements included:

- The review and adjustment of the collection runs on Kangaroo Island
- Review and adjustment of collections runs around Strathalbyn
- The removal of five bin banks in Alexandrina Council
- Elimination of manual run sheets

FRWA have also sought to increase the range of kerbside waste collection services to the community.

To support and encourage the community to separate their waste and improve their recycling practices it is critical that they have access to services that suit their needs. FRWA provide a range of additional collection services including Exceptional Circumstances Bins and Additional Bins. This year we implemented a number of new services including:

Weekly Commercial FOGO

The Weekly Commercial FOGO service is aimed at commercial food producing businesses such as cafes, clubs and restaurants that are environmentally focused and want to

divert their food waste from landfill. The weekly collection of 140 litre bins does this. We developed a range of flyers, stickers and educational material as part of this service and are currently collecting 20 bins from 12 businesses across the Fleurieu Peninsula.

Special Collections Policy

Our community is diverse and varied and this is reflected in their waste management needs. To cater for this FRWA now provide a Special Collection Service where residents can ring up and book a collection of their general waste bin outside their regular collection cycle. This is particularly useful for holiday houses and businesses that create more waste than they can dispose of as part of their normal waste collection service.

Caravan Park Collection Policy

Collection services for Caravan Parks were previously unregulated and FRWA simply provided the service that the parks wanted. To encourage better management of waste FRWA created a Caravan Park Waste Collection Policy which details the services FRWA provides and the fees and charges. This has reduced the number of bins put out by caravan parks and the time our collection vehicles are spending collecting the waste.

These new services has led to a 47% increase in additional bin services and increased revenue. More importantly increased personal responsibility for waste management.

The diversion of waste from landfill is a key driver for FRWA. We collect data across all of our businesses to monitor and measure our diversion. This year we reviewed the presentation of our statistics and provided a trending graph to better represent the changes in waste generation.

COVID-19 continues to impact our waste streams in different ways. It appears that DC Yankalilla and KI Council had an influx of visitors which has increased total waste production, in particular MSW. This has had a negative impact on those Councils diversion rates. WRD's have seen an increase in activity due to an active economy supported by government grants.

This financial year kerbside material tonnages increased by 7%, with increases across all waste streams. Waste diversion across the region increased from 58% to 59% with the City of Victor Harbor achieving 62% diversion of waste from landfill with FOGO becoming the predominate waste stream for that Council.

As a region our kerbside diversion rates increased from 58% to 59% and WRD diversion rates remained static at 80%. These rates are still amongst the highest in South Australia.

COUNCIL	WASTE	FOGO	RECYCLING	DIVERSION
Alexandrina	+2% 4711	+4% 4123	+4% 2731	+1% 59%
City of Victor Harbor	+5% 2605	+0% 2611	+1% 1647	+2% 62%
DC Yankalilla	+13% 1163	867 -1%	+9% 635	0% 56%
Kangaroo Island	+22% 986	+21% 394	+20% 530	+2% 48%
Total (tonnes)	+6% 9465	+3% 7996	+5% 5544	+1% 59%

*Tonnes collected compared to 2019/20

Waste and Recycling Depots

The FRWA Waste and Recycling Depots continue to provide an important service to the communities.

All waste and recycling depots have experienced a significant increase in patronage and incoming waste.

Across the region, waste managed by the waste and recycling depots has increased by 21%. Customer numbers have increased at the Goolwa Waste and Recycling Depot by 13%.

Waste diversion from landfill has increased to 84% for the region with significant increases in diversion at the Yankalilla WRD and Kangaroo Island Resource Recovery Centre. Mulch and compost sales have been strong across the region with over 13,000m³ being sold from our depots.

This resulted in an increase in revenue and positive results for Councils.

The KIRRC continued to assist the KI Community recover from the bush fires of 2020 by receiving 3000m³ of chipped timber waste. This is being composted via our in-vessel composter and sold back to the community.

The Gosse fire waste disposal site was fenced and revegetated by the Kangaroo Island

Landscape Board with 300 tube stock and direct seeded with 6kg of seeds.

FRWA completed its plant replacement program for the year replacing the following plant items:

- 2 Robotic Arm Collection Vehicles
- Skid Steer Loader at the KIRRC
- Waste Education Officer Ute.

To improve access to transactional data and reduce paperwork for our staff a point of sale terminal was installed at the Strathalbyn Waste and Recycling Depot. It is planned to roll out point of sale terminals to the Yankalilla and Kangaroo Island facilities in the 2021-22 financial year.

FRWA continues to support the community through its policies with 53 organisations receiving \$250 credit to dispose of waste at our depots or purchase bins.

84% Waste diverted from landfill

53 community organisations receive \$250 towards waste management costs.

13,861 m³ of mulch sold back to the community.



Volunteers from the KI Landscape Board planting at the Gosse fire waste site.

Waste Education and Projects

Waste Education continues to be an important part of FRWA's activities. This year we had to adapt our approach with public education activities reduced due to COVID-19, therefore we focused on specific projects.

The summer period is a great time to be on the Fleurieu Peninsula. It is a time for holidays, celebrations and good times. Managing waste and recycling has always been a challenge for the Authority and Councils with additional collections of bins always scheduled.

The general waste bin is currently collected weekly for 6 weeks from mid-December to the end of January. This has worked well previously and is a service that is welcomed by the community, but as our community becomes better recyclers and less prone to just throw everything in the waste bin they start to demand more recycling services.

This year FRWA undertook a Summer Recycling Collection Trial in the Chiton Hayborough area where for the six week summer period FOGO and Recycling bins were collected weekly and General Waste was collected fortnightly.

The trial was a huge success with the community supporting the additional collections. 84% of waste from the trial area was diverted from landfill. Further work will be done in 2021/22 prior to making recommendations to member Councils for the 2022/23 summer.

With Food Waste still the number one contributor of waste to landfill. In analysing our collection data it was found that Mt Compass had low presentation rates of FOGO Bins and higher bin weights than most other areas. FRWA supported by Alexandrina Council and Green Industries SA delivered kitchen caddies to all Mount Compass households, provided educational material, promoted the program through local publications and Facebook. The Mount Compass Area School got on board and implemented FOGO bins throughout their school to demonstrate how circular use of material. Peats Soils donated 150 bags of compost to give away as prizes.



Mel from the Motherduck Café with her commercial FOGO bin

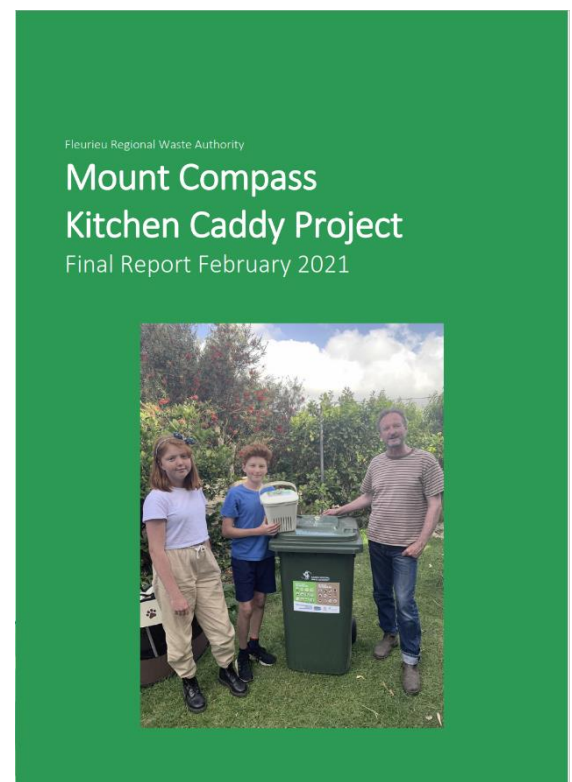
The program was a success increasing the FOGO bin presentation rate from 42% to 58% and increased FOGO collection by 45%. Our staff further supported the increase in FOGO by promoting and developing infrastructure for the Weekly FOGO Collection Service.

We continued to review our kerbside collection calendars and this year upgraded the Kangaroo Island Collection Calendar to match the “Which Bin” style formatting.

We have improved our digital communications with FRWA establishing a Facebook Page. We now have nearly 500 followers and our posts reaching over 11,000. We continue to improve this platform with competitions and informative posts that engage the community.

We are currently in the process of upgrading our website with it planned for completion in September 2021.

Our Waste Education staff are also utilising the 3Logix Waste Track System and are sending out letters to households regarding contamination.



Mount Compass FOGO Poster



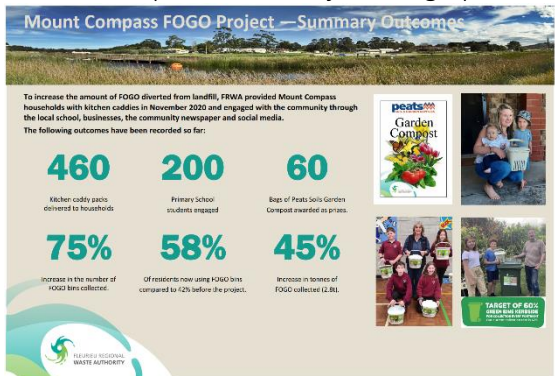
Kangaroo Island Kerbside Collection Calendar



Weekly Food Waste Brochure



Mount Compass FOGO Project Infographic



FLEURIEU REGIONAL WASTE AUTHORITY

Financial Statements

Fleurieu Regional Waste Authority
General Purpose Financial Reports
for the year ended 30 June 2021

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FLEURIEU REGIONAL WASTE AUTHORITY




ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Authority 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 Authority's financial position at 30 June 2021 and the results of its operations and cash flows for the financial year.
- 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 Authority's accounting and other records.


.....
Michael Kelledy
CHAIR OF THE BOARD


.....
Simon Grenfell
EXECUTIVE OFFICER

Date: 22 September 2021

Fleurieu Regional Waste Authority
Statement of Comprehensive Income
for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
INCOME			
User charges	2	9,024,433	9,083,674
Grants, subsidies and contributions	2	159,570	234,771
Investment income	2	338	2,581
Reimbursements	2	7,140	15,349
Other income	2	30,009	9,064
Total Income		9,221,490	9,345,439
EXPENSES			
Employee costs	3	3,084,886	3,115,286
Materials, contracts & other expenses	3	15,238,693	5,356,982
Depreciation, amortisation & impairment	3	659,550	706,091
Finance costs	3	99,545	114,629
Total Expenses		19,082,674	9,292,988
OPERATING SURPLUS / (DEFICIT)		(9,861,184)	52,451
Asset disposal & fair value adjustments	4	12,821	40,653
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		(9,848,363)	93,104
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		(9,848,363)	93,104

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

Fleurieu Regional Waste Authority
Statement of Financial Position
as at 30 June 2021

		2021	2020
ASSETS	Notes	\$	\$
Current Assets			
Cash and cash equivalents	5	1,385,180	1,983,227
Trade & other receivables	5	894,345	492,572
Inventories	5	92,353	94,273
		<u>2,371,878</u>	<u>2,570,072</u>
Total Current Assets		<u>2,371,878</u>	<u>2,570,072</u>
Non-current Assets			
Infrastructure, property, plant & equipment	6	4,327,509	4,154,770
Total Non-current Assets		<u>4,327,509</u>	<u>4,154,770</u>
Total Assets		<u>6,699,387</u>	<u>6,724,842</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	7	1,441,944	1,918,201
Contract Liabilities	7	829,393	360,745
Borrowings	7	810,587	461,466
Provisions	7	10,153,644	228,203
Other current liabilities	8	182,021	333,367
Total Current Liabilities		<u>13,417,589</u>	<u>3,301,982</u>
Non-current Liabilities			
Borrowings	7	2,190,843	2,458,850
Provisions	7	64,579	89,273
Total Non-current Liabilities		<u>2,255,422</u>	<u>2,548,123</u>
Total Liabilities		<u>15,673,011</u>	<u>5,850,105</u>
NET ASSETS		<u>(8,973,627)</u>	<u>874,736</u>
EQUITY			
	Notes	\$	\$
Accumulated Surplus		(8,973,627)	874,736
TOTAL EQUITY		<u>(8,973,627)</u>	<u>874,736</u>

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

Fleurieu Regional Waste Authority
Statement of Changes in Equity
for the year ended 30 June 2021

2021	Notes	Accumulated Surplus \$	TOTAL EQUITY \$
Balance at end of previous reporting period		874,736	874,736
Net Surplus / (Deficit) for Year		(9,848,363)	(9,848,363)
Other Comprehensive Income		-	-
Balance at end of period		(8,973,627)	(8,973,627)

2020	Notes	Accumulated Surplus \$	TOTAL EQUITY \$
Balance at end of previous reporting period		781,632	781,632
Net Surplus / (Deficit) for Year		93,104	93,104
Other Comprehensive Income		-	-
Balance at end of period		874,736	874,736

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

Fleurieu Regional Waste Authority
Statement of Cash Flows
for the year ended 30 June 2021

		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
Receipts:			
User charges		9,115,302	9,172,959
Investment receipts		338	2,581
Grants utilised for operating purposes		159,570	154,771
Payments:			
Employee costs		(3,084,886)	(3,115,286)
Materials, contracts & other expenses		(5,948,671)	(4,066,457)
Finance payments		(104,056)	(110,455)
Net Cash provided by (or used in) Operating Activities	9	137,597	2,038,113
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts:			
Amounts specifically for new or upgraded assets		-	80,000
Sale of replaced assets		153,956	108,545
Payments:			
Expenditure on renewal/replacement of assets		(948,344)	(1,173,926)
Expenditure on new/upgraded assets		(22,370)	(113,030)
Net Cash provided by (or used in) Investing Activities		(816,758)	(1,098,411)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts:			
Proceeds from borrowings		785,980	1,166,664
Payments:			
Repayments of borrowings		(704,867)	(597,547)
Net Cash provided by (or used in) Financing Activities		81,113	569,117
Net Increase (Decrease) in cash held		(598,048)	1,508,819
Cash & cash equivalents at beginning of period	9	1,983,227	474,409
Cash & cash equivalents at end of period	9	1,385,180	1,983,227

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

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

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 22 September 2021.

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.

There is significant uncertainty in the estimation of the provision for remediation costs of \$9,877,286 (refer to Note 3 Expenses, Note 7 Liabilities and Note 18 Economic Dependence), which is the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

The key estimates and assumptions used to determine the provision for remediation costs include the number of properties requiring remediation, the quantity of waste to dispose, consultant costs to manage the remediation process and contractor costs for site remediation.

Other areas of estimation uncertainty are given in the relevant sections of these Notes.

1.4 Rounding

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

2 The Local Government Reporting Entity

The Fleurieu Regional Waste Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1226 Port Elliot Road, Goolwa South Australia 5214. 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.

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

Council contributions

Revenue from Council contributions is recognized as the services are performed over the financial year.

Waste Disposal Operations

Revenue from waste disposal operations is recognized at the point in time the service is provided to the customer.

4 Cash, Cash Equivalents and other Financial Instruments

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

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 10.

5 Inventories

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

6 Infrastructure, Property, Plant & Equipment

6.1 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.

6.2 Materiality

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

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

6.4 Depreciation of Non-Current Assets

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

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

6.5 Impairment

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

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

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

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.

8 Contract Liabilities

Contract liabilities represent the Authority's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Authority recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Authority has transferred the goods or services to the customer.

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 Employee Benefits

10.1 Salaries, Wages & Compensated Absences

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

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

FLEURIEU REGIONAL WASTE AUTHORITY

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Superannuation

The Authority makes employer superannuation contributions in respect of its employees to the employees' nominated superannuation fund. No changes in accounting policy have occurred during either the current or previous reporting periods.

11 *GST Implications*

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

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

12 *New and amended standards and interpretations*

The Authority applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. New standards and amendments relevant to the Authority are listed below. The Authority has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to AASB 101 and AASB 108 Definition of Material:

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Authority.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME

	Notes	2021 \$	2020 \$
<u>Revenue from Contracts with Customers:</u>			
USER CHARGES			
Council Contributions		6,271,291	5,621,498
Waste Disposal Operations		2,753,142	3,462,176
		<u>9,024,433</u>	<u>9,083,674</u>
<u>Other Revenue and Other Income:</u>			
INVESTMENT INCOME			
Interest on investments:			
Banks & other		338	2,581
		<u>338</u>	<u>2,581</u>
REIMBURSEMENTS			
- other		7,140	15,349
		<u>7,140</u>	<u>15,349</u>
OTHER INCOME			
Sundry		30,009	9,064
		<u>30,009</u>	<u>9,064</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Other grants, subsidies and contributions		159,570	234,771
		<u>159,570</u>	<u>234,771</u>
		<u>159,570</u>	<u>234,771</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSE

	Notes	2021 \$	2020 \$
EMPLOYEE COSTS			
Salaries and Wages		2,458,191	2,489,385
Employee leave expense		204,117	241,711
Superannuation	15	217,712	211,018
Superannuation - defined benefit plan contributions	15	19,876	11,065
Workers' Compensation Insurance		126,584	109,080
Other		58,406	53,027
Total Operating Employee Costs		3,084,886	3,115,286
Total Number of Employees		32	34
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		13,000	11,670
- Auditing of Internal Controls		2,000	2,000
Bad and Doubtful Debts		-	-
Board members' expenses		23,217	24,839
Rental charge - accrued		85,764	84,000
Subtotal - Prescribed Expenses		123,981	122,509
<u>Other Materials, Contracts & Expenses</u>			
Contractors		1,755,537	1,664,662
Energy		554,708	607,232
Waste Disposal		1,853,719	1,680,254
Maintenance		413,486	380,836
Legal Expenses		4,741	41,739
Parts, accessories & consumables		154,317	191,611
Professional services		93,384	61,911
Sundry		407,534	606,228
INDIVIDUALLY SIGNIFICANT ITEMS			
Provision for remediation costs	1.3,7,18	9,877,286	-
Subtotal - Other Materials, Contracts & Expenses		15,114,712	5,234,473
		15,238,693	5,356,982
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Plant, machinery & equipment		659,550	706,091
		659,550	706,091
FINANCE COSTS			
Interest on Loans		99,545	114,629
		99,545	114,629

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 4 - ASSET DISPOSALS AND FAIR VALUE ADJUSTMENTS

	2021	2020
Notes	\$	\$
INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT		
<i>Assets renewed or directly replaced</i>		
Proceeds from disposal	153,956	108,544
Less: Carrying amount of assets sold	141,135	67,891
Gain (Loss) on disposal	12,821	40,653
NET GAIN (LOSS) ON DISPOSAL OR REVALUATION OF ASSETS	12,821	40,653

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - CURRENT ASSETS

	Notes	2021	2020
CASH & EQUIVALENT ASSETS		\$	\$
Cash on Hand and at Bank		455,186	1,456,657
Deposits at Call		929,994	526,570
		<u>1,385,180</u>	<u>1,983,227</u>
TRADE & OTHER RECEIVABLES			
Debtors - general		892,920	477,991
Prepayments		1,425	14,581
Total		<u>894,345</u>	<u>492,572</u>
Less: Provision for Impairment		-	-
		<u>894,345</u>	<u>492,572</u>
<i>Amounts included in receivables that are not expected to be received within 12 months of reporting date.</i>		-	-
INVENTORIES			
Stores & Materials		92,353	94,273
		<u>92,353</u>	<u>94,273</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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

		2020 \$'000				2021 \$'000			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
		Plant, machinery & equipment	4,154,770	7,364,399	(3,209,629)	4,154,770	4,327,509	7,268,743	(2,941,234)	4,327,509
Office equipment, furniture & fittings	-	3,280	(3,280)	-	-	-	-	-	
Buildings & other structures	-	3,181	(3,181)	-	-	-	-	-	
Total IPP&E		4,154,770	7,370,860	3,216,090	4,154,770	4,327,509	7,268,743	(2,941,234)	4,327,509
	Comparatives	3,641,795	7,259,458	(3,617,663)	3,641,795	4,154,770	7,370,860	3,216,090	4,154,770

		2020 \$								2021 \$	
	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
			New / Upgrade	Renewals				In	Out		
Plant, machinery & equipment	4,154,770		22,370	951,054	(141,135)	(659,550)	-	-	-	-	4,327,509
Total IPP&E	4,154,770	-	22,370	951,054	(141,135)	(659,550)	-	-	-	-	4,327,509
	Comparatives	3,641,795									4,154,770

FLEURIEU REGIONAL WASTE AUTHORITY
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 6 (con't) – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Buildings & Other Structures

Buildings and other structures are recognised on a cost basis.

Plant, Furniture & Equipment

These assets are recognised on a cost basis.

Capitalisation thresholds used by the Authority for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$5,000
Other Plant & Equipment	\$5,000
Buildings - new construction/extensions	\$10,000

Estimated Useful Lives: Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture & Equipment	3 to 20 years
Building & Other Structures	30 to 80 years

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 7 - LIABILITIES

	Notes	2021		2020	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		742,722	-	690,903	-
Accrued expenses - employee entitlements		189,781	-	258,491	-
Accrued expenses - other		509,441	-	968,807	-
		1,441,944	-	1,918,201	-
BORROWINGS					
Loans		810,587	2,190,843	461,466	2,458,850
		810,587	2,190,843	461,466	2,458,850

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

PROVISIONS

Employee entitlements (including oncosts)		219,956	64,579	186,802	89,273
Other Provisions		56,402	-	41,401	-
Provision for remediation costs	1.3,3,18	9,877,286	-	-	-
		10,153,644	64,579	228,203	89,273

In March 2021, the Authority undertook testing of its recycled road base material at the Goolwa Waste and Recycling Depot and found that the stockpile contained asbestos. The Authority notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of asbestos containing material from identified properties in South Australia, in accordance with specific remediation plans.

A provision for remediation costs has been recognised at 30 June 2021 and represents the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Remediation works commenced in July 2021 and the Board estimate that the majority of the remediation costs will be incurred, and remediation works completed, within the next 12 months.

This provision is a significant estimate as outlined in Note 1.3.

CONTRACT LIABILITIES

Revenue received in advance					
- additional collection services		83,125	-	53,745	-
- council contributions		746,268	-	307,000	-
		829,393	-	360,745	-

The Board approved the retention of surplus Council contributions as at 30 June 2021 for each Constituent Council to fund the asbestos contaminated material remediation project during the 2021/22 year.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 8 - OTHER CURRENT LIABILITIES

		2021	2020
		\$	\$
OTHER	Notes	Current	Current
Provision for rock crushing		182,021	333,367
		182,021	333,367

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

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

	Notes	2021 \$	2020 \$
Total cash & equivalent assets	5	1,385,180	1,983,227
Balances per Cash Flow Statement		<u>1,385,180</u>	<u>1,983,227</u>

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

Net Surplus (Deficit)		(9,848,363)	93,104
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		659,550	706,091
Net increase (decrease) in unpaid employee benefits		8,460	64,219
Grants for capital acquisitions treated as Investing Activity		-	(80,000)
Net (Gain) Loss on Disposals		(12,821)	(40,653)
		<u>(9,193,174)</u>	<u>742,761</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(401,773)	(112,243)
Net (increase) decrease in inventories		1,920	69,767
Net increase (decrease) in trade & other payables		(10,317)	1,123,004
Net increase (decrease) in other provisions		9,892,287	6,401
Net increase (decrease) in other liabilities		(151,346)	208,423
Net Cash provided by (or used in) operations		<u>137,597</u>	<u>2,038,113</u>

(d) Financing Arrangements

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

Corporate Credit Cards	10,000	10,000
LGFA Cash Advance Debenture facility	857,115	613,715

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021
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: Bank deposits are measured at amortised cost, interest is recognised when earned</p> <p>Terms & conditions: Deposits are returning fixed interest rates between 0.01% and 0.05% (2020: 0.01% and 0.05%).</p>
Receivables - Fees & other charges	<p>Accounting Policy: Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</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>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: Carried at the principal amounts. Interest is charged as an expense as it accrues.</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable in six monthly instalments; interest is charged at fixed or variable rates between 1.80% and 4.80% (2020: 1.80% and 4.80%)</p>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 10 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2021	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash & Equivalents	1,385,180	-	-	1,385,180	1,385,180
Receivables	892,920	-	-	892,920	894,345
Total	2,278,100	-	-	2,278,100	2,279,525
<u>Financial Liabilities</u>					
Payables	1,572,115	-	-	1,572,115	1,572,115
Current Borrowings	503,853	-	-	503,853	433,250
Non-Current Borrowings	-	1,817,422	877,975	2,695,397	2,545,657
Total	2,075,968	1,817,422	877,975	4,771,365	4,551,023
2020	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
	\$	\$	\$	\$	\$
<u>Financial Assets</u>					
Cash & Equivalents	1,983,227	-	-	1,983,227	1,983,227
Receivables	477,991	-	-	477,991	492,572
Total	2,461,218	-	-	2,461,218	2,475,799
<u>Financial Liabilities</u>					
Payables	1,051,648	-	-	1,051,648	1,051,648
Current Borrowings	544,351	-	-	544,351	461,466
Non-Current Borrowings	-	1,487,610	1,151,021	2,638,631	2,458,850
Total	1,595,999	1,487,610	1,151,021	4,234,630	3,971,964

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

	30 June 2021		30 June 2020	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Variable Rates	1.73	1,532,865	2.20	990,285
Fixed Interest Rates	2.55	1,468,565	2.72	1,930,031
		3,001,430		2,920,316

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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 allowance for doubtful debts. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 5 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 the 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 the 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. The 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. The Authority 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.

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 11 - COMMITMENTS FOR EXPENDITURE

	2021	2020
Notes	\$	\$
Expenditure Commitments		
Expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Board & Employee Remuneration Contracts	707,982	916,539
Maintenance Contracts	-	-
	707,982	916,539
These expenditures are payable:		
Not later than one year	199,573	208,557
Later than one year and not later than 5 years	508,409	707,982
Later than 5 years	-	-
	707,982	916,539

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 12 - FINANCIAL INDICATORS

	2021	2020	2019
Operating Surplus Ratio			
<u>Operating Surplus</u>	-107%	0.56%	-0.33%
Total Operating Income			

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

Net Financial Liabilities Ratio

<u>Net Financial Liabilities</u>	145%	37%	37%
Total Operating Income			

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

Asset Renewal Funding Ratio

<u>Net Outlays on Existing Assets</u>	107%	87%	63%
Net Asset Renewals - IAMP			

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

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 13 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2021		2020
	\$		\$
Income	9,221,490		9,345,439
Expenses	<u>(19,082,674)</u>		<u>(9,292,988)</u>
Operating Surplus / (Deficit)	(9,861,184)		52,451
 Net Outlays on Existing Assets			
Capital Expenditure on renewal and replacement of Existing Assets	(948,344)		(1,173,926)
Add back Depreciation, Amortisation and Impairment	659,550		706,091
Proceeds from Sale of Replaced Assets	<u>153,956</u>		<u>108,545</u>
	(134,838)		(359,290)
 Net Outlays on New and Upgraded Assets			
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(22,370)		(113,030)
Amounts received specifically for New and Upgraded Assets	-		80,000
Proceeds from Sale of Surplus Assets <i>(including investment property and real estate developments)</i>	-		-
	<u>(22,370)</u>		<u>(33,030)</u>
Net Lending / (Borrowing) for Financial Year	<u>(10,018,392)</u>		<u>(339,869)</u>

Fleurieu Regional Waste Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Independent Board Chair, External Member of the Internal Audit Committee and Executive Officer under section 112 of the Local Government Act 1999.

In all, three persons were paid the following total compensation:

	2021	2020
	\$	\$
Salaries, allowances & other short term benefits	183,379	109,852
Post-employment benefits	14,740	8,867
Long term benefits	4,803	48,633
Termination benefits	-	184,876
TOTAL	202,923	352,228

FLEURIEU REGIONAL WASTE AUTHORITY
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 15 – SUPERANNUATION

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

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2020-21; 10.00% in 2021-22). No further liability accrues to the Authority 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. The Authority makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2019-20) of "superannuation" salary.

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

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

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

Contributions to Other Superannuation Schemes

The Authority 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 Authority.

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 16 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

At times there are contingencies, assets and liabilities that do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to the user of the financial report in making and evaluating decisions about the allocation of scarce resources. From our knowledge there are no known contingencies, assets or liabilities that should be disclosed that have not been included in the balance sheet.

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 17 - EVENTS OCCURRING AFTER REPORTING DATE IN THE BALANCE SHEET

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There are no other events subsequent to 30 June 2021 that need to be disclosed in the financial statements.

FLEURIEU REGIONAL WASTE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2021

Note 18 - ECONOMIC DEPENDENCE

Note 18 – Economic Dependence

A provision for remediation costs of \$9,877,286 has been recognised at 30 June 2021 (refer to Notes 1.3, 3 and 7). As a result, the Authority's current liabilities exceed its current assets at 30 June 2021 by \$11,045,711 and the Authority has a net deficiency of \$8,973,627.

The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils.

The Authority is reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY**

Opinion

We have audited the financial report of Fleurieu Regional Waste Authority (“the Authority”), which comprises the Statement of Financial Position as at 30 June 2021, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and other explanatory information and the Certification of Financial Statements.

In our opinion, the financial report presents fairly, in all material respects, the financial position of Fleurieu Regional Waste Authority as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011.

Basis for Opinion

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

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

Emphasis of Matter – Provision for Remediation Costs

We draw attention to Note 1.3 and Note 7 of the financial report, which states that there is significant uncertainty regarding the estimation of the provision for remediation costs of \$9,877,286. The provision is the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties.

Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 18 of the financial report, which states that the Authority's current liabilities exceed its current assets at 30 June 2021 by \$11,045,711 and that the Authority has a net deficiency of \$8,973,627. The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils. The Authority is reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Authority be unable to continue as a going concern and meet its debts as they fall due.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY (CONT)**

Material Uncertainty Related to Going Concern (cont)

The above conditions indicate that a material uncertainty exists that may cast significant doubt on the Authority's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Other Information

The Board is responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board's Responsibility for the Financial Report

The Board of Fleurieu Regional Waste Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011. The Board's responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report so that it is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial report, the Board of Fleurieu Regional Waste Authority is responsible for assessing the entity'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 Board either intends to liquidate the entity or to cease operations, or have 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF FLEURIEU REGIONAL WASTE AUTHORITY (CONT)**

Auditor's Responsibilities for the Audit of the Financial Report (cont)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by those charged with governance.
- Conclude on the appropriateness of the Board'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 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 entity 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.



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner

Adelaide
South Australia

23 September 2021

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY

We have audited the Internal Controls of Fleurieu Regional Waste Authority (“the Authority”) under the requirements of *Section 129(1)(b)* of the *Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities for the year ended 30 June 2021 have been conducted properly and in accordance with law.

The Authority’s Responsibility for the Internal Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Authority’s compliance with *Section 129(1)(b) of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 *Compliance Engagements*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the year ended 30 June 2021. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

Limitation of Use

This report has been prepared for the members of the Authority in accordance with *Section 129(1)(b) of the Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than that for which it was prepared.

**INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE
AUTHORITY (CONT)****Inherent Limitations**

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125 of the Local Government Act 1999* in relation to the Internal Controls specified above are undertaken on a test basis.

The opinion expressed in this report has been formed on the above basis.

Independence

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

Opinion

In our opinion, the Authority has complied, in all material respects, with *Section 129(1)(b) of the Local Government Act 1999* in relation to Internal Controls established by the Authority relating to the receipt, expenditure and investment of money, the acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the year ended 30 June 2021.



Nexia Edwards Marshall
Chartered Accountants



Matthew O'Connor
Partner

Adelaide
South Australia

23 September 2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, 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*.

A handwritten signature in black ink, appearing to read 'M J Kelledy', written over a horizontal dotted line.

Michael Kelledy
CHAIR OF THE BOARD
Fleurieu Regional Waste Authority

Date: 31 August 2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, 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*.

A handwritten signature in blue ink, appearing to read 'S Grenfell', is written over a dotted line.

Simon Grenfell
EXECUTIVE OFFICER
Fleurieu Regional Waste Authority

Date: 30 August 2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, 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*.

.....*Elizabeth Williams*.....
Elizabeth Williams

ACTING CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 06/09/2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, 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*.

A handwritten signature in black ink, appearing to read 'Victoria MacKirdy', written over a horizontal dotted line.

Victoria MacKirdy
CHIEF EXECUTIVE OFFICER
City of Victor Harbor

Date: 30 August 2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, 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*.

A handwritten signature in black ink, appearing to read 'Nigel Morris', is positioned above a dotted line.

.....
Nigel Morris
CHIEF EXECUTIVE OFFICER
District Council of Yankalilla

Date: 6/9/2021

FLEURIEU REGIONAL WASTE AUTHORITY



ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Waste Authority for the year ended 30 June 2021, the Authority's Auditor, Nexia Edwards Marshall, 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*.

A large, stylized handwritten signature in blue ink, consisting of several loops and flourishes.

.....
Greg Georgopoulos
CHIEF EXECUTIVE OFFICER
Kangaroo Island Council

Date: 31/8/21 .

**FLEURIEU REGIONAL WASTE AUTHORITY
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021**

STATEMENT BY AUDITOR

I confirm that, for the audit of the financial statements of Fleurieu Regional Waste Authority for the year ended 30 June 2021, 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 and 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*.



Matthew O'Connor
Partner



Nexia Edwards Marshall
Chartered Accountants

23 September 2021



PO Box 2375, Goolwa SA 5214
1226 Port Elliot Road, Goolwa
Phone: (08) 8555 7405
www.frwa.com.au

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Annual Report



Fleurieu Regional
Aquatic Centre

Authority

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Chairperson's Message

I am delighted to bring you this report on behalf of the Fleurieu Regional Aquatic Centre Authority and offer my reflections on a complex but successful year for both the Fleurieu Aquatic Centre and the Authority.



The Authority Board commenced the year with a cohesive and committed team who were further complemented by the appointment a highly skilled local Executive Officer in the second quarter of the year. Together we set ambitious plans to deliver a range of strategic projects, and it has been rewarding to see these start to come to fruition in the second half of the 2020-2021 financial year.

Responding to competitive neutrality recommendations from the Competition Commissioner has been a key priority for the Board since early 2020. With the support of expert advice and modelling the Authority introduced a new competitively neutral fee structure at the Centre on 1 January 2021. With the two complaints related to this matter now resolved, annual reviews will ensure the Authority maintains its competitively neutral position.

Throughout the year YMCA South Australia has continued to provide high-quality, community-focused operational management of the Centre; reflected in customer satisfaction scores that continue to return results above industry average. Unfortunately for our communities we have had to learn to live and work with the ongoing presence of COVID-19. In collaboration with the Authority's Executive Officer, YMCA has delivered holistic COVID-19 risk management strategies to maintain customer safety, while maximising access to Centre facilities in support of community health and wellbeing. I would like to thank the team at YMCA for their responsiveness, and our customers for their willing adoption of operational changes in support of our whole community.

Centre participation remained strong throughout the year despite COVID-19 closures and restrictions. A total of 192,228 visits were made to the Centre, an increase in attendance of 18,823 compared to the previous year. The facility delivered \$3.38 million of social value to the community in the form of preventative health and wellbeing outcomes; a 500% return on Constituent Councils' 2020-2021 investment in Centre operations. The Authority's financial performance was positive, delivering a reduction in budgeted Constituent Council contributions in the final quarter of the year. This result was supported by the Centre's participation in the JobKeeper scheme, offsetting reduced revenue and expenses related to COVID-19 closure and restrictions.



During the year I was delighted to welcome the reappointment of three members of the Authority Board, each for their second consecutive term: David Kemp - City of Victor Harbor, Mark Easton - Independent Member, and Margaret Gardner - Alexandrina Council. These reappointments provide the Authority with valuable continuity in a key period of renewal, and I am grateful for their ongoing commitment. Thank you also to the members of the Audit & Risk Management Committee who, over the course of the year, provided invaluable support to both the Board and newly appointed Executive Officer.

Dean Newbery & Partners has audited the 2020-2021 Financial Statements which have been provided to Constituent Councils. A complete copy of the Audited Financial Statements forms part of this report.

On behalf of the Board of the Authority it is my pleasure to present the Annual Report for the 2020-2021 financial year.

Steve Mathewson
Chairperson, Fleurieu Regional Aquatic Centre Authority

“

A total of
192,228
visits were made to the
Centre, an increase in
attendance of **18,823**
compared to the
previous year.

”



About the Authority

The Fleurieu Regional Aquatic Centre Authority is a regional subsidiary of City of Victor Harbor and Alexandrina Council, established to enable joint ownership and management of the Fleurieu Aquatic Centre on behalf of the two Constituent Councils.

The Centre opened to the region in 2017 after an investment of \$6.5 million from each Constituent Council, \$7.5 million from the Australian Government, \$500,000 from the South Australian Government, and a generous land donation from Beyond Today.

Located at 50 Ocean Road in Hayborough, South Australia, this premier facility provides the community with access to:

- an 8-lane, 25-metre lap swimming pool;
- a multi-use hydrotherapy pool;
- a children's pool;
- a zero-depth outdoor splash park;
- a crèche facility;
- fitness facilities; and
- a commercial kiosk.

Centre operations are managed by YMCA South Australia, who work closely with the Authority Executive Officer to care for and maximise the asset on behalf of the community.

The Charter is the guiding document of the Authority and sets out its key responsibilities in relation to the management of the Centre. These are to:

- manage the facilities of and services at the Aquatic Centre in accordance with the Charter and all applicable legislation;
- undertake the care, protection, management, operation and improvement of the Aquatic Centre and its associated facilities and services in an efficient, effective and sustainable manner;
- pro-actively manage the business of the Aquatic Centre in a competitive and changing environment;
- deliver effective and sustainable service provision for the Constituent Councils, customers of the Aquatic Centre and the regional communities of and surrounding the Constituent Councils;



- contribute to the education and welfare of the Constituent Councils and the wider community through the facilitation of various aquatic programs;
- foster social inclusion through the provision of a community place providing a variety of aquatic programs and associated services and facilities;
- maximise participation in and use of the aquatic programs provided at the Aquatic Centre and the facilities and services of the Aquatic Centre by users of all ages and abilities;
- undertake key strategic and policy decisions for the purpose of enhancing and developing the Aquatic Centre;
- establish and demonstrate ethical policies and standards, in accordance with the rights of customers and industry standards; and
- as far as possible, be financially self-sufficient.

More information about the Centre and the Authority is available on our website at www.fleurieuaquaticcentre.com.au.

Strategic Direction

Mission

We are an independent governing body that directs the delivery of a regional indoor Aquatic Centre.

Purpose

To deliver the Councils' objectives for an efficient, premier aquatic facility in the region.

Vision

Fleurieu Aquatic Centre is an inclusive destination that contributes to a healthy regional community.

Goals

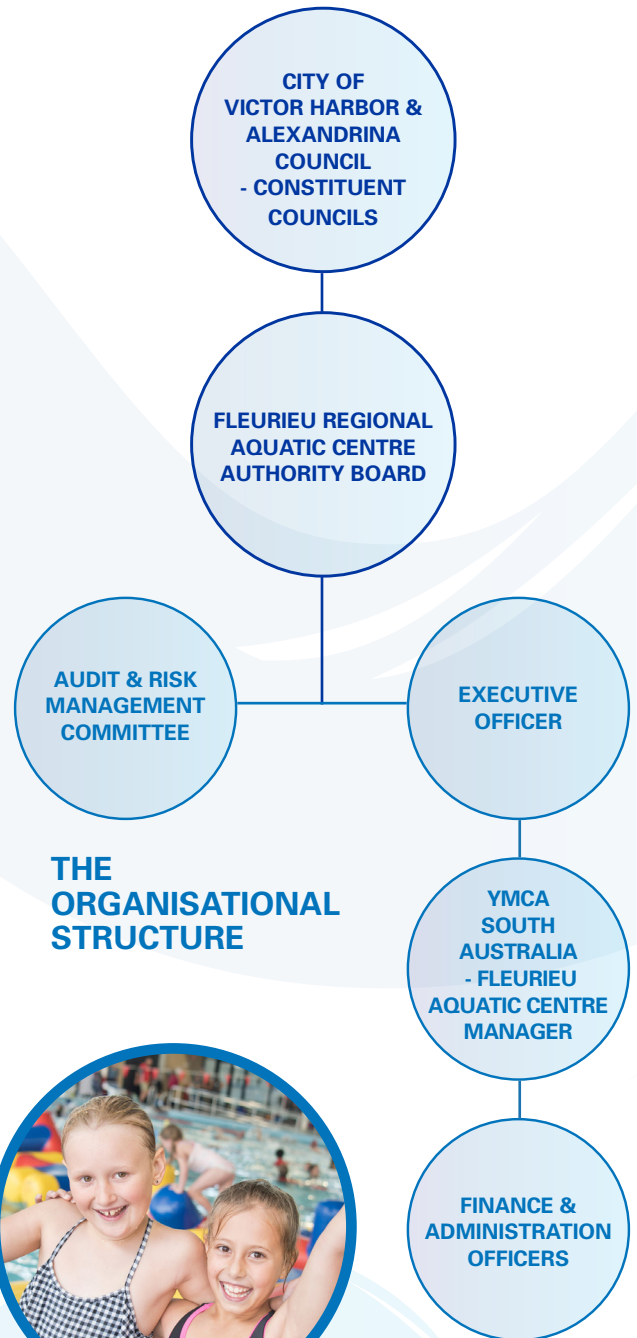
1. To maintain community participation and enthusiasm for FAC.
2. To foster and maximise social inclusion.
3. To preserve and maximise the brands Fleurieu Aquatic Centre and Fleurieu Regional Aquatic Centre Authority as high value, recognised, trusted and valued in the community.
4. To act as a conduit for commercial and community partnerships and collaboration.
5. To care for, protect and improve FAC in line with changing community needs.
6. To, as far as possible, be financially self-sufficient.

Planning Context

The Authority has a suite of strategic planning documents including the Strategic Plan 2018-2027, Asset Management Plan 2018-2027 and Long-Term Financial Plan 2018-2027. These strategic documents inform and are supported by the Authority 3-Year Business Plan, an annual Fleurieu Aquatic Centre Business & Marketing Plan, and annual budgets.

Organisational Structure

The Authority is a body corporate and is governed by the Local Government Act 1999 and its Charter.



THE ORGANISATIONAL STRUCTURE

Looking Ahead

During the 2021-2022 financial year the Authority will focus on the renewal of its key strategic documents to guide the work of the Board and Executive Officer and position the Authority for success.

Decrease the Centre's significant energy costs



The results of an energy audit of the Fleurieu Aquatic Centre will be available to the Authority in the first quarter of 2021-2022. Strategies to reduce carbon emissions and decrease the Centre's significant energy costs will be a key priority for the Board to support the Authority's long-term sustainability.

The Board



Steve Mathewson
Independent Chairperson
Attended 7/7 meetings



Mark Easton
Independent Member
Attended 7/7 meetings



Trish Kirkland
Independent Member
Attended 7/7 meetings



Cr Margaret Gardner
Alexandrina Council
Attended 6/7 meetings



Cr David Kemp
City of Victor Harbor
Attended 6/7 meetings



Cr Peter Charles
Deputy City of Victor Harbor
Attended 2/7 meetings



The Authority is led by a Board of Management responsible for ensuring the Authority acts in accordance with its Charter and all other relevant legislation, while providing a premier regional aquatic center to the community of behalf of its Constituent Councils.

The Board is comprised of five Members, including an elected member of each Constituent Council, and three independent Members engaged for their specialist skills and expertise.

During the 2020-2021 financial year the Board met seven times at the City of Victor Harbor and Alexandrina Council offices.



Audit & Risk Management Committee

The Audit & Risk Management Committee provides assurance and support to the Authority Board through the review of key documents and information.

In accordance with the Terms of Reference, the Committee's key responsibilities include:

- reviewing annual financial statements to ensure that they provide a timely and fair view of the state of affairs of the Authority;
- reviewing the adequacy of Authority risk management systems;
- proposing, and providing information relevant to, a review of the Authority's strategic management plans or annual business plan;
- liaising with the Authority's external auditor; and
- reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the Authority on a regular basis.

The Committee is comprised of two Authority Board Members, a professionally qualified staff representative from each Constituent Council, and an Independent Chairperson engaged for their specialist skills and expertise.

Audit & Risk Management Committee Members during the 2020-2021 financial year:

- **Ian Swan.** Independent Chairperson. Attended 4/4 meetings.
- **Trish Kirkland.** Authority Board Member. Attended 4/4 meetings.
- **Cr David Kemp.** Authority Board Member. Attended 3/4 meetings.
- **Kellie Knight-Stacey.** Director Corporate & Customer Service at City of Victor Harbor. Attended 4/4 meetings.
- **Elizabeth Williams.** General Manager Resources at Alexandrina Council. Attended 4/4 meetings.



Competitive Neutrality

As a regional subsidiary of two Constituent Councils, the Authority must comply with the principles of competitive neutrality in the conduct of significant business activities.

The principles of competitive neutrality do not limit the types of business activities which the Authority may engage in, but requires that where the business activities are significant, they are provided in a manner which is competitively neutral (provided that the public benefits of doing so outweigh the costs).

The South Australian Government Department of Premier and Cabinet received two complaints of alleged breach of competitive neutrality requirements against the Fleurieu Regional Aquatic Centre Authority in 2017.

The Authority has responded to the recommendations of the Competition Commissioner and the complaints were resolved in 2020-2021. The Authority Board will undertake annual reviews of the Fleurieu Aquatic Centre operations to ensure competitive neutrality is maintained.

“
Fleurieu Aquatic
Centre is an inclusive
destination that
contributes to a
healthy regional
community.
”

Fleurieu Aquatic Centre Performance

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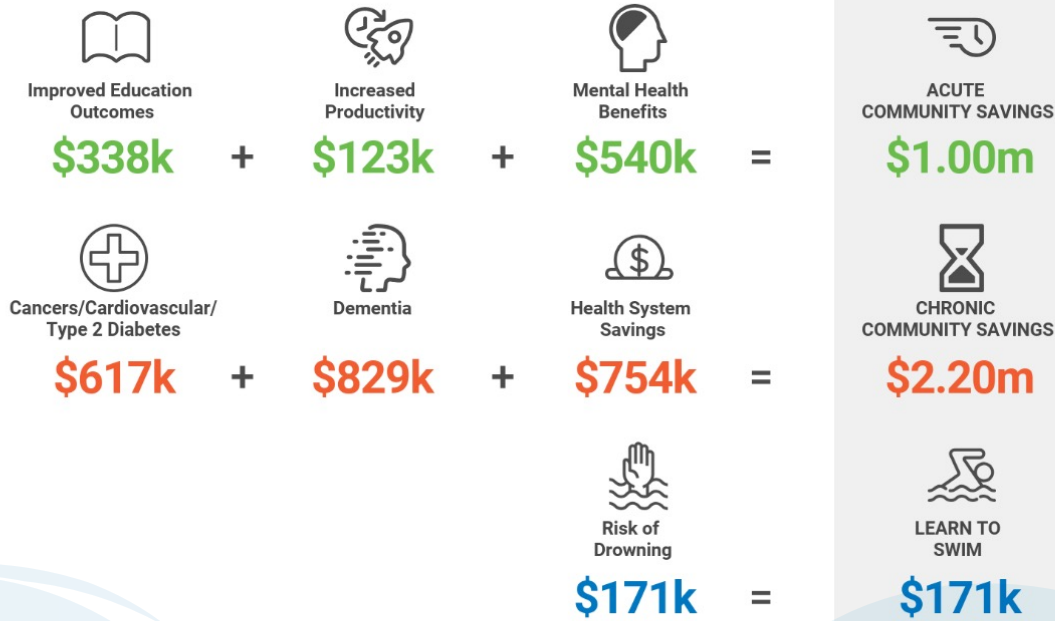
Key Achievements

- Membership peaked at 1229 with an average of 1158 over the year.
- Swimming lessons attendance grew across the year.
- Creations of a new free Social Walkers group.
- Creation of a new free Mynd Pump program to assist young people with mental health management.
- Significant staff recruitment and development after losses following the COVID-19 Centre closure in March 2020.
- Implementation of the capital expenditure plan, including a Café upgrade and water volleyball nets to ensure a competition could be delivered.
- Negotiation of all preventative maintenance contracts for the coming year.
- Ongoing management of COVID-19 safety systems.

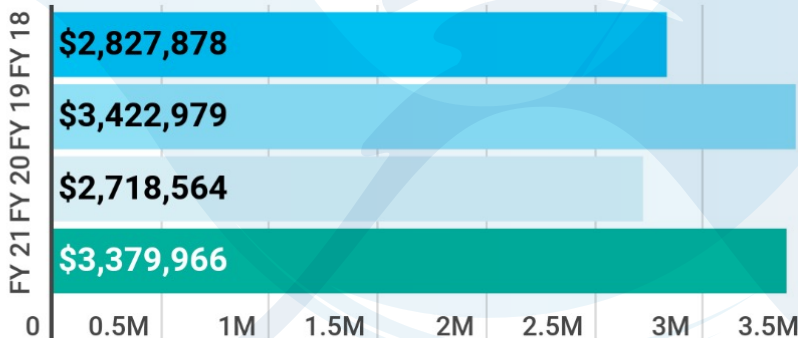
1229
Membership peak

Implementation of capital expenditure plan

Management of COVID-19 safety



TOTAL SOCIAL VALUE 2021/22 **\$3.38m**



Community Wellbeing

The Fleurieu Aquatic Centre is a valuable community asset and represents a significant investment by City of Victor Harbor and Alexandrina Council in the health and wellbeing of our regional community.

Using the ActiveXchange business intelligence model, the social value of the Centre's activities can be quantified to demonstrate the facilities return on investment, derived from positive preventative health and wellbeing outcomes. In 2020-2021 the Centre provided \$3.38 million in social value, more than five times the value of the Constituent Councils' 2020-2021 investment in Centre operations.

\$3.38
MILLION
in social value



MEMBER OF THE MONTH

"I enjoy the feeling of relaxation after I exercise."
- Jeffrey

"I feel through exercise I have a positive attitude to myself and to others"
- Jacquie

JACQUE & JEFFREY KOVACEVIC

Jacquie and Jeffrey joined the Fleurieu Aquatic Centre in January 2019. They both use the pool and gym. Both have received a gym program with a trainer and this has helped to keep them focused and work on their technique. They both feel more toned and good about themselves. Well done to this duo!

Can you catch David?
Well done to David for getting up to 800km in our Cardio Club challenge!

Cardio Club
REWARD AND INCENTIVE PROGRAM

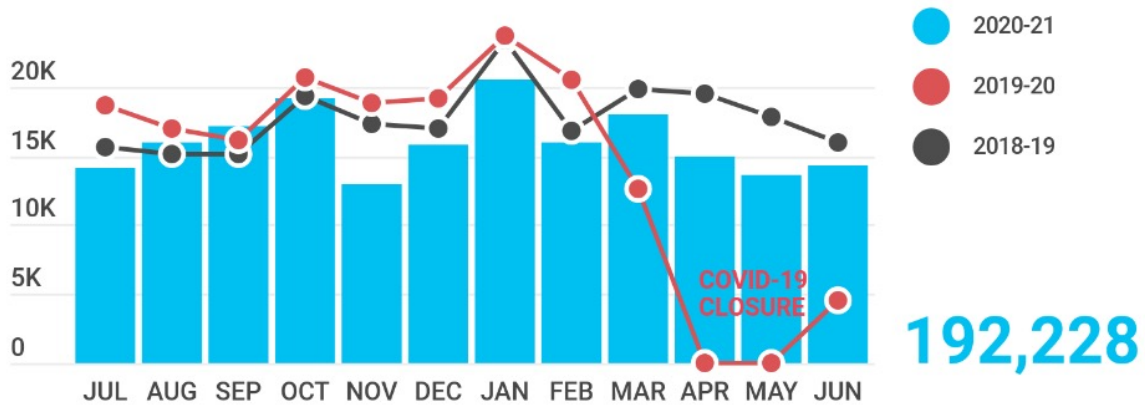
Are you a part of Cardio Club? Speak with a gym instructor or reception for more information.



Visit activexchange.org to find out more information about our social value calculations and supporting methodology.

Centre Utilisation

Site Attendance



Peak Membership

1,229 -7%



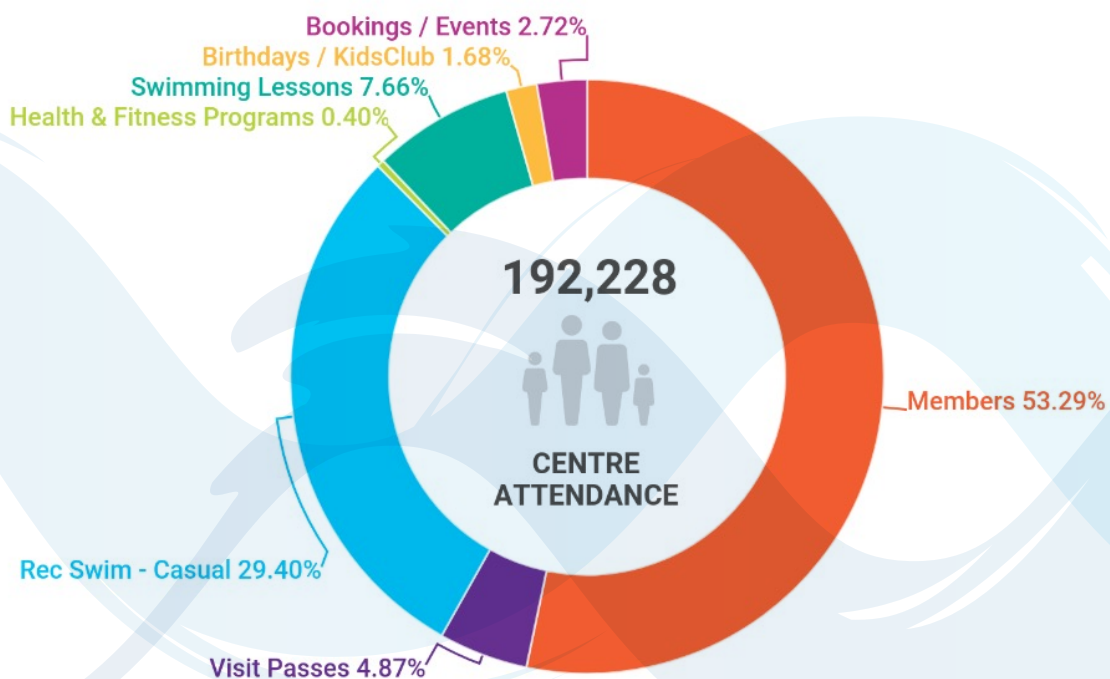
Peak Swimming Lessons Participants

537 7%



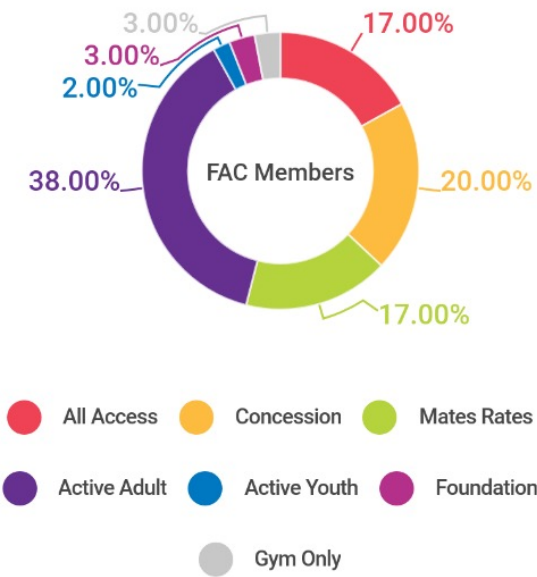
Employees as of 30 June 2021

18 FTE

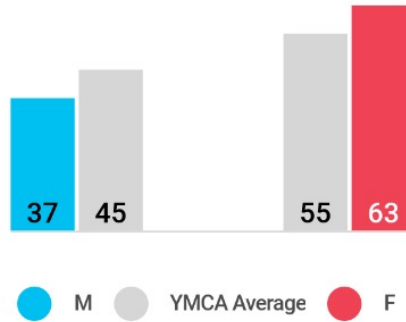


Members

MEMBERSHIP TYPE BREAKDOWN



GENDER



SWIMMING LESSON AVERAGE AGE

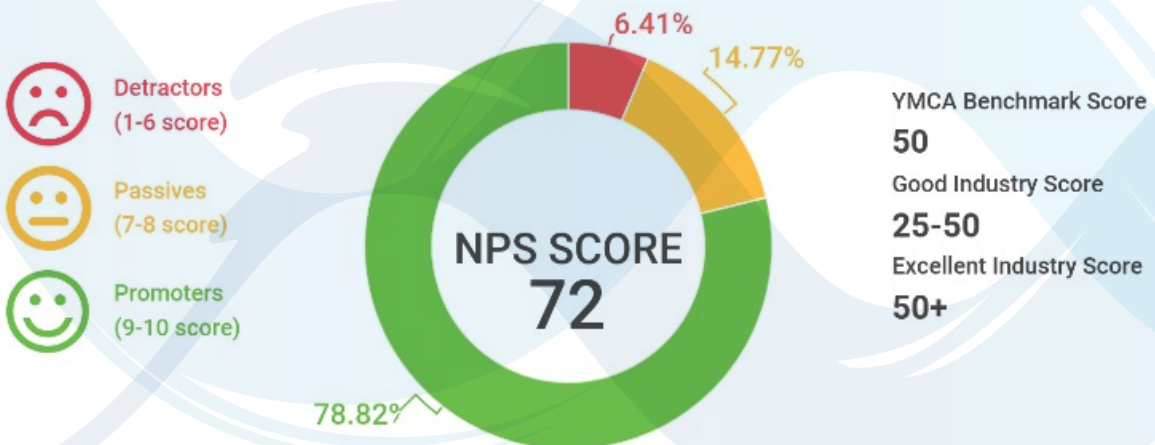


Community Feedback

The **Ask Nicely** system gathers customer feedback online via a short survey to calculate a Net Promoter Score for the Centre, with any concerns addressed by the Centre Manager. Throughout 2020-2021 the Centre continued to receive excellent ratings from surveyed customers.



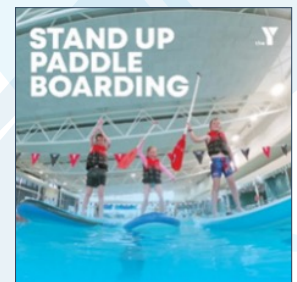
NET PROMOTER SCORE



Marketing & Communication

Marketing throughout the year focused heavily on increasing participation, driving membership retention, and increasing enrolments in swimming lessons following a long Centre closure the previous year.

The following campaigns were run throughout the year using a range of media to increase reach and target specific demographic groups:



“

Focused on increasing participation, driving membership retention, and increasing enrolments...

”



CAUTION-SHALLOW

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Financial Statements

20
21

Fleurieu Regional Aquatic Centre Authority

General Purpose Financial Reports

for the year ended 30 June 2021


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FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Annual Financial Statements
FOR THE YEAR ENDED 30 June 2021
CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Fleurieu Regional Aquatic Centre Authority 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 Authority's financial position at 30 June 2021 and the results of its operations and cash flows for the financial year.
- 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 Authority's accounting and other records.


.....
Steve Mathewson
Chairperson

Date: 24/9/21


.....
Lauren McKee
Executive Officer

Date: 24-9-21

Fleurieu Regional Aquatic Centre Authority
Statement of Comprehensive Income
for the year ended 30 June 2021

	Notes	2021 \$	2020 \$
INCOME			
User charges	2	2,111,162	1,778,453
Grants, subsidies and contributions	2	666,714	674,792
Investment income	2	5,896	10,406
Other income	2	1,361	3,948
Total Income		2,785,133	2,467,599
EXPENSES			
Employee costs	3	58,141	43,402
Materials, contracts & other expenses	3	2,758,042	2,444,490
Depreciation, amortisation & impairment	3	686,188	685,733
Total Expenses		3,502,371	3,173,625
OPERATING SURPLUS / (DEFICIT)		(717,238)	(706,026)
Amounts received specifically for new or upgraded assets	2	14,336	41,966
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		(702,902)	(664,060)

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

Fleurieu Regional Aquatic Centre Authority
Statement of Financial Position
as at 30 June 2021

ASSETS	Notes	2021	2020
		\$	\$
Current Assets			
Cash and cash equivalents	5	749,123	836,562
Trade & other receivables	5	78,840	16,045
Total Current Assets		<u>827,963</u>	<u>852,607</u>
Non-current Assets			
Infrastructure, property, plant & equipment	7	18,245,053	18,916,905
Total Non-current Assets		<u>18,245,053</u>	<u>18,916,905</u>
Total Assets		<u>19,073,016</u>	<u>19,769,512</u>
LIABILITIES			
Current Liabilities			
Trade & other payables	8	137,370	132,022
Provisions	8	3,173	2,115
Total Current Liabilities		<u>140,543</u>	<u>134,137</u>
Total Liabilities		<u>140,543</u>	<u>134,137</u>
NET ASSETS		<u>18,932,473</u>	<u>19,635,375</u>
EQUITY			
	Notes	\$	\$
Accumulated Surplus		(2,136,088)	(1,433,186)
Capital Contributions		21,068,561	21,068,561
TOTAL EQUITY		<u>18,932,473</u>	<u>19,635,375</u>

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

Fleurieu Regional Aquatic Centre Authority
Statement of Changes in Equity
for the year ended 30 June 2021

		Accumulated Surplus	Capital Contributions	TOTAL EQUITY
2021	Notes	\$	\$	\$
Balance at end of previous reporting period		(1,433,186)	21,068,561	19,635,375
Net Surplus / (Deficit) for Year		(702,902)		(702,902)
Balance at end of period	9	(2,136,088)	21,068,561	18,932,473
		Accumulated Surplus	Capital Contributions	TOTAL EQUITY
2020				
Balance at end of previous reporting period		(769,126)	21,068,561	20,299,435
Net Surplus / (Deficit) for Year		(664,060)		(664,060)
Balance at end of period	9	(1,433,186)	21,068,561	19,635,375

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

Fleurieu Regional Aquatic Centre Authority
Statement of Cash Flows
for the year ended 30 June 2021

		2021	2020
	Notes	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
<i>Receipts:</i>			
User charges		2,048,367	2,144,944
Investment receipts		5,896	17,410
Grants utilised for operating purposes		666,714	674,792
Other revenues		1,361	3,072
<i>Payments:</i>			
Employee costs		(57,083)	(41,287)
Materials, contracts & other expenses		(2,752,694)	(2,881,316)
Net Cash provided by (or used in) Operating Activities		(87,439)	(82,385)
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Receipts:</i>			
Amounts specifically for new or upgraded assets		14,336	41,966
<i>Payments:</i>			
Expenditure on new/upgraded assets		(14,336)	(40,035)
Net Cash provided by (or used in) Investing Activities		-	1,931
Net Increase (Decrease) in cash held		(87,439)	(80,454)
Cash & cash equivalents at beginning of period	11	836,562	917,016
Cash & cash equivalents at end of period	11	749,123	836,562

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

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021
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 Fleurieu Regional Aquatic Centre Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council and City of Victor Harbor.

1.2 Historical Cost Convention

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

1.3 Critical Accounting Estimates

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

1.4 Rounding

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

2 The Local Government Reporting Entity

The Authority was established on 6 August 2015 in accordance with Section 43 of the Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999. These financial statements have been prepared for use by constituent councils for the Authority.

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.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

4 Cash, Cash Equivalents and other Financial Instruments

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

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.

5 Infrastructure, Property, Plant & Equipment

5.1 Initial Recognition

An asset is recognised in the Statement of Financial Position when it is probable that future economic benefits will flow to the entity and the asset has a cost that can be measured reliably.

An asset that qualifies for recognition as an asset will be recognised at cost as at the date of acquisition, including costs directly attributed to bringing the asset to the location and in the required condition for operation by the Authority. Where it is practical from an administrative perspective that expenditure is capitalised.

5.2 Materiality

Assets should have a useful life of greater than one year to enable capitalisation of the expenditure and should also meet a materiality test. Materiality levels are set so as not to misstate financial statements and to provide a guide whether it is practical from an administrative perspective that expenditure is capitalised. No capitalisation threshold is applied to the acquisition of land or interests in land.

Materiality levels for capitalisation are set at:

Furniture, Fittings and Minor Equipment	\$1,000
Plant and Major Equipment	\$5,000
Buildings	\$5,000
Infrastructure	\$5,000

5.3 Subsequent Recognition

An item that qualifies for recognition as an asset shall be measured at its cost on the date of recognition. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition and all other costs incurred in getting the asset ready for use. Where an asset is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition. The following years after asset recognition the asset will be valued at fair value according to the revaluation program as determined.

5.4 Depreciation of Non-Current Assets

All non-current assets have a limited useful life except for land and land improvements. The depreciable amount of all non-current assets, excluding freehold land and land improvements, are systematically depreciated over their useful lives which reflects the consumption of the service potential embodied in those assets.

Depreciation of an asset begins when it is available for use i.e. when it is in the condition necessary for it to be capable of operating in the manner intended; and ends when it is classified as held for sale or when derecognised.

Depreciation of assets is calculated on a straight-line basis using the following standard estimates for useful lives. The useful lives for building, infrastructure; furniture and fittings; and plant and equipment assets have been estimated based on industry standards and consultancy advice. The actual useful life and therefore depreciation rates may be varied for specific assets where asset quality and environmental and/or operational conditions so warrant. Useful lives and residual values for each class of asset are reviewed annually and are included in the asset register which is updated following adoption of the annual financial statements each year.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

Buildings & Other Structures	7 - 40 years
Furniture & Fittings	2 - 40 years
Plant & Equipment	6 - 40 years
Infrastructure	12 - 40 years

5.5 Impairment

Assets that have an indefinite useful life are not subject to depreciation and are reviewed periodically for impairment. 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 value exceeds its recoverable amount in accordance with AASB 136.

External indicators for impairment may include significant adverse changes in the technological, market, economic or legal environment. Internal indicators may include obsolescence or physical damage of an asset.

Impairment shall be determined subject to the provisions AASB 108 Materiality, whereby the total change in the written down value for the asset or the total impact on the depreciation shall be material. An impairment loss is recognised in the Income Statement, unless the asset is carried at a revalued amount, whereby it is to be treated in the same way as a revaluation decrement against the same asset. An impairment loss can be reversed in subsequent years.

6 Payables

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

7 Employee Benefits

Liabilities for employees' entitlements are 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 the Authority experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. The Authority does not make payment for untaken sick leave.

The Authority makes employer superannuation contributions in respect of its employee's choice of superannuation fund.

8 Leases

Accounting Policy applicable for the year ending 30 June 2020 (comparatives):

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AASB 117. The Authority did not have any lease arrangements to account for at 30 June 2020.

Accounting policy applicable from 01 July 2020:

The Authority 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. The Authority did not have any lease arrangements to account for at 30 June 2021.

The Authority as a lessee

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

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

i) Right-of-use assets

The Authority 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.

ii) Lease liabilities

At the commencement date of the lease, the Authority 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 Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

9 Constituent Council Contributions

The City of Victor Harbor and Alexandrina Council funded the construction of the Fleurieu Aquatic Centre facilities and purchased all plant and equipment for the Aquatic Centre. Each Council contributed 50% towards the cost of construction of the facility and purchase of the equipment. Both Councils transferred these assets to the Authority on 17 March 2017, as an equity contribution.

The Authority for 2018/19 received contributions from Constituent Councils towards net operating deficits excluding depreciation expense for the facility. The Constituent Councils during 2018/19 resolved not to cash fund depreciation expense for the Authority. As a result the Authority expects operating deficits close to the depreciation expense for future years.

10 GST Implications

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

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

11 New and amended standards and interpretations

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

The Authority applied AASB 15 and AASB 1058, for the first time from 1 July 2019. AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. These Standards supersede the NFP income recognition requirements previously in AASB 1004 Contributions (with the exception of certain matters relating to public sector NFP entities) as well as current revenue recognition guidance including AASB 118 Revenue, AASB 111 Construction Contracts and the related interpretations.

The timing of income recognition depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service). The Authority has elected to adopt the modified retrospective method on transition to the new standards with an initial application date of 1 July 2019. The cumulative effect of initially applying AASB 15 and AASB 1058 is recognised at the date of initial application as an adjustment to the opening balance of Accumulated Surplus. Therefore, the comparative information was not restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations.

Financial statement line items have not been affected as at the year ended 30 June 2021

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES (con't)

as a result of the adoption of AASB 15 and AASB 1058.

Adoption of AASB 16 Leases (AASB 16):

AASB 16 Leases, which will commence from 1 July 2019, requires that the right of use conveyed by leasing contracts - except leases with a maximum term of 12 months and leases for low-value assets - be recognised as a form of Infrastructure, Property, Plant and Equipment, and that the lease liability be disclosed as a liability. At 30 June 2021, Authority has no leases to which this treatment will need to be applied.

12 YMCA Management

The Authority has engaged the YMCA to manage the day to day running of the Fleurieu Aquatic Centre. This management encompasses the receipting of income and outgoing of expenditure of the facility. The following income and expenditure lines relate to those managed by the YMCA:

	<u>2021</u>	<u>2020</u>
FAC Income	\$2,111,162	\$1,778,453
Fleurieu Aquatic Centre Expenses	<u>\$2,177,279</u>	<u>\$1,884,184</u>
Net Result	(\$66,117)	(\$105,731)

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME

	Notes	2021	2020
		\$	\$
USER CHARGES			
FAC Income		<u>2,111,162</u>	<u>1,778,453</u>
		<u>2,111,162</u>	<u>1,778,453</u>
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		<u>5,896</u>	<u>10,406</u>
		<u>5,896</u>	<u>10,406</u>
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Amounts received specifically for new or upgraded assets		14,336	41,966
Other grants, subsidies and contributions			
Council Contribution - Alexandrina Council		333,357	337,396
Council Contribution - City of Victor Harbor		333,357	337,396
		<u>666,714</u>	<u>674,792</u>
		<u>681,050</u>	<u>716,758</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSE

	Notes	2021 \$	2020 \$
EMPLOYEE COSTS			
Salaries and Wages		48,877	35,963
Employee leave expense		3,760	2,766
Superannuation - defined contribution plan contributions	18	4,900	3,478
Workers' Compensation Insurance		366	600
Other		238	595
Total Operating Employee Costs		58,141	43,402
Total Number of Employees		0.5	0.5
<i>(Full time equivalent at end of reporting period)</i>			
MATERIALS, CONTRACTS & OTHER EXPENSES			
<u>Prescribed Expenses</u>			
Auditor's Remuneration			
- Auditing the financial reports		5,078	4,600
Subtotal - Prescribed Expenses		5,078	4,600
<u>Other Materials, Contracts & Expenses</u>			
Contractors		37,439	24,668
Board Expenses		18,211	12,519
Administration		78,895	88,155
Fleurieu Aquatic Centre Site Expenses		441,140	430,364
Fleurieu Aquatic Centre Expenses		2,177,279	1,884,184
Subtotal - Other Materials, Contracts & Expenses		2,752,964	2,439,890
		2,758,042	2,444,490
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		365,016	365,016
Furniture & Fittings		153,512	155,093
Plant & Equipment		70,683	68,646
Infrastructure		96,977	96,978
		686,188	685,733

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 4 - CURRENT ASSETS

	Notes	2021 \$	2020 \$
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		12,470	105,382
Deposits at Call		<u>736,653</u>	<u>731,180</u>
		<u>749,123</u>	<u>836,562</u>
TRADE & OTHER RECEIVABLES			
Accrued Revenues		452	270
Debtors - general		77,768	-
Prepayments		<u>620</u>	<u>15,775</u>
		<u>78,840</u>	<u>16,045</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

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

Fair Value Level	2020				2021			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Buildings & Other Structures	-	12,407,742	(1,200,053)	11,207,689	-	12,407,742	(1,565,069)	10,842,673
Furniture & Fittings	-	3,860,167	(502,921)	3,357,246	-	3,862,988	(656,433)	3,206,555
Plant & Equipment	-	1,184,910	(208,708)	976,202	-	1,196,425	(279,391)	917,034
Infrastructure	-	3,694,601	(318,833)	3,375,768	-	3,694,601	(415,810)	3,278,791
Total IPP&E	-	21,147,420	(2,230,515)	18,916,905	-	21,161,756	(2,916,703)	18,245,053
Comparatives	-	21,107,385	(1,544,782)	19,562,603	-	21,147,420	(2,230,515)	18,916,905

This Note continues on the following pages.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

	2020 \$									2021 \$	
	Carrying Amount	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	Carrying Amount
			New / Upgrade	Renewals				In	Out		
Buildings & Other Structures	11,207,689		-	-	-	(365,016)	-	-	-	-	10,842,673
Furniture & Fittings	3,357,246		2,821	-	-	(153,512)	-	-	-	-	3,206,555
Plant & Equipment	976,202		11,515	-	-	(70,683)	-	-	-	-	917,034
Infrastructure	3,375,768		-	-	-	(96,977)	-	-	-	-	3,278,791
Total IPP&E	18,916,905	-	14,336	-	-	(686,188)	-	-	-	-	18,245,053
Comparatives	19,562,603		40,035	-	-	(685,733)	-	-	-	-	18,916,905

This note continues on the following pages.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 6 - LIABILITIES

	Notes	2021		2020	
		Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES					
Goods & Services		(2,086)		77,380	
Accrued expenses - other		135,501		53,430	
Other Payables		3,955		1,212	
		<u>137,370</u>	-	<u>132,022</u>	-
PROVISIONS					
Employee entitlements (including oncosts)		3,173		2,115	
		<u>3,173</u>	-	<u>2,115</u>	-

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 7 - 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	2021 \$	2020 \$
Total cash & equivalent assets	5	<u>749,123</u>	<u>836,562</u>
Balances per Cash Flow Statement		<u>749,123</u>	<u>836,562</u>

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

Net Surplus (Deficit)		(702,902)	(664,060)
Non-cash items in Income Statement			
Depreciation, amortisation & impairment		686,188	685,733
Net increase (decrease) in unpaid employee benefits		1,058	2,115
Grants for capital acquisitions treated as Investing Activity		(14,336)	(41,966)
		<u>(29,992)</u>	<u>(18,178)</u>
Add (Less): Changes in Net Current Assets			
Net (increase) decrease in receivables		(62,795)	116,179
Net increase (decrease) in trade & other payables		5,348	(180,386)
Net Cash provided by (or used in) operations		<u>(87,439)</u>	<u>(82,385)</u>

(d) Financing Arrangements

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

Corporate Credit Cards	-	5,000
------------------------	---	-------

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

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 8 - 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 at call have an average maturity of 90 days and an average interest rate of 0.30%. (2020: 90 days, 0.45%)</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees & other charges	<p>Accounting Policy: carried at nominal values less any allowances for doubtful debts.</p> <p>Terms & conditions: unsecured, and do not bear interest. Although the Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.</p> <p>Carrying amount: approximates fair value (after deduction of any allowance).</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>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 8 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

2021	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	749,122			749,122	749,123
Receivables	78,220			78,220	78,220
Total	827,342	-	-	827,342	827,343
Financial Liabilities					
Payables	1,869			1,869	1,869
Total	1,869	-	-	1,869	1,869
2020					
Financial Assets	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	\$	\$	\$	\$	\$
Cash & Equivalents	836,562			836,562	836,562
Receivables	270	-	-	270	270
Other Financial Assets					
Total	836,832	-	-	836,832	836,832
Financial Liabilities					
Payables	78,592	-	-	78,592	78,592
Total	78,592	-	-	78,592	78,592

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

	30 June 2021		30 June 2020	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Non Interest Bearing		1,869	-	78,592
		1,869		78,592

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 8 - FINANCIAL INSTRUMENTS (con't)

Net Fair Value

All carrying values are 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 Notes 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.

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

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - COMMITMENTS FOR EXPENDITURE

Service	Contractor	Period of contract	Brief description
Operational Management – Fleurieu Aquatic Centre	YMCA SA	Two year extension to 30 June 2022	Provision of aquatic centre facility management and operating services for the Fleurieu Aquatic Centre (management of all aspects of daily operations and maintenance of the facility)
External Audit Services - Fleurieu Regional Aquatic Centre Authority	Dean Newbery & Partners	3 years (1 April 2020 - 31 December 2022)	Provision of an independent audit opinion of the accounts and annual financial reports of the Authority for financial years 2019/20, 2020/21 and 2021/22.
Administratoin & Finance Services	Alexandrina Council	8 March 2021 - 31 March 2023	Provision of 0.5FTE Administration Officer and 0.05FTE Finance Officer

Note 10 - OPERATING LEASES

The Authority as at 30 June 2021 had not entered into any operating leases.

Note 11 - CONTINGENCIES, ASSETS & LIABILITIES NOT RECOGNISED

The Authority as at 30 June 2021 had not recognise any contingency.

Note 12 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2021 that need to be disclosed in the financial statements.

Note 13 - ECONOMIC DEPENDENCY

Per section 5.2 of the Authority's Charter there maybe a requirement for additional financial contributions to be made by Constituent Councils if there is insufficient working capital available to meet the Authority's financial obligations. The Authority may be reliant on this additional financial support being provided to enable it to continue to operate on a going concern basis.

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 14 - UNIFORM PRESENTATION OF FINANCES

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

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

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

	2021	2020
	\$	\$
Income	2,785,133	2,467,599
Expenses	<u>(3,502,371)</u>	<u>(3,173,625)</u>
Operating Surplus / (Deficit)	(717,238)	(706,026)
 Net Outlays on Existing Assets		
Add back Depreciation, Amortisation and Impairment	686,188	685,733
Proceeds from Sale of Replaced Assets	<u>-</u>	<u>-</u>
	686,188	685,733
 Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets <i>(including investment property & real estate developments)</i>	(14,336)	(40,035)
Amounts received specifically for New and Upgraded Assets	14,336	41,966
	<u>-</u>	<u>1,931</u>
Net Lending / (Borrowing) for Financial Year	<u>(31,050)</u>	<u>(18,362)</u>

Fleurieu Regional Aquatic Centre Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 15 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel include the Chair, the Board and Executive Officer prescribed as officers under section 112 of the Local Government Act 1999. In all, Key Management Personnel were paid the following total compensation:

	2021 \$	2020 \$
Salaries, allowances & other short term benefits	69,827	55,615
TOTAL	69,827	55,615

Transactions with Related Parties:

The following transactions occurred with Related Parties during the financial year ended 30 June 2021:

Related Party Entity	Sale of Goods & Services (\$)	Amounts Outstanding from Related Parties (\$)	Description of Services Provided to Related Parties
Alexandrina Council	340,525	7,168	Provision of regional aquatic facilities
City of Victor Harbor	340,525	70,600	Provision of regional aquatic facilities

Amounts recorded as outstanding from Related Parties are recorded in trade and other receivables in Note 4.

The Related Parties disclosed above are equity owners of the Authority and are referred to as Constituent Councils. Constituent Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial operating decisions of the Authority. No one Constituent Council individually has control of those policies.

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Annual Financial Statements
FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2021, the Council's Auditor, Dean Newbery & partners, Chartered Accountants, 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*



Elizabeth Williams

ACTING CHIEF EXECUTIVE OFFICER
Alexandrina Council

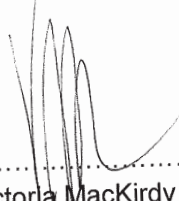
Date. 06/09/2021

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Annual Financial Statements
FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2021, the Council's Auditor, Dean Newbery & partners, Chartered Accountants, 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*.



.....
Victoria MacKirdy
CHIEF EXECUTIVE OFFICER
City of Victor Harbor

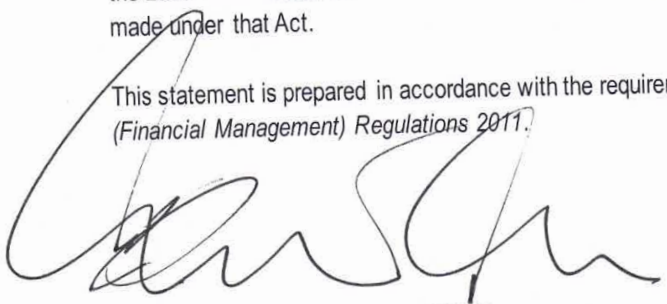
Date: 9.09.2021.

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Annual Financial Statements
FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2021, the Council's Auditor, Dean Newbery & partners, Chartered Accountants, 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*.



.....
Ian Swan
Chairperson
Audit & Risk Management Committee

Date: 21/9/2021

DeanNewberyChartered
Accountants**HEAD OFFICE**
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North Adelaide SA 5006PO Box 755
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www.deannewbery.com.auDean Newbery
ABN: 30 164 612 890

**Auditor's Independence Declaration under Section 22 of the Local Government
(Financial Management) Regulations 2011 to the Fleurieu Regional Aquatic Centre
Authority**

I confirm that, for the audit of the financial statements of the Fleurieu Regional Aquatic Centre Authority for the year ended 30 June 2021, 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*.



SAMANTHA CRETEN
PARTNER

Signed on the 6th day of September 2021,
at 214 Melbourne Street, North Adelaide, South Australia 5006

North Adelaide | Balaklava

Liability limited by a scheme approved under Professional Standards Legislation



Fleurieu Regional
Aquatic Centre

Authority

	Original Budget 2020-21	Year end Actual 2020-21	Estimated Budget 2021-22	Estimated Budget 2022-23
Operating Surplus Ratio				
Operating Surplus	(690,647)	(717,238)	(686,000)	(727,808)
Revenues	2,735,066	2,785,133	2,828,427	2,870,140
Projected Operating Surplus Ratio	-25%	-26%	-24%	-25%
<i>Target Operating Surplus Ratio</i>	<i>-26%</i>	<i>-26%</i>	<i>-26%</i>	<i>-26%</i>
Net Financial Liabilities				
Total Liabilities	134,137	140,543	140,543	140,543
Less: current cash & cash equivalents	(836,562)	(749,123)	(719,007)	(748,326)
current trade & other receivables	(16,045)	(78,840)	(78,840)	(78,840)
non current other financial assets	-	-	-	-
non-current financial assets	-	-	-	-
<i>Net Financial Liabilities</i>	<i>(718,470)</i>	<i>(687,420)</i>	<i>(657,304)</i>	<i>(686,623)</i>
Total Operating Revenue	2,735,066	2,785,133	2,828,427	2,870,140
Projected Net Financial Liabilities Ratio	-26%	-25%	-23%	-24%
<i>Target Net Financial Liabilities Ratio</i>	<i>(46)%-(84)%</i>	<i>(46)%-(84)%</i>	<i>(46)%-(84)%</i>	<i>(46)%-(84)%</i>
Own Sourced Income Ratio				
Income excluding council contributions	1,999,889	2,118,420	2,093,249	2,134,962
Total expenditure	3,425,713	3,502,371	3,514,427	3,597,948
Projected Own Sourced Income Ratio	58%	60%	60%	59%
<i>Target Own Sourced Income Ratio</i>	<i>60%</i>	<i>60%</i>	<i>62%</i>	<i>62%</i>
Asset Renewal Funding Ratio				
Expenditure on renewal/replacement of assets	-	-	30,116	12,394
Sale of replaced assets	-	-	-	-
Net renewal/replacement of assets	-	-	30,116	12,394
Asset Management Plan amount	-	-	30,116	12,394
Projected Asset Renewal Funding Ratio	n/a	n/a	100%	100%
<i>Target Asset Renewal Funding Ratio</i>	<i>n/a</i>	<i>n/a</i>	<i>100%</i>	<i>100%</i>

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Budget review as at 30.06.2021

UNIFORM PRESENTATION OF FINANCES	Note	Original Budget	Approved Amendments	Current Budget	Year End Actual	Estimated Budget*	Estimated Budget*
		2020-21	2020-21	2020-21	2020-21	2021-22	2022-23
OPERATING ACTIVITIES							
Operating Revenues		2,735,066	141,139	2,876,205	2,785,133	2,828,427	2,870,140
less Operating Expenses	1	(3,425,713)	(72,675)	(3,498,388)	(3,502,371)	(3,514,427)	(3,597,948)
Operating Surplus/ (Deficit)		(690,647)	68,464	(622,183)	(717,238)	(686,000)	(727,808)
CAPITAL ACTIVITIES							
less Net Outlays on Existing Assets							
Capital Expense on renewal and replacement of Existing Assets		-	-	-	-	30,116	12,394
less Depreciation, Amortisation and Impairment		(690,647)	-	(690,647)	(686,188)	(686,000)	(769,521)
Net Outlays on Existing Assets		(690,647)	-	(690,647)	(686,188)	(655,884)	(757,127)
less Net Outlay on New and Upgraded Assets							
Capital Expenditure on New and Upgraded Assets		40,541	-	40,541	14,336	20,322	-
less Amounts received specifically for New and Upgraded Assets		(40,541)	-	(40,541)	(14,336)	(20,322)	-
less Proceeds from Sale of Surplus Assets		-	-	-	-	-	-
Net Outlays on New and Upgraded Assets		-	-	-	-	-	-
Net Lending/ (Borrowing) for Financial Year		-	68,464	68,464	(31,050)	(30,116)	29,319
(Increase)/Decrease in Cash and Investments		-	(68,464)	(68,464)	87,439	30,116	(29,319)
Financing Transactions		-	(68,464)	(68,464)	87,439	30,116	(29,319)

* Includes indexation

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Budget review as at 30.06.2021

**STATEMENT OF COMPREHENSIVE
INCOME**

	Original Budget	Approved Amendments	Current Budget	Year End Actual	Estimated Budget*	Estimated Budget*
	2020-21	2020-21	2020-21	2020-21	2021-22	2022-23
INCOME						
User Charges	1,989,889	(155,015)	1,834,874	1,812,029	2,085,649	2,127,362
Grants, subsidies and contributions	735,177	-	735,177	666,713	735,178	735,178
Investment Income	10,000	(2,980)	7,020	7,257	7,600	7,600
Reimbursements		299,134	299,134	299,134	-	-
TOTAL INCOME	2,735,066	141,139	2,876,205	2,785,133	2,828,427	2,870,140
EXPENSES						
Materials, contracts & other expenses	2,735,066	72,675	2,807,741	2,816,183	2,828,427	2,828,427
Depreciation, amortisation & impairments	690,647	-	690,647	686,188	686,000	769,521.14
TOTAL EXPENSES	3,425,713	72,675	3,498,388	3,502,371	3,514,427	3,597,948
OPERATING SURPLUS/(DEFICIT)	(690,647)	68,464	(622,183)	(717,238)	(686,000)	(727,808)
Amounts specifically for new or upgraded assets	40,541	-	40,541	14,336	20,322	
NET SURPLUS/(DEFICIT)	(650,106)	68,464	(581,642)	(702,902)	(665,678)	(727,808)
Other Comprehensive Income		-	-	-		
TOTAL COMPREHENSIVE INCOME	(650,106)	68,464	(581,642)	(702,902)	(665,678)	(727,808)

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Budget review as at 30.06.2021

STATEMENT OF FINANCIAL POSITION	Original Budget	Approved Amendments	Current Budget	Year End Actual	Estimated Budget*	Estimated Budget*
	2020-21	2020-21	2020-21	2020-21	2021-22	2022-23
ASSETS						
Current Assets						
Cash & Cash Equivalents	836,562	68,464	905,026	749,123	719,007	748,326
Trade & Other Receivables	16,045	-	16,045	78,840	78,840	78,840
TOTAL CURRENT ASSETS	852,607	68,464	921,071	827,963	797,847	827,166
Non-current Assets						
Infrastructure, Property, Plant & Equipment	18,266,799	-	18,266,799	18,245,053	17,609,491	16,852,364
TOTAL NON-CURRENT ASSETS	18,266,799	-	18,266,799	18,245,053	17,609,491	16,852,364
Total Assets	19,119,406	68,464	19,187,870	19,073,016	18,407,338	17,679,530
LIABILITIES						
Current Liabilities						
Trade and Other Payables	132,022	-	132,022	137,370	137,370	137,370
Short Term Provisions	2,115	-	2,115	3,173	3,173	3,173
Total Liabilities	134,137	-	134,137	140,543	140,543	140,543
NET ASSETS	18,985,269	68,464	19,053,733	18,932,473	18,266,795	17,538,987
EQUITY						
Accumulated Surplus	(2,083,292)	68,464	(2,014,828)	(2,136,088)	(2,801,766)	(3,529,574)
Capital Contribution	21,068,561	-	21,068,561	21,068,561	21,068,561	21,068,561
TOTAL EQUITY	18,985,269	68,464	19,053,733	18,932,473	18,266,795	17,538,987

FLEURIEU REGIONAL AQUATIC CENTRE AUTHORITY
Budget review as at 30.06.2021

STATEMENT OF CHANGES IN EQUITY	Original Budget	Approved Amendments	Current Budget	Year End Actual	Estimated Budget*	Estimated Budget*
	2020-21	2020-21	2020-21	2020-21	2021-22	2022-23
Accumulated Surplus						
Balance at Beginning of Period	(1,433,186)	-	(1,433,186)	(1,433,186)	(2,136,088)	(2,801,766)
Change in financial position resulting from operations	(650,106)	68,464	(581,642)	(702,902)	(665,678)	(727,808)
Balance at End of Period	(2,083,292)	68,464	(2,014,828)	(2,136,088)	(2,801,766)	(3,529,574)
Capital Contribution						
Balance at Beginning of Period	21,068,561	-	21,068,561	21,068,561	21,068,561	21,068,561
Capital Contributions from Councils	-	-	-	-	-	-
Equity contribution to Councils	-	-	-	-	-	-
Balance at End of Period	21,068,561	-	21,068,561	21,068,561	21,068,561	21,068,561
TOTAL EQUITY AT END OF REPORTING PERIOD	18,985,269	68,464	19,053,733	18,932,473	18,266,795	17,538,987
STATEMENT OF CASH FLOWS						
	2020-21	2020-21	2020-21	2020-21	2021-22	2022-23
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts	2,735,066	141,139	2,876,205	2,757,370	2,828,427	2,870,140
Payments	(2,735,066)	(72,675)	(2,807,741)	(2,844,809)	(2,828,427)	(2,828,427)
Net Cash provided by (or used in) Operating Activities	-	68,464	68,464	(87,439)	-	41,713
CASH FLOWS FROM INVESTMENT ACTIVITIES						
Receipts						
Amounts specifically for new or upgraded assets	40,541	-	40,541	14,336	20,322	-
Payments						
Purchase of Renewal/Replacement Assets	-	-	-	-	(30,116)	(12,394)
Purchase of New/Expansion Assets	(40,541)	-	(40,541)	(14,336)	(20,322)	
Net Cash provided by (or used in) Investing Activities	-	-	-	-	(30,116)	(12,394)
Net Increase (Decrease) in Cash Held	-	68,464	68,464	(87,439)	(30,116)	29,319
Cash & cash equivalents at beginning of period	836,562	-	836,562	836,562	749,123	719,007
Cash & cash equivalents at end of period	836,562	68,464	905,026	749,123	719,007	748,326