

2020/2021

Annual Report





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Introduction



Mayor's Reflections

I commend this Annual Report to you as an excellent summary of the challenges overcome and achievements made by all of City of Prospect staff and Elected Members over the past 12 months.

In the second year of COVID-19 impacts our community fared much better and our City was able to prosper in response and record a number of achievements.

I wish to acknowledge the former Chief Executive Officer, Mr Nigel McBride, who left Council in early July 2021. His contributions, the fresh lens he brought and business outlook resulted in strong leadership and direction throughout the COVID-19 period and beyond, including on economic recovery, performance improvement, customer service and business attraction and economic development. Two highlights include delivery of our new Community (Strategic) Plan, one which confirms our residents and ratepayers are at the heart of all we do, and the initiation of our formal Makaratta and Treaty journeys with the Kurna people, the original and continuing inhabitants of our lands.

This Annual Report details the work achieved together over the past financial year, as well as the services provided by Council during this time. Particular highlights include:



Major Projects underway

Council after extensive community engagement and consultation has moved forward with the delivery of the following projects throughout the course of the financial year with openings anticipated later in 2021 or early 2022:

- Vine Street Plaza
- Narnu Wirra
- Nailsworth Hall Upgrade

Master Plans

Thanks to hundreds of responses from locals, the Broadview Oval Yarnata Tutu yarta Community Hub Master Plan was finalised and endorsed by Council.

Grant Funding for Infrastructure Projects

Council was successful in securing the following significant funding contributions from the State and Federal Governments as outlined below. We thank our local Members of Parliament, the Local Government Association (LGA) of SA and the Australian LGA for their assistance in helping us secure these important grants, putting your taxes to work in your local area.

Amount	Source	Project
\$1,499,964	Office of Recreation Sport and Racing	Broadview Oval/ Yarnata Tutu yarta Community Hub
\$1,150,000	Local Government Infrastructure Program	Livingstone/ Hillside Road Reconstruction and Drainage Upgrade
\$3,000,000	Stormwater Management Authority/ National Flood Mitigation Infrastructure Program	Churchill Road Drainage
\$803,216	Department of Infrastructure / Local Roads and Community Infrastructure Program	Devonport Terrace Streetscape



As outlined above, in June 2021, Council was successful in receiving a grant through the Office of Recreation Sport and Racing as part of a Grassroots Facilities Program to help Council deliver the new \$4m Community and Sports Hub at Broadview Oval, now dual named as Yarnta Tutu yarta.

Road Resurfacing and Reconstruction Program

For the first full year our Road Renewal Program utilised recycled materials including asphalt with at least 50% recycled content wherever possible.

Volunteer Graffiti Removal Program

Our team of volunteers, led and supported by a dedicated City Maintenance team member, responded to 212 requests for graffiti removal.

Waste Management

City of Prospect collected 9,374 tonnes of waste as part of its kerbside collection, with 54% of this waste, namely compostable waste, recyclables and E-waste, diverted from landfill.

	2021	2020	Trend
Tonnes recycling waste diverted from landfill	1,730	1,787	↓
Tonnes food and organic waste diverted from landfill	3,143	2,943	↑
Tonnes general waste collected	4151	4,016	↑
Tonnes hard waste collected	350	339	↑
Kerbside collection diversion from landfill rate	54%	54%	No Change

18 waste education workshops, school excursions, bus tours to waste facilities, information stalls and online sessions were delivered in partnership with East Waste and other community groups including KESAB environmental solutions, Clean Up Australia Day, Prospect Community Garden and the City of Prospect events team.

Council also delivered education workshops to school in partnership with East Waste and KESAB Environmental and 2,038 residents received weekly waste education tips pushed to their phone with bin collection reminders via the MyLocalServices App.

Council also continued to offer and supply residents with kitchen organics baskets, including 150 compostable (corn starch) bags in addition to offering residents a rebate for the purchase of compost bins and worm farms through the 'Compost Bin and Worm Farm Incentive Scheme'. A battery and light globe recycling service for residents was introduced on the ground floor at Payinthe. The items are collected by EcoCycle for recycling.

Tree Planting

Council commenced rolling out its "Green Tunnel" tree planting program that aims to add to the City's extensive network of tree lined streets and urban canopy. This program is funded long term and will lead to the gradual increase in our canopy coverage. This year we planted 300 new advanced trees.

Network Prospect

Network Prospect continued to provide valuable support to our local businesses, accelerating the number of webinars and seminars held to ensure City businesses had the knowledge and support needed to adjust to the ever changing challenges presented by COVID-19.

Taking into account learnings from its earlier pandemic webinars Council commenced broadcasting seminars to ensure more people could access this service, either in person or at home. The Network Prospect website was redesigned to drive use, to support people finding local businesses through Google, and improve access to Council's business services.

Village Heart

In an effort to lower costs on local businesses, the Village Heart Marketing Fund separate rate was waived for the first quarter of 2020/21 (as well as the last quarter of the previous financial year). In 2020, Prospect Road won the Mainstreet SA People's Choice Award for the consecutive year, following overwhelming community support. City of Prospect also welcomed the 'Creperie Cart' coffee shop to Payinthe's corner tenancy in April 2021, making it Council's second commercial tenancy.



Smart City

Prospect is now the most-awarded Smart City in the nation. City of Prospect was named one of the Intelligent Community Forum Smart 21 Smartest Cities in the world (February 2021). This is the eighth time that City of Prospect has won this award! Other top 21 Intelligent Communities included Belfast, Northern Ireland and Rochester, New York. Prospect was one of four Australian cities on the list.

Prospect Business Leaders

In February, Council hosted an event with the Prospect Business Leaders where North Adelaide's head Coach Jacob Surjan talked to our business community about leadership and management during the pandemic. Our Business Leaders provided invaluable feedback and support for Council's economic development initiatives throughout the year.

Events

Two of our favourite events, Tourrific Prospect and Prospect Spring Fair were both unfortunately cancelled in the financial year due to crowd limits. However, as previously demonstrated, the Events Team showed true innovation and flexibility and delivered an entire new suite of smaller events including:

- Thirteen Street Parties at Christmas, up from one previously
- A series of Outdoor Cinemas over summer
- Teddy Bear Picnic in Memorial Gardens
- Council become a hot spot for Adelaide Fringe, hosting several shows
- Launch of the award winning Prospect Art Walk, which won a weekly Fringe award.

Twilight Sessions, in their 26th year, continued to deliver essential and sensational Friday night fun at Prospect Memorial Gardens and Club5082 and Youth programming continued to be delivered as well.

Newmarch Gallery enjoyed a full year of programming with the gallery itself seeing tremendous growth as new and old friends use this contemporary and modern gallery space to connect, engage and exhibit.

Presentation of the Community Service Awards was a feature of Council's National Volunteer Week event held in May. This year's theme for National Volunteer Week was 'Recognise. Reconnect. Reimagine' and I express my sincere thanks to all our some 126 volunteers for their commitment, tenacity and also patience over the last year.

Citizen of the Year

This year we received strong nominations and I was very pleased to be able to present the Awards to the following people:

- City of Prospect Citizen of the Year 2021 was awarded to Chris Whiteside.
- City of Prospect Young Citizens of the Year 2021 was awarded to Dylan Lo.
- City of Prospect Awards for Active Citizenship 2021 were awarded to Alex Chu and Cameron MacGillivray.

Financial Management and Responsibility

The focus of the 2020/2021 budget was on the continuation of the replacement and renewal of existing infrastructure assets, while preparing and supporting the community for reopening following the COVID-19 global pandemic.

Council achieved or surpassed 2 out of 3 key financial indicators targets set out in its Annual Business Plan. The operating surplus ratio was below our target range following increased depreciation of revalued transport and stormwater assets. Council will continue to work towards a sustainable Long Term Financial Plan.

Council presented an operating deficit for the 2020/2021 year of approximately \$776k. In 2020/2021 approximately \$6.5m was spent on capital expenditure. \$5.0m of this was spent in the rejuvenation or replacement of long term assets.

Again we must recognise that these results would not be possible without the assistance of State and Federal Government recurrent grants which account for approximately 6% of our revenue. Without these annual grants local ratepayers would have to fill the gap through higher rates, or decide which of our valuable services would be reduced - an unenviable task.

New Disability Plan

City of Prospect remains committed to building strong communities where everyone can enjoy our comprehensive range of environments and experiences and also feel like they belong and want to contribute. A new Disability Access and Inclusion Plan (DAIP) was adopted in early 2021 which will help provide inclusivity, equity and access to all Council services, facilities and functions.

Community Survey

City of Prospect conducted a community survey in November 2020 with a view to assisting us to open a conversation with our community, and provide valuable insights across a range of areas. I thank all those who took part. Your input is invaluable in us understanding how we can better service all.

At an overall level, nearly three quarters of respondents were satisfied with the City of Prospect Council (73%). The level of satisfaction increased by 5 percentage points compared to 2017. There is also a continuous improvement in those very satisfied with the Council (26%), an increase of 4 percentage points compared to 2017. At an overall level, the responsiveness of the Council has also improved with 60% of respondents indicating that the Council is responsive to community needs, compared to 59% in 2017. In order to drive higher satisfaction among the residents of the City of Prospect, the Council has conducted 'deep dives' into the areas of Customer Experience and Heritage. Pleasingly we achieved very strong results in the score measuring loyalty to Council (distinct from satisfaction); demonstrating many of you are connected to your Council and also have pride in our City - thank you!

Not dissimilar to any other Council, the past 12 months have provided many challenges for the City of Prospect. The health of our community in its broadest sense has been, and will continue to be, paramount. The global pandemic continues to necessitate a level of flexibility and adaptability in our thinking and approach, while ensuring you as our community are served in a safe, responsible and sincere manner. As a Council it is an incredible privilege to encourage people from all walks of life to harmoniously participate together; to sustain a place where people feel that they belong and can contribute.

As we turn the page to another year and despite the difficulties created by the pandemic, we remain in a strong position, with a new CEO and dedicated workforce and your Elected Members doing their best to demonstrate honesty, transparency and integrity with how we take care of our shared city, and how we celebrate and connect with you.

I wish you all the best for the coming year.

Mayor David O'Loughlin







Our Council

Your Council Members

Mayor



Mayor David O'Loughlin

0408 598 863

david.oloughlin@prospect.sa.gov.au

North Ward

Cr Thuy Nguyen

0413 499 109
thuy.nguyen@prospect.sa.gov.au



Cr Robin Pearce

0407 244 772
robin.pearce@prospect.sa.gov.au



Central Ward



Cr Mark Groote

0401 717 491
mark.groote@prospect.sa.gov.au



Cr Alison De Backer

0423 144 170
alison.debacker@prospect.sa.gov.au

West Ward

Cr Kristina Barnett

0408 822 923
kristina.barnett@prospect.sa.gov.au



Cr Matt Larwood (Deputy Mayor)

0458 019 994
matt.larwood@prospect.sa.gov.au



East Ward



Cr Allen Harris

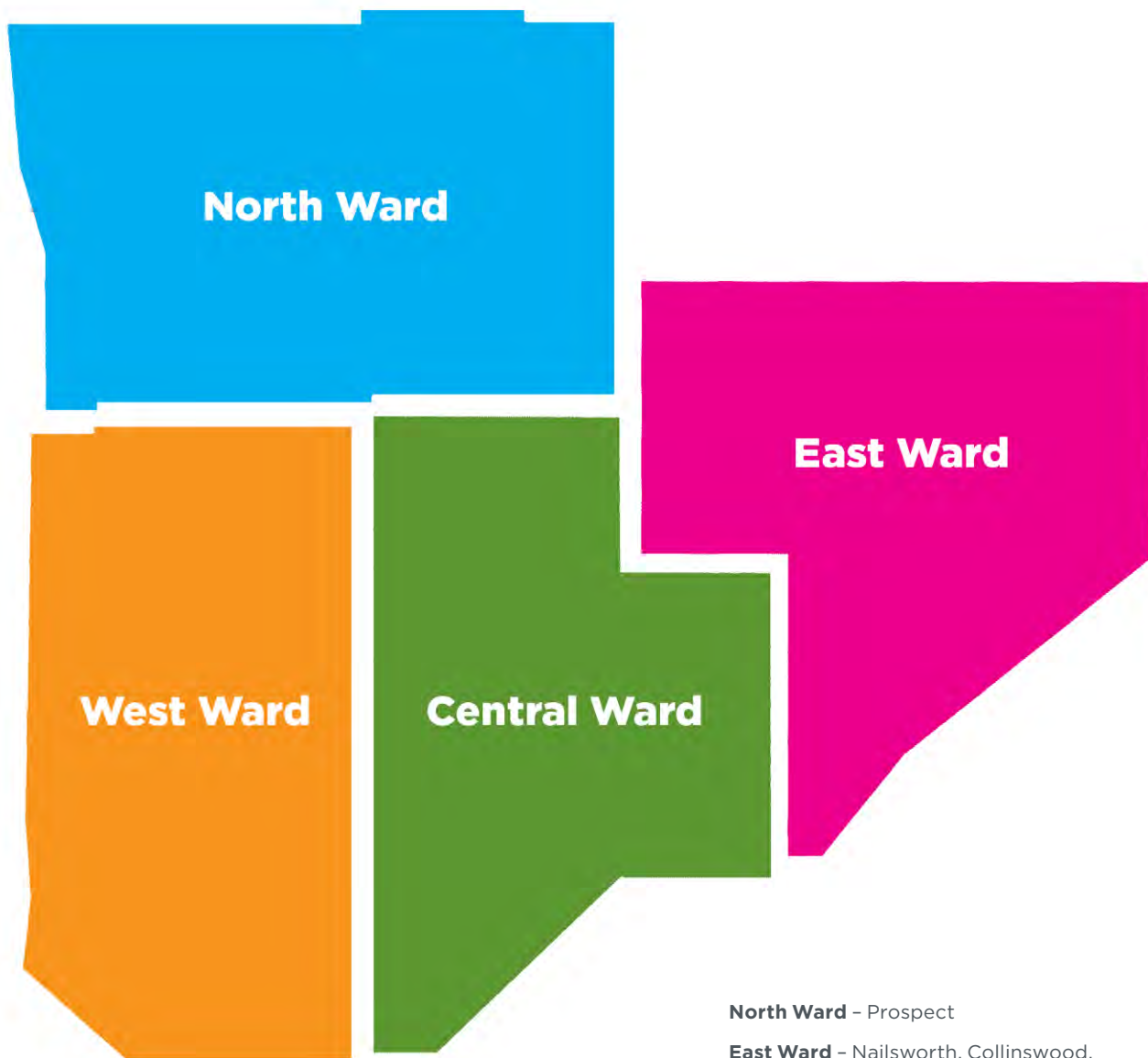
0419 324 397
allen.harris@prospect.sa.gov.au



Cr Steven Rypp

0403 772 851
steven.rypp@prospect.sa.gov.au

Council Boundaries



North Ward – Prospect

East Ward – Nailsworth, Collinswood,
Broadview, Sefton Park

Central Ward – Prospect, Nailsworth,
Thorngate, Medindie Gardens

West Ward – Fitzroy, Ovingham, Prospect



Elector Representation

The following table compares the City of Prospect's representation quota with that of other Councils of a similar size and type (amongst various metropolitan councils). The ratio is derived by dividing the total number of electors for each Council by the number of Council Members.

The Council's representation quota is 1:1,891.

The average for these Councils (based on the Ratio figures below) is 1,953.

Council	Electors	Councillors	Ratio
City of Burnside	31,722	12	1:2,643
Town of Gawler	18,247	10	1:1,824
City of Holdfast Bay	28,150	12	1:2,345
City of Norwood, Payneham and St Peters	25,575	13	1:1,967
City of Prospect	15,132	8	1:1,891
Corporation of the City of Unley	27,412	12	1:2,284
Corporation of the Town of Walkerville	5,729	8	1:716

* Source: Electoral Commission of SA and Norman Waterhouse Lawyers Report to Council

Council commenced a Representation Review in early 2021. As at 30 June 2021 this process is ongoing. Council will next conduct a review, as required by legislation, in 2028. Any changes from the current process will take effect from the next Local Government Elections in November 2022.

Section 12 of the *Local Government Act 1999* sets out a detailed process which the Council must follow in undertaking its Representation Review. A summary of that process is set out as follows.

First Public Consultation

The Council conducted its first round of public consultation for a period of no less than six weeks by issuing a public notice in the Gazette and publishing that notice on the Council's website which informed the public of the preparation of the Representation Options Paper. Interested persons were invited to make written submissions to the Council on the subject of the Representation Review within a period specified by the Council. The Council also published a copy of the aforementioned notice in a newspaper circulating within its area.

Representation Review Report

After the conclusion of the First Public Consultation period the Council prepared a Representation Review Report that:

- provides information on the public consultation and the Council's response to the issues arising from the submissions made as part of that process, if any
- contains a proposal that the Council considers should be carried into effect, including an analysis of how that proposal meets the relevant principles and matters set out in the Act.

Second Public Consultation

The second round of public consultation will be conducted in the second half of the calendar year and last for a period of no less than three weeks.



Council Member Allowances

Section 74 of the *Local Government Act 1999* (the Act) requires that the Remuneration Tribunal determine, on a four yearly basis, allowances for all South Australian Councils.

Prospect is classified as a Group Two Council (there are six groups all together).

The Act provides that Council Member allowances must be adjusted in accordance with the Consumer Price Index, noting this is scoped for change during the upcoming local government reforms process. Following the determination, the allowance was adjusted in accordance with the Consumer Price Index on the first anniversary of the periodic election. Separate to this the allowance is adjusted annually in November using a formula prescribed by the *Local Government (Members Allowances and Benefits) Regulations 2010*.

Pursuant to section 78 of the Act, Council has considered and is satisfied that the following facilities and support are necessary or expedient for all Council Members to assist them in performing or discharging their official functions and duties:

- Business cards
- Use of Council Chambers and other meeting facilities
- Tablet and associated costs, including data plan not exceeding \$45 per month
- General administrative support.

Council maintains a register of allowances that details the amounts and benefits paid to Elected Members. Elected Members can claim reimbursement of further costs according to Council Policy. Some Elected Members may receive additional allowances for chairing certain committees or sitting fees if they represent Council on external boards.

The Elected Member allowances were effective from the declaration of the November 2018 Council elections and were indexed on 9 November 2020. The allowances in effect for 2020/2021 were as follows:

Elected Member Allowances

Mayoral Allowance	\$72,400
Elected Member	\$18,100

Name	Total Council Member Allowance Paid
Mayor O'Loughlin*	\$78,183
Cr Nguyen	\$18,053
Cr Pearce	\$13,528
Cr Barnett	\$18,053
Cr Larwood (Deputy Mayor)	\$22,566
Cr Groote	\$18,053
Cr De Backer	\$18,053
Cr Harris	\$18,053
Cr Rypp	\$18,053

*The Mayor's entitlement is paid on a monthly basis in advance.

Differences in the table above compared to the legislated amount occur due to payment timings.





Council Member Conferences, Education & Development

City of Prospect is committed to providing training and development for Elected Members. It assists Council in remaining compliant with all relevant legislation, standards and codes. Elected Members can attend training sessions, workshops, and conferences throughout the year to broaden their knowledge and skills.

In 2020/2021, Elected Members attended informal gatherings and workshops where they were provided briefings on topics. Agendas for these sessions can be found on the City of Prospect website.

Specific training provided to individual Elected Members or which they have advised they registered for is reflected in the table below. Note not all identified have costs associated to the session.

Name	Date	Details
Numerous Councillors	Various	The New Planning System – Elected Member Webinar Series – facilitated by the LGA SA and Norman Waterhouse
Mayor D O'Loughlin	16 – 18 November 2020	2020 Special Local Roads and Transport Congress – Roads, Regions and Resilience
Mayor D O'Loughlin	26 November 2020	Mayor's Forum – Lead Through Coaching – LGA SA
Mayor D O'Loughlin, Cr K Barnett	22 February 2021	Councillors Roundtable event in support of the #NuclearBan
Mayor D O'Loughlin	29 – 30 April 2021	2021 LGA Ordinary General Meeting
Cr T Nguyen	3 May 2021	Public Speaking for Elected Members training – LGA
Mayor D O'Loughlin	7 – 8 June 2021	2021 Mainstreet SA Conference
Mayor D O'Loughlin	16 June 2021	Audit Committees – General Overview – LGA
Mayor D O'Loughlin	20 – 23 June 2021	2021 National General Assembly of Local Government
Cr K Barnett	22 July 2021	Wallmans Lawyers' Local Government Seminar Series: Social Media in Local Government
Mayor D O'Loughlin	Various	Mayor's Forum – Full LGA Program



Meetings, Workshops, Panels and Committees

Ordinary Meetings of Council are held on the fourth Tuesday of the month starting at 7:00pm. Special Meetings of Council can be held under the provisions of the Act.

Councillor Information and Workshop Sessions are held on an as-required basis (as determined by the Chief Executive Officer), with a preference for them being on a Tuesday evening commencing at 6.15pm.

Name	Council	Councillor Information & Workshop	Audit Committee	Strategic Planning & Development Policy Committee	Council Assessment Panel (CAP)	CEO Performance Review Committee
Total Meetings	15	25	6	1	12	6
Mayor David O'Loughlin*	15	24	6	1		6
Cr Kristina Barnett	15	24		1		
Cr Matt Larwood (Deputy Mayor)	14	19				6
Cr Mark Groote	13	18		1		6
Cr Alison De Backer	13	23		1		6
Cr Allen Harris	11	21				
Cr Thuy Nguyen	12	25		1		
Cr Robin Pearce	14	24			10	
Cr Steven Rypp	15	21	6			5





Council Assessment Panel Independent Members Allowances for the period July 2020 to June 2021

Sitting fees per meeting		Allowances paid 2020-2021	
Presiding Member	\$550	Mr Don Donaldson	\$6,600
Independent Member	\$475	Mr Robert Gagetti	\$5,225
Independent Member	\$475	Mr David Cooke	\$4,275
Independent Member	\$475	Mr Ruan Perera	\$5,700
Deputy Independent Member	\$475	Mr Julian Rutt	\$1,425

Audit Committee Independent Member Allowances

Sitting fees per meeting		Allowances paid 2020-2021	
Presiding Member	\$500	Ms Corinne Garrett (Presiding)	\$2,500
Member	\$400	Mr Peter Fairlie-Jones	\$2,000
Member	\$400	Mr Peter Scargill	\$2,400

Council Assessment Panel

The Council Assessment Panel (CAP) is a body established by Council under the provisions of the *Planning, Development and Infrastructure Act 2016*.

Until the commencement of the new Planning System in March 2021, the roles of the CAP included: the assessment and determination of development applications under delegation from Council (including those where representations from the public will be heard), providing comment to the State Planning Commission on applications to be determined by the Commission, and considering compromise proposals on appeals before the Environment, Resources and Development Court.

Since the commencement of the new Planning System, the CAP is now an independent assessment authority whose role is to assess and determine development applications that have undergone public notification, and to review (upon request by an applicant) decisions made by Council's Assessment Manager.

Meetings of the Council Assessment Panel are held on the second Monday of each month, commencing at 5:30pm.

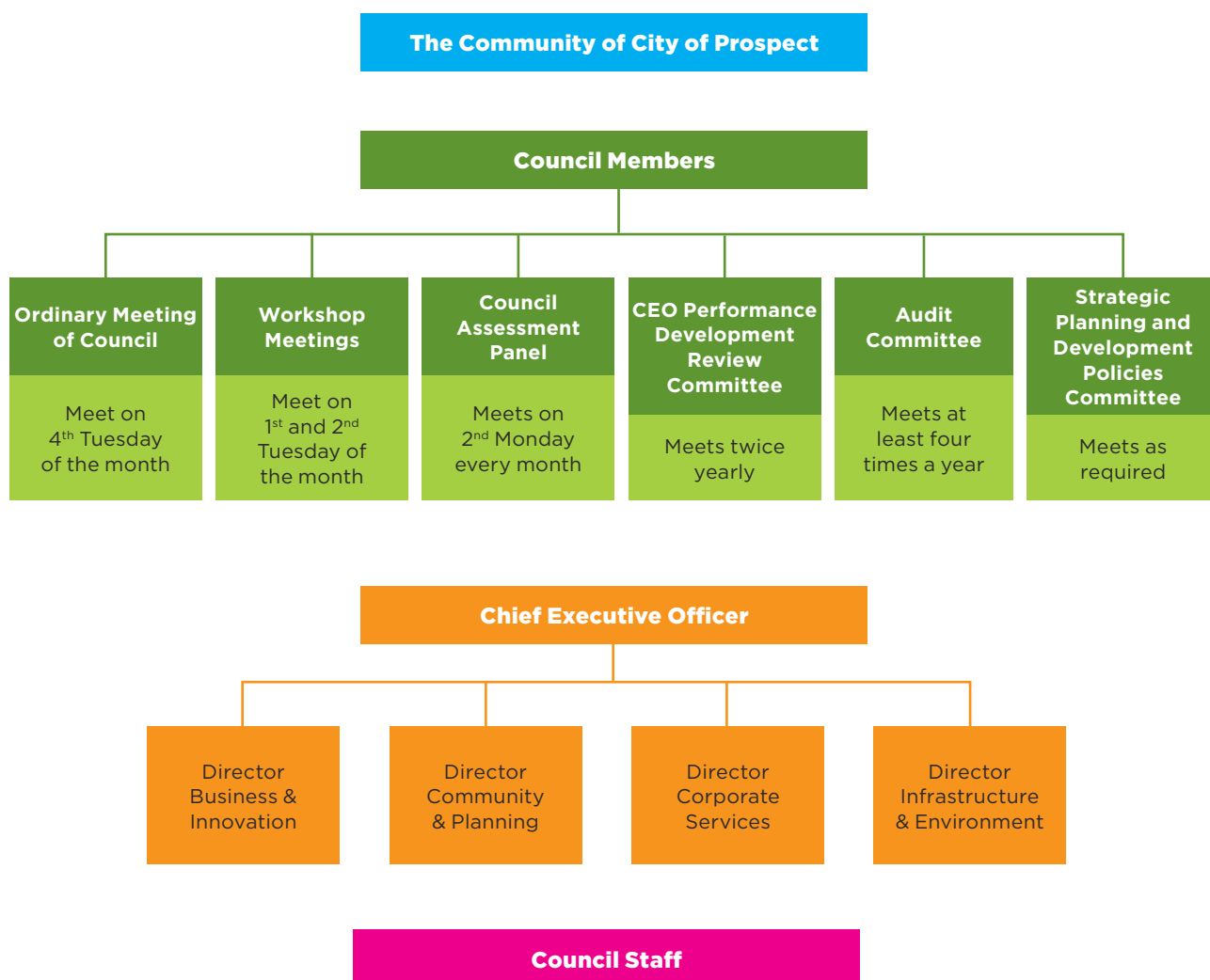
Audit Committee

The Audit Committee is established to oversee risk management and audit initiatives of council activities and to act as a source of advice to the Council and Chief Executive Officer in relation to these matters. The Committee are expected to meet at a minimum of four times per year.

Council Decision Making Structure

City of Prospect operates within the framework of the *Local Government Act 1999* (the Act), and the elected body may delegate authority to the Chief Executive Officer in accordance with legislative requirements and the corporate structure. The following mechanisms contribute to Council decision making (as at 30 June 2021). See following notes:

- Special Meetings of Council can be held as needed under the Act
- Extra workshop meetings were scheduled in as needed to meet demand and accommodate topics required
- The CEO PDR Committee met more regularly in the first half of 2021 in order to facilitate recruitment of a new CEO.



Executive Leadership

(As at 30 June 2021)

Nigel McBride

Chief Executive Officer

The Chief Executive Officer is responsible to Council for the overall management of the Administration and Employee Relations, delivery of Council strategy and is also the Work Health Safety responsible officer. The CEO reports to Council and often acts as Council's delegate across a range of its powers and responsibilities.

The Chief Executive Officer has responsibility for Business & Economic Development, including Investment Attraction, Business Relations, Village Heart Marketing Fund, GigCity, External Funding Policy, Strategic Economic Planning and Communications including Media Relations, 'Your Prospect' Magazine, Branding, and Social Media. The Office of the CEO has responsibility for Corporate Governance (Delegations, Policy, and Elections), Civic Governance (Council Members, Council Meetings and Workshops), Elected Member liaison and Human Resource Management.

Ginny Moon

Director Corporate Services

The Director of Corporate Services is responsible for ensuring the provision of systems and services within Corporate Management, Information Technology, Information Management, Risk Management, Work Health & Safety, Financial Services and Rates Administration.

Nathan Cunningham

Director Community & Planning

The Director of Community & Planning is responsible for a broad portfolio covering Community Development, Aged Care and Youth Programs, as well as Public Art and programming the Newmarch Gallery. These programs and services are delivered together with city-wide Events, Customer Services, Library and Digital literacy initiatives as well as Planning and Urban Development across the city. The Director Community and Planning guides the creation and provision of services and programs to create a safe, inclusive and healthy community proud of its identity, its art, its creative pursuits and its cultural diversity whilst also facilitating and managing the changing urban form of the city.

Simon Bradley (until May 2021);

Vincent Cammell (Acting from May 2021)

Director Infrastructure & Environment

The Director of Infrastructure and Environment is responsible for Public Realm Place-making, City Maintenance, Asset Management, Stormwater Management, Traffic Management, Contract Management, Capital Works Programming, Parks and Gardens, Open Space Management, Fleet Management, Community Land and Property and Facility Management, Waste Management, Environmental Management and Community Safety.

Chris Hannaford (until February 2021)

Director Business & Innovation

Mr Hannaford resigned from the Council in February 2021 and the position has not been replaced. The portfolios resting under Mr Hannaford were reassigned to the CEO.

All of the above positions were provided with a Total Employment Cost package which included the option for a fully maintained salary sacrifice vehicle (including private use). Salary information is available on the public salary register located on Council's website. In addition provisions are made for mobile phone allocation and service and laptop / iPad facilities.





Human Resource Management

Council maintains a policy of retaining a balance of trained and engaged Council employees and the use of contractors for specialised projects and services. In doing so, Council can ensure that projects are carried out using the specialist equipment and skills of contractors whilst retaining a core in-house workforce that can respond quickly and efficiently to localised issues and concerns.

Council supports a diversity of employment types including full-time, part-time, role sharing, fixed-term contract and casual employees, with casual staff working predominantly in customer facing roles that can deliver services over seven days, peaking during seasonal and high demand periods.

Employees range in age from 24 years through to 71 years, holding job obtained skills or qualifications at all levels, from Certificate level through to Post Graduate.

Employees are engaged under the South Australian Municipal Salaried Officers Award and the Local Government Employees Award. Service delivery standards and employment conditions are enhanced through the enterprise bargaining process, which involves negotiation between Council employees and management. Salary information is available on the public salary register located on Council's website.

In addition, training is provided to Council employees during the year to ensure they are equipped with the knowledge and skills required to service the community efficiently. Formal and informal programs are offered including Local Government Professionals SA development programs and LGA SA offerings. To support people to deliver their best for the City. Employees and leaders undertake regular performance and development conversations throughout the year. These conversations provide employees with the opportunity to define and measure goals, acknowledge achievements, and continue to develop their capability through a development plan. Leaders are also encouraged to regularly 'check-in' with each employee about their wellbeing at work. This was particularly important during COVID-19 restrictions / lock down occasions.

In 20/21 the employee culture survey was undertaken (last undertaken in 2017) to measure engagement and employee satisfaction across the organisation. The results were shared with employees by the CEO in May 2021 and an action plan is to be developed.

Council experienced moderate employee turnover during 2020/2021, with 9% of employees leaving the organisation to pursue other promotional or career opportunities. Council continues to develop strategies to attract and retain quality employees. Council seeks to balance the inevitable employee turnover generated by the tight labour market with core employees who have dedicated significant periods of their working life to serving the residents and community organisations within Prospect.

Council offers various programs to all employees to assist with wellbeing in the workplace or their personal life. An annual program is provided in conjunction with Corporate Health Group (CHG) and the Local Government SA Worker Compensation Scheme which support employees to maintain a healthy lifestyle. Council also provides access to the Employee Assistance Program which provides a counselling service.

Council continued to respond to COVID-19, including through the updating of risk assessments, procuring sanitiser wipes and hand sanitiser, disposable masks, placing markings on the floors to facilitate social distancing, developing COVID Safe Plans, training of COVID marshals and use of QR Codes where appropriate in addition to providing guidance to the public and ensuring the safety of staff.

As at 30 June 2021, Council employed 94 people with a full-time equivalent (FTE) of 87.8.



The following tables summarise the age profile and length of service of employees with City of Prospect as at 30 June 2021.



Age of Workforce	Male	Female	Total
20-29	5	3	8
30-39	7	12	19
40-49	9	16	25
50-59	12	17	29
60+	11	2	13
Total Employees	44	50	94

Length of Service	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
0 to 5	40	34	33	32	30
5 to 10	29	26	25	26	22
10 to 15	14	19	18	20	24
15 to 20	6	7	4	4	9
20+	5	6	7	8	9
Total	94	92	87	90	94

The Council employs staff across a range of job roles, including:

- Management
- Planning and Building
- Library Services
- Information Technology
- Work Health & Safety
- Horticulture & Civil Services
- Engineering
- Economic Development
- Community Services
- Arts & Events
- Environmental Planning & Management
- Administration.



Your Rates, Your City



Council seeks to ensure that rates are applied fairly across the community

After Council has established what services will be provided and how much those services are expected to cost, it then works out how much money will be collected from various sources, and how much it needs to collect from the community in the form of rates.

Providing and maintaining services and facilities costs money. Council must raise sufficient funds and does this by charging a rate on property.

While Council receives some money from other sources such as grants and fees, the largest portion (approximately 89%) of the money that Council requires comes from rate payers.

Rating Strategy

Before Council can set its rates each financial year, it must review its Rating Strategy to assess if strategy positions previously taken need to be amended.

The Rating Strategy is a broad statement by the Council of the approach that it will take in determining rates and the reasons for this approach. This process helps to ensure accountability to the community.

The Rating Strategy for 2020/2021 was adopted by Council on 23 June 2020 along with Council's Annual Business Plan. It took into account:

- Valuations set by the Valuer-General
- City of Prospect Strategic Plan to 2020
- Council's Treasury Management Policy
- Inflation rates, Consumer Price Index (CPI) and Local Government Price Index (LGPI)
- The effect of rates on local business
- Employment rates
- Interest rates
- COVID-19 health crisis
- Council's borrowings
- Legislative changes

- Any financial change imposed by legislation
- Physical infrastructure requirements
- Environmental impacts and opportunities
- Income from fees and charges
- Income from grants
- Income from other sources.

Council works hard to ensure rates are kept to a responsible level, consistent with meeting the needs and demands of the local community in maintaining infrastructure and providing services.

Council also seeks to ensure that rates are applied fairly across the community.

In 2020/2021, the total revenue raised from rates increased by 2.5%. This increase was made up of average residential rate increases of 1.9% plus growth of 1.02%. Local residential property valuations increased by an average of 0.86% from the previous year with the Valuer General having deferred the Revaluation Initiative project due to the COVID-19 Pandemic.

Land Use & Locality

Council has chosen to have four different rates depending on the type of land use and location within the development plan. One for residential, one for non-residential (including commercial shops, offices, light industry etc), one for vacant land located in the residential development zone and one for vacant land not in the residential development zone (non-residential).

Minimum Rate

Council considers it appropriate that all rateable properties make a contribution to the basic services provided for all rate payers by way of a minimum rate. The minimum rate was increased from \$1,239 to \$1,263 for the 2020/2021 financial year.

Payments

Council rates can be paid through a variety of methods:

Cheque, EFTPOS, Telephone, Internet, Direct Debit, Australia Post and BPay.





Every \$100 spent by Council

Service	\$
Waste Management	\$8.90
Sanitation	\$0.21
Community Arts, Events & Gallery	\$3.59
Library	\$3.87
Community Wellbeing & Development	\$6.05
Street Trees, Nature Strips, Parks & Landscapes	\$0.89
Stormwater Drainage	\$1.97
Business & Economic Development	\$2.47
Street Lighting	\$1.73
Public Health & Safety	\$1.77
Streets & Footpaths	\$17.72
Traffic Management	\$0.55
City Planning & Development	\$3.84
Fleet & Depot Operations	\$8.68
Governance & Administration	\$9.61
Information Technology	\$5.57
Rates Administration	\$3.42
Financial Management (includes NRM Levy)	\$2.75
Reserves & Loans	\$4.46
Sports, Recreation & Playgrounds	\$10.73
Communication	\$1.22





Mandatory Rebates

During the 2020/2021 financial year, 138 properties were granted mandatory rebates as follows:

No. of Rebates	Reason	Value of Rebate
1	Cemeteries	\$8,938.53
109	Community Services	\$141,703.90
9	Education	\$140,876.56
19	Religious	\$141,074.60
Total 138		\$432,593.59

Discretionary Rebates

Ten applications for discretionary rebates were approved by Council during the 2020/2021 financial year.

No. of Rebates	Reason	Value of Rebate
5	Community Services	\$29,770.80
5	Separate Rate	\$562.50
Total 10		\$30,333.30

Valuation

A capital value is assessed for each property and is used by Council for calculating rates.

The capital value is provided each year by the Valuer-General. The table at the bottom of the page shows the trend of capital valuation for City of Prospect over the last few years.

Separate Rate – Village Heart Marketing Fund

From 2017-2018, Council has managed a new fund for the marketing and promotion of the Prospect Road Village Heart. This fund is provided to finance activities as directed by the Prospect Road Main Street Association.

Funding is achieved through a separate rate applied to each non-residential business or tenancy within the Prospect Road High Street Development Zone. For 2020/2021, the zone was extended to the South, up to Buller Street and Ballville Street. Each business was billed a fixed contribution of \$112.50 annually, with a rebate available to ensure that this is only paid once per business per year.

The trend of capital valuation for City of Prospect over the last few years

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Valuation of the City (Million)	\$4,877	\$4,962	\$5,205	\$5,629	\$5,981	\$6,280	\$6,498
Minimum Rate	\$1,050	\$1,090	\$1,118	\$1,160	\$1,200	\$1,239	\$1,263
Residential Rate in (dollar)	0.321690	0.322342	0.319577	0.303805	0.306640	0.298080	0.303550
Non-residential Rate in (dollar)	0.658500	0.683288	0.654307	0.637904	0.631026	0.592218	0.616450
Average Residential Rate	\$1,605	\$1,683	\$1,732	\$1,780	\$1,839	\$1,899	\$1,935
Vacant Land Rate	0.402112	0.402927	0.399471	0.379756	0.383300	0.372600	0.379438
Vacant Land Rate (Non-residential)	0.823125	0.854110	0.817884	0.797380	0.788783	0.740273	0.770563



Policy & Administration Documents

National Competition Policy – Clause 7 Statement Reporting

The National Competition Policy was last revised in July 2002 and applies to all Local Government authorities in South Australia, including City of Prospect. The Policy aims to:

- Develop an open and integrated Australian market for goods and services by removing unnecessary barriers to trade and competition
- Ensure no buyer or seller in a market is able to engage in anti-competitive conduct against the public interest
- As far as possible, apply the same rules of market conduct to all market participants, regardless of the form of business ownership – that is government business activities should not enjoy any net advantages solely as a result of their public ownership
- Ensure that regulation of business activities that restrict competition is subject to an assessment of the likely costs and benefits.

National Competition Policy does not mean competition at any cost, however competitive neutrality is one of the key principles of the Policy. The principle is based on the concept of a level playing field for people competing for business and relates to situations where there is, or the potential for, competition between the private and public sectors.

Councils are required to identify any significant business activities that it undertakes in either Category One (annual revenue in excess of \$2m or employing assets in excess of \$20m) or Category Two (all other significant business activities).

Council continued to be a member of the Eastern Health Authority Incorporated and Eastern Waste Management Authority (East Waste), and both businesses operate with activity of interest with respect to the National Competition Policy.

Both the Eastern Health Authority and Eastern Waste Management Authority may be categorised as conducting significant business activity for Category One under the principles of the National Competition Policy. There are no business activities falling under Category Two to which the principles of Competitive Neutrality are to be applied.

City of Prospect has not received any complaints in relation to its application of competitive neutrality or the principles of the National Competition Policy during 2020/2021.

Council By-Laws

Council's By-Laws underwent a review in the last quarter of 2015, thereafter published in the SA Government Gazette on 24 December 2015. The next review, as required by legislation, will occur in 2022.

The following By-Laws remain effective from 3 January 2016:

- Permits and Penalties
- Moveable Signs
- Local Government Land
- Roads
- Dogs
- Waste Management.

List of Codes of Conduct / Practice

During 2020/2021 Council maintained the following Codes of Conduct / Practice as required under the *Local Government Act 1999* and *Local Government (Elections) Act 1999*.

- Code of Practice - Meeting Procedures for Meetings of Council and Council Standing Committees
- Code of Practice for Access to Meetings and Documents
- Complaints Handling Procedure under the Code of Conduct for Council Members

These documents may be found on Council's website or from Council's Office (during business hours) throughout the year.

Information Statement

List of Registers

Council maintained the following registers throughout the year as required by the *Local Government Act 1999* or the *Local Government (Elections) Act 1999*:

- Council Member Allowances and Benefits Register
- Council Member Gifts and Benefits Register
- Council Member Register of Interests (extract)
- Delegations Register
- Fees and Charges Register
- Register of By-Laws
- Register of Community Land
- Register of Public Roads
- Salaries Register
- Staff Gift and Benefit Register
- Prescribed Officer Register of Interests.

The Freedom of Information Act 1991 (the FOI Act) gives you the right to request access to documents held by Council and plays a vital role in the overall transparency of government.

To meet the requirements of Section 9(1a) of the FOI Act, Council is required to publish an Information Statement. The purpose of the Information Statement is to provide the public with an overview of information held by Council and details how to access the information. The Information Statement will be updated annually and published on Council's website.

Information Requests

During the 2020/2021 financial year, Council received a total of 9 requests for information under the provisions of the FOI Act.

Freedom of Information application forms, as well as details of applicable processing fees and conditions, can be obtained from Council's website www.prospect.sa.gov.au or alternatively from Customer Service.

All applications should be submitted in writing and forwarded with the application fee to:

The FOI Officer
City of Prospect
PO Box 171
Prospect SA 5082

Matters Considered in Confidence

In accordance with Section 90(1) of the *Local Government Act 1999* all Council and Committee Meetings were conducted in a place open to the public. On every occasion that Section 90(2) of the Act was applied to exclude the public, the minutes included the proceedings for making a confidentiality order and the grounds on which the order was made.

During the 2020/2021 financial year, the confidentiality provisions of the Act were used by Council a total of 8 times to consider matters in confidence and by Council Committees a total of 4 times.

The following table summarises the orders made by the Council during the financial year. Council's website has further information available.





Orders made under Section 90(2) of the Local Government Act 1999 for 2020/2021

Date of Council Meeting	Subject / Item of Business	Actions / Exclusion (Sections of Act)
27 October 2020	Item 16.1 Cyber Security Examination	(e) and (j) Section 91 (7) applied to all documents
24 November 2020	Item 16.1 Extension of Settlement Period for the Sale of a Portion of 82-90 Johns Road (Tram Barn) and 218 Main North Road, Prospect (Former Milk Depot) and Variation to Sale Methodology	(b) Section 91 (7) applied to all documents
15 December 2020	Item 16.1 Australia Day Citizen of the Year Awards 2021	(a) Section 91 (7) applied to all documents
28 January 2021	Item 4.1 Sale of a Portion of 82-90 Johns Road (Tram Barn) and 218 Main North Road, Prospect (Former Milk Depot)	(b) Section 91 (7) applied to all documents
27 April 2021	Item 16.1 Village Heart Car Parking Strategic Options – Preliminary Update	(b) and (i) Section 91 (7) applied to all documents
27 April 2021	Item 16.2 Update from Chief Executive Officer Performance Development Review Committee	(a) and (b) Section 91 (7) applied to attachment
25 May 2021	Item 16.1 Update from Chief Executive Officer Performance Development Review Committee	(d) Section 91 (7) applied to attachment
29 June 2021	Item 16.1 Update from Chief Executive Officer Performance Development Review Committee and Recommended Appointment of Acting Chief Executive Officer	(a) Section 91 (7) applied to all documents
19 October 2020 – Audit Committee	Item 8.1 Cyber Security Examination 2020	(e) and (j) Section 91 (7) applied to all documents
24 May 2021 – CEO PDR Committee	Item 6.2 Consideration of Acting Arrangements for the position of Chief Executive Officer (short term / locum arrangement / other appointment processes etc.)	(a) Section 91 (7) applied to minutes
28 June 2021 – CEO PDR Committee	Item 6.1 Discussion / Briefing with VUCA Pty Ltd (Executive Search firm) Agreement to longlist as part of recruitment and selection process for Chief Executive Officer	(a) Section 91 (7) applied to attachment
28 June 2021 – CEO PDR Committee	Item 6.2 Recommendation to Appoint Acting Chief Executive Officer (short term / locum arrangement) (confidential paper)	(a) Section 91 (7) applied to all documents

During 2020/2021, 20 Confidential Orders were remade and 6 were revoked.





Report on Internal Review of Council Decisions

During 2020/2021, Council received 3 applications for review of a decision in accordance with Section 270 of the *Local Government Act 1999*. Two applications resulted in the matter being upheld, i.e. the original decision of Council was affirmed and one application was withdrawn.

Key Performance Indicators

Council staff achieved approximately 71% completion of all budgeted projects for 2020/2021.

Of the sixteen incomplete projects, five were scheduled to be multi-year projects with planned budgets straddling into the 2020/2021 financial year. These projects included:

- Devonport Terrace Upgrade
- Devonport Terrace Public Art Project
- Nailsworth Hall Upgrade
- Makarrata (Payinthe Kumunka)
- SharePoint Implementation.

Whilst every effort was made to complete all projects, eleven remaining projects were delayed. These project budgets have been carried forward to 2020/2021 and include:

- Representation Review (due to mandated requirements)
- City Wide Public Art Advisory
- Financial Reporting
- InfoCouncil Implementation
- Secured Management & Distribution of Content
- Cyberaudit
- Open Space – Prospect Gardens / Narnu Wirra
- JW Rattley Reserve Playground
- Churchill Road (Gurr to Livingstone)
- Bus Shelter Upgrades
- Footpath Construction (AMP).

During the year, Council has achieved or favourably exceeded all of the three key financial indicators.

The key financial indicators are reported in Council's Audited Financial Statements (see Note 15) and are summarised in the following table.

Council will continue to work towards a sustainable Long term Financial Plan.

Key Financial Indicator	Adopted Target Range	Ratio Achieved 2020/2021	Target Achieved 2020/2021	Ratio Achieved 2019/2020
Operating Surplus Ratio	(1%) - 5%	(3.0%)	Not Achieved	0.0%
Net Financial Liabilities Ratio	10% - 90%	59%	Achieved	73%
Asset Sustainability Ratio	90% - 120%	231%	Exceeded	169%





Financial Management

For 2020/2021, Council has either achieved or exceeded two of its three Key Financial Indicators. The focus of 2020/2021 budget was on the continuation of the replacing and renewing of existing infrastructure assets, while providing support for the community in reopening from the COVID-19 Pandemic.

Although Council continues to be largely dependent on residential rates income to fund its operations, Council is beginning to see growth in the rate revenue from the corridor roads and non-residential sector. This growth was originally initiated by Council's investment of recent years in the Prospect Road and Churchill Road Masterplans. Development Growth is being experienced in residential rate income as new developments are constructed following the changes in 2013 to the Inner Metro Development Plan. The changes allowed increased density of properties along the corridor roads of Main North, Prospect and Churchill.

Council has a Long Term Financial Plan to ensure its financial viability into the future. This plan documents key assumptions and the financial impact of the policy decisions over future years. In developing this Plan and the Annual Budget for 2020/2021, Council has continued to keep its overall rate increase at a 'modest' level, with the average residential rate increase for 2020/2021 being 1.90% plus Growth.

Council presented an operating deficit for the 2020/2021 year of approximately \$776k. This deficit represents 3.0% of the total adopted Operating Income for 2020/2021. In 2020/2021 approximately \$6.5m was spent on capital expenditure. \$5.0m of this was spent in the rejuvenation or replacement of assets already owned by Council to continue to enhance the longevity of service provision for the community.

Council achieved or exceeded two out of three key financial indicator targets, as set out in its Annual Business Plan. Council will continue to work towards a sustainable Long Term Financial Plan.

The operating surplus ratio was not achieved following an increase in depreciation expenditure resultant from a revaluation of transport and stormwater assets. Excluding the additional depreciation generated by the revaluation, Council would have had an operating surplus result.

In the month of June in recent years, the Federal Government has paid amounts of untied financial assistance grants, which are recognised on receipt, in advance of the year of allocation. Council received an advance payment of \$355k for the 2021/2022 year in June 2021.

2021/2022 Draft Annual Business Plan and Budget Consultation

Various forms of community consultation were provided regarding the Annual Business Plan 2021/2022. These were modified to support physical distancing requirements at the time due to the COVID-19 global pandemic but to maintain a level of connection and feedback from the community, the following opportunities were offered:

- Engagement Hub:
 - Online Poll
 - Online Ideas Wall
 - Submission Feedback Form
- Youth Focus Group Forums with local high school students (Blackfriars Priory & Prescott College)
- Interactive Public Webinar (no registrations)
- Website and Other Written Submission.

The results of the consultation were reported to Council on 29 June 2021.



Rates & Property Administration

Property values are used as a basis for determining what share of the total rate revenue individual ratepayers are to pay. The property values used by the Council are independently set by the Valuer-General.

Ratepayers can object to the valuation if they believe it is inaccurate. A total of 14 valuation objections were received by Council via the Valuer-General in respect of 2020/2021 rates levied.

As a result of property valuation increases and natural growth on the City's valuation, created by subdivisions and building approvals, taking into account of Council's rating strategy, Council's rate revenue increased from \$21.7m to \$22.4m in 2020/2021.

Council again acted as a collection agency for the Regional Landscape Levy (formerly Natural Resources Management Levy), which is used by the State Government to improve water quality in the catchment areas.

A number of opportunities for community consultation were provided during the year for the community to provide input. The rating framework for 2021/2022 was presented and discussed as part of activities for the 2021/2022 Draft Annual Business Plan and Budget Consultation, as detailed above.

Rates in our City are determined based on the capital value of the property – which includes both the value of the land and the value of any buildings or other structures. The overall capital value for all properties in our city is made up of 92% residential, 7% non-residential and the remaining 1% as vacant land.

Information Technology

Council continues its commitment to maintain Information Technology (IT) and systems that enables its employees to perform their responsibilities efficiently as well as enabling customers to interact with Council electronically.

There has been a focus this year on improving internal operations and systems in Council. This included a detailed review of Council's geographical information system and planning to upgrade the system and the introduction of SharePoint and a knowledge base to assist with inquiries from the community. Several internal workflows were also developed on this platform to assist with corporate operations.

Solutions have also been implemented to assist with the management of Council minutes and agendas. Cyber security has gained a very high profile in local governments in South Australian over the year, with significant effort made to review existing measures and provide ongoing cyber awareness training to Council staff.

The pandemic has also required continuous monitoring, preparation and agility to respond to lockdowns for staff to work remotely and continue the provision of services to our community.

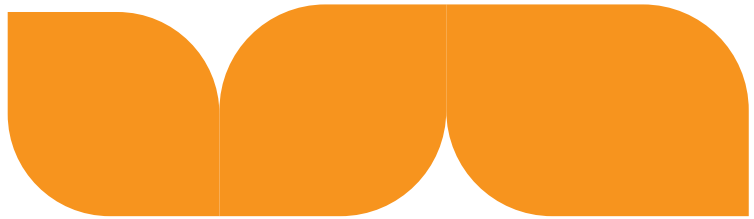






Connected &
Caring





Our Older Residents

Prospect Community Support is a Commonwealth funded community based aged care program hosted by City of Prospect.

Although based within Prospect local government area, the funding agreement allows for residents from throughout the Eastern region of Adelaide to access funded service types. Referrals are made to Prospect Community Support after completion of an initial assessment through the My Aged Care (Commonwealth) program.

There are a wide range of My Aged Care service provider choices within the Eastern region, with Prospect Community Support standing out as a service of choice because of our commitment to provide local high-quality services delivered by caring staff at a low cost. Most participants have been receiving on-going services from the program over many years.

Referrals are accepted by Prospect Community Support according to the availability of resources, with priority given to residents of City of Prospect.

The table below shows funded service types for 2020/2021 against actual outputs.

Other than Individual Support, each of the funded outputs were not met for 2020/2021. This reflects significant disruptions over the year due to the COVID-19 health crises.

With older people identified as being most at risk of the virus, the Commonwealth (Department of Health) required Prospect Community Support reduce the number of people participating within each group according to the requirements of social distancing. Also, many of our older residents chose to reduce their receipt of in-home assistance during this time. Variations to funded outputs were anticipated and agreed by the Commonwealth Department of Health.

	Domestic Assistance	Home Maintenance	Home Modification	Social Support-Group	Social Support-Individual	Transport	
Measure	Hours	Hours	Cost in \$	Hours	Hours	Hours	
Funded Outputs	7,200	1,700	\$7,328	11,276	4,000	900	
Actual Outputs	4,769.50	1,577.00	\$6,175	6,980.75	4,526.65	491.00	
Variation	-33.76%	-7.24%	-15.74%	-38.09%	13.17%	-45.44%	
Grant Income	\$279,542	\$76,043	\$7,328	\$145,482	\$83,624	\$13,775	\$605,794



Annual Grant Program

Community Buses

Council's two Community Buses are frequently seen navigating their way around Prospect, stopping to allow our older residents to embark and be transported to various locations within our City and further afield. Each journey is as much about catching up with friends as it is to make use of the door to door, low-cost bus service.

The buses are driven by Council volunteers who are assisted by a volunteer 'helper' to store any shopping that may have been picked up on the journey or to hold personal belongings while passengers navigate the steep steps on and off the bus. With one of the buses fitted with a wheelchair lift, Council volunteers are there to assist our older residents to get out and about in our community, no matter their level of mobility. There are 12 volunteers on the team, supported by a part-time (15 hours each week) Coordinator.

The program was somewhat disrupted during 2020/2021 due to COVID Safe requirements, however, our regular services continued throughout the year. After the series of lockdowns from the previous year, many of our older residents were cautious as they re-engaged with community and decided to reduce their use of the program, however services continued and included:

- **Door to Door Shopping** – transport to and from North Park and Sefton Park Shopping Centres, offered each Tuesday and Friday. This is the program's most popular service, offering lots of time for leisurely shopping and even enjoy a coffee with new friends before getting back on board the bus.
- **Day Tours** – transport to and from popular destinations within greater Adelaide and interesting Regional locations, offered on the second Monday of each month.

Invitations to apply for Council's 2020/2021 Community Grants program were distributed to local community groups, clubs and organisations, promoted through an article in Your Prospect magazine, posted to Council's website and signage set up at key locations across the City.

Opportunities made available through Council's Community Grants program include:

- Community Support Fund (total budget allocation – \$29,580)
- Cultural Festival and Event Grants (total budget allocation – \$22,000).

Applications to both grant opportunities opened on 13 July 2020 and closed on 18 September 2020.

Community Support Fund

The Community Grants Program provides the opportunity for locally based community groups to receive funding up to \$5,000 to support their activities / programs that benefit the Prospect community in the following areas:

- Small Equipment Purchases
- Community Development Programs
- Facilities Improvement
- Small Events
- Environment Grants.

Twenty-two (22) applications requested a total of \$33,741 from a budget of \$29,580. As occurs each year, grant funds were proportionally allocated according to a weighted and comparative assessment against the adopted grant criteria.

Funding of \$27,856 was allocated for the 2020/2021 Community Support Fund as shown on the following table.



Events & Major Programs

2020-2021 Community Support Fund

1	Adelaide Roots and Blues Association	\$2,000.00
2	Operation Flinders Foundation Inc. (conditional support)	\$1,950.00
3	Playgroup SA Inc.	\$1,000.00
4	Prospect and Enfield Kindergym Inc.	\$880.00
5	Prospect Blair Athol Lions Club	\$3,000.00
6	Prospect Broadview Bowling Club	\$1,804.00
7	Prospect Community Garden	\$2,000.00
8	Prospect Local History Group – Application 1	\$269.50
9	Prospect Local History Group – Application 2	\$732.00
10	Prospect Local History Group – Application 3	\$236.50
11	Prospect Local History Group – Application 4	\$500.00
12	Prospect Local History Group – Application 5	\$462.00
13	Prospect Local History Group – Application 6	\$195.00
14	Prospect Primary School – Application 1	\$1,337.00
15	Prospect Primary School – Application 2 (conditional support)	\$2,000.00
16	Prospect Tennis Club	\$2,150.00
17	Rotary Club of Prospect Inc.	\$1850.00
18	Sustainable Communities SA Inc.	\$1490.00
19	The Mustard Seed Family Project Inc.	\$2,000.00
20	Ukelaide!	\$2,000.00
TOTAL		\$27,856.00

Groups receive funding up to \$5,000 to support their activities or programs that benefit the Prospect community.

While COVID-19 impacted business operations from March 2020, the effect on the City of Prospect Events season initially was minimal, noting the peak of that season had already passed. It became obvious however as months progressed that the Events and Major programs for 2020/2021 would be severely challenged with unpredictable lockdowns, ongoing restrictions on gatherings and capacity rulings dramatically changing the way our community would engage with and attend events and programs.

This led the team to completely rework the existing major events program that sees Prospect Spring Fair and Tourrific headline our program, and instead in July 2020 commenced detailed planning on what 2020/2021 could look like and following a Council Workshop in August 2020, the entire season was reimagined. This enabled the delivery of new events in a COVID-Safe manner where more smaller scale events were delivered, where new ideas were trialed and events that had been on the 'wish list' for many years had their opportunity.

This new season aimed to deliver and support 27 key events or activations and whilst 6 events did not occur as planned, the delivery of 21 events and activations occurred which highlighted the Events team's ability to deliver empowering, creative and safe events whilst also proving as a testing ground for exciting new nimble and flexible initiatives.

The 2020/2021 Event season included the following:

- **Halloween Hunt** (September – October 2020) – This was the first activation launched for the season and was a low-scale 6 week activation of our parks. It commenced at the start of school holidays and ran from 21 September and 31 October 2020 offering weekly prizes to local businesses.
- **Let's Picnic** (November 2020) – A multifaceted event with activations and community events planned to increase the engagement and awareness of White Ribbon Day and Violence against Women alongside national campaigns at that time of year.





- **Teddy Bear Picnics** (October 2020 and February 2021) - Established as an outdoor free event, the event was designed to suit 0-8 year old children and included a range of storytellers, music and live performances. The first of two Teddy Bear Picnics was held at St Helen's Park in October 2020 with a jungle theme. Improving this event saw the second iteration take place in February 2021 in Prospect Memorial Gardens with a Fringe theme. Events were well attended and the new location was a great improvement.
- **Festive Streets Explosion** (December 2020) - A clear stand out and community favourite, this event was hosted Sunday 13 December 2020 from 6pm to 10pm and included 11 locations across the City, with its key focus of bringing residents together at Christmas in small scale and street specific events designed for the residents.
- **Outdoor Cinema** (December 2020 - March 2021) - was designed to provide an activation in the eastern area of City of Prospect. It occurred on four Saturdays in the peak of Adelaide event season at Broadview Oval / Yarnta Tutu yarta.
- **Prospect Fringe** (February - March 2021) - Logistically this is the longest and most complex event in the season spanning 31 days. It was launched in December 2020, and saw approximately 7000 tickets, 14 external events held at Payinthe, 85 dedicated social media posts, almost 100,000 impressions (views) of these posts and over 8,200 engagements (comments, likes, shares). It featured 12 venues and 30 events, enabling over 100 shows to occur within our community.
- **Prospect Art Walk** (March 2021) - This event was the largest creative undertaking in the season and was aimed at engaging as many visual and performing artists as possible whilst activating venues and bringing people to Prospect Road. Prospect Art Walk included 14 pop up exhibitions within local businesses, 7 new mural (3 permanent or semi-permanent), 8 Augmented Reality experiences launched for the first time ever in Prospect (5 murals, 1 sculpture, 1 decal stickers and the event map), 22 exhibitions or

participating visual artists, 10 music acts and 3 workshops. In total there were almost 700 attendances through ticket sales, and an anticipated 1500 additional people experiencing the event on Prospect Road over the three nights who were not ticket holders. Media and recognition generated by this event was both extensive and exceptional. GLAM Adelaide provided a 5 star review and Adelaide Fringe awarded it the Weekly Award for 'Best Event Workshop or Talk'.

Other inclusions in the 2020/2021 program were:

- Opening event for Charles Cane Reserve / Parndo Yerta play space - 14 March 2021
- NAIDOC Week 2020 - 8-15 November; Always Was, Always Will Be. - hosted a November 2020 schools day, Adelaide Botanic Gardens Tour, and a tour of Tarnanthi: Open Hands exhibition at Art Gallery of South Australia
- HomeSpun - a series of Sunday music events in St Helen's Park
- Prospect Road Busking Program - summer 2020/2021
- Citizen of the Year Awards Ceremony (January 2021)
- Official Launch of Threads in Motion (March 2021).

Unfortunately in 2020/2021 the following events were not scheduled or were cancelled:

- Prospect Spring Fair October 2020
- Donuts and Doggos November 2020
- Let's Picnic - some elements cancelled
- Annual Mayor's Dinner December 2020
- Tourrific Prospect January 2021
- Multiple HomeSpun events, Summer 2020/2021 (Cultural Festival and Events grant recipient)
- Threads in Motion Launch (two dates were cancelled; however it successfully ran in March 2021).







2021 Twilight Sessions

The 26th Twilight Sessions was held in February and remains a long-time favourite in Prospect. This event was able to continue with minimal impact from COVID-19 restrictions and was the only ongoing regular event season able to be maintained.

The event faced a number of 'firsts' to ensure a safe and manageable event. For the first time ever the events were capped to a maximum of 1000 persons at any one time, and all events were ticketed. Unfortunately the opening night was cancelled due to a storm however the remaining nights had strong attendances seeing between 850 – 975 attending.

Overall the crowds were collectively understanding of the restrictions and while the site was fenced, multiple access points, teams of staff for scanning in and attendance counting ensured the much loved event remained as such. Overall the nights were hugely successful and the community broadly supported the Council for continuing to run events during the pandemic.

The themes over the four weeks varied and in 2021 included Let's Party, Country & Folk Night, Cabaret in the Park and Fiesta Latina.

Club5082

Club5082, and more broadly Eliza Hall, had a year to remember as it made its way through the most challenging of times as a live music and performance venue. While Club5082 was only active for a short time, it received enormous support from the local community with all 7 programmed shows sold out from November 2020 through to June 2021. This included an event organised to celebrate Reconciliation Week showcasing First Nation artists, two concerts delivered as part of 2021 Prospect Fringe Program, a new venture and showcase event in partnership with Adelaide Youth Orchestra and the continuation of popular Prospect Blues & Roots Music Sessions in conjunction with Adelaide Roots and Blues Association (ARBA).

Out of The Square (OOTs) matinee series continues to fall under the Club5082 umbrella with 6 events offered this financial year. Shows are held at Payinthe as matinees for music lovers to enjoy with attendance rates and community partnerships growing.

Nailsworth Community Hall

Nailsworth Community Hall, after operating at almost full capacity seven days per week, was closed for renovations later in the financial year and a number of groups were temporarily re-housed (to Payinthe or off-site locations).

The capital works project will include creating three hireable spaces, installing a kitchenette, updated toilet facilities, creation of a corridor, extending to the south for storage and a full repaint/ aesthetic refresh. An expansion of the Men's Shed will follow.

Community Safety

Council's Community Safety team provides services to fulfil Council's obligations under relevant acts and legislation concerned with the safety and wellbeing of the general public relating to:

- Animal management
- Parking
- Local nuisance and litter
- Local Government Act and By-Laws
- Fire prevention.

General Inspectors work with the community to promote community safety and use a range of strategies including education, proactive and reactive enforcement.

Parking

Enforcement of parking controls is prioritised with the highest priority given to hazardous parking around schools and in bicycle lanes. Other focus areas including parking over driveways, overstaying time limited parking zones, parking on footpaths and verges and in disabled parking spaces.

In response to community concerns, over the past 12 months additional parking patrols have focussed on the commercial areas of Prospect Road and surrounding local streets to monitor compliance and address safety concerns on a regular basis.

2020/2021 Results:

- Responded to and investigated 449 requests for vehicles parked illegally and 193 requests for parking patrols
- Issued 3,511 parking expiations
- Issued 937 written warnings.





Dog and Cat Management

Dog and Cat Management is a core service provided by the Community Safety team who administer and enforce the requirements of the Dog and Cat Management Act 1995 and promote responsible ownership of animals in our community.

2021 Highlights / Results:

Dog registrations:

- No increase to dog registration fees
- 2,713 dogs registered on DACO as at 30 June 2021 with 97% microchipped.

Cat registrations:

- No registration fee is applied
- 460 cats registered on DACO as at 30 June 2021 with 99% microchipped.

Responding to customer requests for dog wandering at large:

- 123 dogs wandering at large reports made to Council
- 88 dogs found wandering (43 returned to owner, 28 impounded, 17 returned to owner after being impounded)
- 25 expiations issued.

Investigating dog attacks / harassment and nuisance barking reports:

- 17 nuisance barking complaints
- 13 dog harassing / attacking complaints
- 10 expiations issued for nuisance barking
- 5 expiations issued for dog attack / harassment.

Responding to customer requests relating to cat complaints:

- 14 cat complaints made to Council (55 cats impounded generally unowned / feral / litters)
- Deliver and manage cat trapping programs for un-owned cats within our community.

Dog and Cat Management Plan

To meet legislative requirements, Council is required to prepare a plan relating to the management of dogs and cats within its area. During the 2020/2021 financial year, the Community Safety team has delivered the following actions and objectives from Council's current Dog and Cat Management Plan relating to responsible pet ownership including:

- Promoting the National Desexing Network (NDS) including National Desexing month in July on Council's website
- Promoting owner responsibilities to keep dogs safe and secure addressing the consequences of dogs wandering
- Developing a campaign to reduce the number of dogs escaping from their yards through social media posts, SMS messages and magazine articles
- Promoting parks and reserves and associate dog controls on Council's website
- Installing new signage around fenced playgrounds to improve community safety through restricting access to dogs in children's play areas
- Encouraging dog owners to pick up after their dogs by installing footpath decals in targeted locations throughout Prospect including a QR code providing a link to a map / location of dog bag dispensers on Council's website
- Investigating and trialling the use of compostable dog poo bags in parks and reserves.

City Maintenance


Community education has included:

- **‘Your Prospect’ Magazine Articles:**
 - Lost Dogs – Keeping your Dog Safe, Autumn 2021
 - Barking Mad, Autumn 2021
 - Scoop the Poop, Autumn 2021
 - The Joy of a Furry Friend, Summer 2021.
- **Social Media Posts and SMS Messages:**
 - Keep your dog safe on New Year’s Eve
 - Responsible pet ownership link to Dog and Cat Management Board information
 - Dog registration reminder
 - Microchip reminder.

Local Nuisance and Litter Control

Our community safety officers respond to and investigate reports of local nuisance and litter including complaints relating noise, smoke, dust, odour, unsightly conditions, waste and litter.

2020/2021 Local Nuisance and Litter complaints:



Issue	No. of complaints received	No. of expiations issued	No. of abatement notices issued
Noise nuisance	56	1	4
Smoke/dust/odour	22	0	0
Unsightly conditions	19	3	4
Litter/waste	474	7	0

Bees and Wasps

Our community safety officers responded to 40 complaints relating to either bee or European wasp issues. Three European wasp nests were located and destroyed.

Our multi-skilled City Maintenance team delivers a range of both horticulture and civil services across our City to maintain a safe and inviting environment for our community and visitors to enjoy. Some key focus areas include:

Parks and gardens maintenance including lawn mowing, grounds maintenance playground safety inspections and irrigation

- Road, footpath, kerb and gutter, drain maintenance and repairs
- Street sweeping, footpath blowing and sanitation
- Street tree maintenance including pruning and watering
- Main Road garden bed maintenance including annual revegetation.

Customer Request for Service and Reactive Maintenance

Our Rapid Response service is dedicated to providing 24/7 response to customer requests for City Maintenance services including emergency events. In 2020/2021, approximately 2,998 customer requests were received by Council from members of the public.

Volunteer Graffiti Removal Program

Our volunteer graffiti removal program operates weekly with volunteers led and supported by a dedicated City Maintenance team member. The program aims to prevent graffiti through rapid removal to reduce the negative impacts of graffiti in the community whilst providing volunteers with a positive activity that gives them a sense of pride, satisfaction and ownership in the local community. In 2020/2021 the team responded to 212 requests for graffiti removal.





A young boy with brown hair, wearing a white t-shirt and maroon shorts, is hanging from a monkey bar on a playground. He is seen from behind, with his arms fully extended upwards. The monkey bar has a yellow handle and is part of a green metal structure. In the background, two other children are visible: a girl in a blue and white striped shirt and a boy in a pink and white striped shirt. The playground is set on a bed of brown wood chips, and there are green trees in the background. A yellow rounded rectangle is overlaid on the right side of the image, containing the text "Active & Engaged". At the bottom of the image, there is a decorative graphic consisting of several overlapping green and red shapes, including circles and teardrop shapes.

Active &
Engaged



Payinthe Operations Library Services

2020/2021 was the first full financial year of operation in Payinthe.

Despite the challenges of a pandemic, the community continued to visit the new facility in substantial numbers, with nearly 180,000 people visiting despite one full lockdown, multiple periods of harsh restrictions and continuous impact on program delivery, venue capacity and community confidence.

The popularity of the Mezzanine study/work space in Payinthe was of particular highlight, with the area being regularly utilised by students and workers as an alternative to their home office environments. Hiring of facilities has been fluctuating (mainly impacted by restrictions enabling/ preventing outcomes) but ultimately has seen a broad spectrum of the community utilise the various spaces for a range of private, community and commercial outcomes. Now that we have settled into the building, there is more focus on boosting the levels of activation and utilisation in the years ahead.

The pandemic was a continuing challenge for library services throughout 2020/2021 with operations and programs being constantly impacted by changing government restrictions.

Despite this the library continued to be very popular with the community with visitation, item loans, memberships and program attendances remaining strong throughout.

Key highlights of the year included:

- Continued increase in popularity of the Toy Library following the move into Payinthe, with loans surpassing 100 a month in June 2020
- Participation in the Adelaide Fringe by holding a Banned Book Club in partnership with Prohibition Gin, attended by nearly 300 people
- Introduction of the new 'Workshop' pop-up maker space, operating weekly on Wednesday afternoons
- Well attended workshops on a broad variety of topics including podcasting, 3D printing, beeswax wraps, soy candles, bike maintenance, indoor plants, and zines.



2020/2021 was the first full financial year of operation in Payinthe.



Our Volunteer Community

Participation within Council's volunteer program has largely recovered from a decline in participation within the previous year in response to the COVID-19 health crisis.

Organisations across South Australia are reporting an overall decline in volunteer participation; however, Council's program numbers are strong. Having a large number of long-term volunteers has been a critical factor in maintaining participation in a mutually beneficial relationship. Volunteers help the Council to deliver incredibly diverse services, but their voluntary role provides a great avenue for residents to connect to their local community.

The table below shows our volunteer participation across each quarter, with a peak during January to March reflecting a busy time for our community events programs. Active volunteers refers to those who have completed voluntary hours during that quarter, with inactive volunteers being those who, while inducted and experienced within their roles, they have not completed hours during that quarter.

Current vacancies indicates an active recruitment process is underway to fill volunteer roles within the organisation.

	July-Sept 2020	Oct-Dec 2021	Jan-March 2021	April-June 2021
Active	70	71	92	80
Inactive	59	63	34	46
Total Number Registered	129	134	126	126
Percentage of Total who are Active	54%	53%	73%	63%
Total Number of Hours	2229	1882	2220	2004
Percentage total hours compared to previous quarter	58%	84%	118%	90%
Average hours per active volunteer, per week	2.65	2.21	2.01	2.09
Number of volunteer opportunities	Not recorded	Not recorded	98	91
Referred on	25	11	16	23
New Volunteers	10	4	6	12
Archived	14	10	9	11
Current Vacancies	Not recorded	Not recorded	6	13

Youth

The Youth Program has continued to build and includes school holiday programs, information and sports sessions, access to 'employment ready' skill lessons, music programs and the provision of basic but fundamental qualifications. Running both in person and online throughout the year, the program continued to engage with local youths living, working and studying across the City.

A dedicated Youth Consultation Forum was held in November 2020 at Payinthei to help shape the Community Plan to 2040. Additionally the secondary school workshops on the Annual Business Plan and Budget were offered to both secondary schools in Prospect, offering tailored workshops to engage and seek feedback from our youth relating to the current and future plans of Council.

The distribution of City of Prospect's Children, Youth and Schools Update continued on a term basis, and was distributed directly to teachers and educators linked to our community.

A range of skills development programs were coordinated including Autumn Jams (partnership with Music SA for 12-17 year olds), Barista Course, Wine Knowledge (in partnership with Claymore Wines), pre-employment consultations, a skateboard design workshop and sports initiatives.

Youth Week in April 2021, with the theme Get Job Ready, included a series of five dedicated workshops to learn practical skills, including focus on resumes, employer expectations, interview skills, marketing and canvassing, and traineeships and apprenticeships.

Music continued to feature throughout our Youth programming and continued through Youth DJ's remaining a part of our annual Twilight Sessions, while young musicians were encouraged to be a part of the Summer Busking Program and artists were linked to the inaugural Prospect Art Walk.

The strengthened link between Newmarch Gallery and Youth also saw strong results, and despite COVID providing challenges in this space for incursions and excursions, the annual Local Schools Show My Family and other Curious Things opened in May 2021 to the largest opening event this exhibition had ever seen!

Youth FM and Youth Parliament

City of Prospect continues to be an active participant and contributor to these popular regional programs with a demand driven focus in 2020/2021. The programs were promoted at local schools, youth organisations, through social media and the designated youth electronic mail out.

The model of Youth FM has been significantly changed, and now is a 'user pays' program, and remains hosted and coordinated by City of Norwood, Payneham and St Peters. The program went into recess in March 2020 due to COVID-19 and commenced again in July 2022. Successful applicants are able to come together for training and mentoring that supports them to prepare and present radio programs.

Our support for Youth Parliament also continued and we selected two young people from Blackfriars Priory School to represent City of Prospect at 2021 Youth Parliament. The participants were placed into a team and contributed to the development of a Bill on an area of concern and presented it at Parliament House. Developed and run by YMCA South Australia, Youth Parliament is a non-partisan program providing a platform for young people aged 15-25 to have their say on important issues, build skills and parliamentary understanding. It focuses on personal development, empowerment and connecting politicians and decision makers with youth voices and opinions.



Business & Economic Development

Children's School Holiday Program

With a focus on performance and sports, four children's shows were held at Payinthe and the popular Get Active Program was also hosted. The Get Active sports program hosted in April 2021 linked Prospect youths with local businesses and sporting clubs and featured over 13 sports and 27 sessions.

Youth Sponsorship Program

With borders to most states and nations either sporadically or consistently closed for the financial year, the Youth Sponsorship Program offered by City of Prospect in 2020/2021 understandably did not receive strong interest. The program aims to encourage and support young people aged 21 years and under who have been selected to represent their institution, club or organisation in sport & recreation, science, technology, arts or cultural pursuits. 15 sponsorships were provided this financial year enabling young people to compete at events held interstate. The successful applications included 8 young people that had not received support from City of Prospect previously.

Smart City

Prospect is now the most-awarded Smart City in the nation. Once again, City of Prospect was named one of the Intelligent Community Forum Smart 21 Smartest Cities in the world (February 2021). This is the eighth time that City of Prospect has won this award! Other top 21 Intelligent Communities included Belfast, Northern Ireland and Rochester, New York. Prospect is one of four Australian cities on the list.

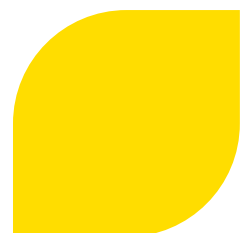
French Quarter Plan

City of Prospect adopted the Creating a French Quarter plan in February 2020. The creation of a French Quarter in Prospect is the aim of the Plan. The Plan seeks to build off the \$50 billion submarine contract. It aims to work on a number of levels, from cultural events to residential housing and business attraction.

A French Quarter Round Table, was established as an advisor group made up of Adelaide based French businesses, representatives of the French Conciliate, State government, Naval Group and the defence industry to advise Prospect of how best to engage with the French workers who were planned to be relocating to South Australia.

In conjunction with FACCI (French-Australian Chamber of Commerce & Industry) the local French business community were hosted for an evening of Petanque at the Prospect Petanque Club in April 2021. A business event was hosted with the defence and development industries commemorating Mathew Flinders and Nicolas Baudin's maritime encounter off the coast of South Australia in an effort to promote Prospect as a location for defence investment.

Prospect is now the most-awarded Smart City in the nation. This is the eighth time that City of Prospect has won this award!



Eastern Health Authority

Communications Strategy

The communications team participated in a review of our outward facing communications, including social media, Your Prospect magazine and media coverage. This resulted in looking at ways we can improve our communications channels, including our social media channels.

The communications team continued to support other departments in the delivery of messaging for events, initiatives and programs, including Prospect Fringe and Art Walk.

In 2020 the communications team assisted with the development of the new Community Plan by liaising with graphic designers regarding the look and feel of the document.

Eastern Health Authority (EHA) operates as a regional subsidiary, providing environmental health services across the broader region. EHA continued to provide a high standard of service during the continued period of uncertainty during 2020/2021. A full Annual Report for the subsidiary is provided and attached to this Council Annual Report.

Residents and ratepayers of its five constituent Councils (the Cities of Norwood, Payneham and St Peters, Campbelltown, Burnside, Prospect and the Town of Walkerville) continued to benefit directly and indirectly from the operations of EHA.

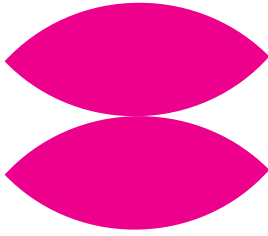
Over the reporting period an independent service review which benchmarked EHA against other comparable Councils in Food inspection, Food enforcement and Immunisation activities was delivered. The review highlights that EHA conducts more food safety inspections, and the highest follow-up inspections as a total and percentage of premises within our service area. It also details EHA provides a greater immunisation service with the highest proportion of its aggregate population compared to other comparative Councils. The review did make governance and administrative recommendations ensuring EHA continuously improves and maintains and improves its current service levels with those to be followed up over the next year.

Specific details in relation to Immunisation and broader Public & Environmental Health initiatives are outlined through the attached EHA Annual Report.





Proud of our past,
excited by our future



Development Assessment

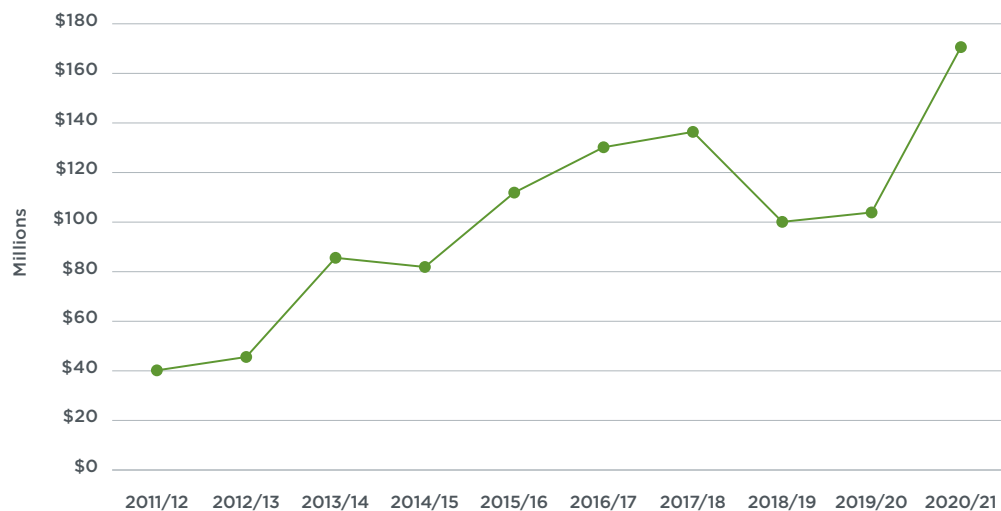
During 2020/2021, City of Prospect received 728 development applications, which is a substantial increase of 144 applications compared with the previous year (and noting that in a typical year, during the last ten years, Council would receive approximately 540 applications). The total value of the record number of applications received (excluding project staging applications) was \$170.6m, which is \$66.7m more than the 2019/20 financial year.

The following graph shows development values during the last ten years, which highlights this financial year as having the highest level of development activity by a substantial margin.

Eighty two Development Applications were lodged within the Urban Corridor Zone during the 2020/2021 financial year, with a total value of \$57m (excluding project staging applications). This is \$1m less than the total value of applications lodged within the Urban Corridor Zone in the 2019/ 20 financial year. This figure demonstrates a sustained level of development confidence despite the broader impact of COVID-19 on investment.

This data also confirms that City of Prospect has seen a significant increase in domestic (residential) applications during this financial year, likely related to well-known domestic spending factors of COVID-19 and its impact on travel.

Value of Development Applications Lodged





City Planning

Heritage Incentive Scheme

The City of Prospect Heritage Grant Program approved ten properties for funding in a range of Historical Conservation Policy Areas or to Local Heritage Items.

The \$17,000 allocated will lead to restoration work with a value of \$59,113 (total value of works) and the activities includes restoration work to roofs and front verandahs, repair and re-pointing of front walls, stabilisation of foundations, front fencing, as well as repairs to decorative architectural elements.

Planning and Design Code

On 19 March 2021 the Planning, Development and Infrastructure Act 2016 went live in Metropolitan Adelaide, replacing each Council's Development Plan with a single state-wide Planning and Design Code. This generational reform of the South Australian planning system was delayed several times during the financial year, with Council continuing to provide commentary to the State Government via broad submissions and in relation to a number of technical matters during that time.

Between 19 March 2021 and 30 June 2021, 140 development applications were received and assessed by Council's planning staff through the new online planning portal. Council's planning and building staff have also assisted many members of our community to navigate the new online planning portal during the reporting period.

Development Plan Amendments/ Code Amendments and Studies

In early 2020, the State Planning Commission and Department of Planning, Transport and Infrastructure (DPTI) indicated that Councils can undertake a Development Plan Amendment (DPA) to 'upgrade' Contributory Items to Local Heritage Places if they were able to be assessed as meeting the Local Heritage Criteria. A detailed investigation by Council staff and independent heritage consultant Hosking Willis Architects considered each of the existing 169 Contributory Items to determine whether they are suitable for inclusion in the Planning and Design Code as Local Heritage Places.

Ultimately, Hosking Willis Architects considered that 59 Contributory Items achieve the Local Heritage Place criteria and were recommended to be upgraded.

A Statement of Intent was prepared and submitted to the Minister for Planning on 3 September 2020 seeking approval to commence public consultation on the Development Plan Amendment. On 18 May 2021 Council was advised by the Minister for Planning that she was unable to support the Statement of Intent, and thus Council was not able to proceed with the DPA. Late changes to the Planning and Design Code however ensured that all previous Contributory Items remained identified under the new planning system under the new term of 'Representative Buildings'. Demolition controls also remain in place for Representative Buildings under the Planning and Design Code.

The planning team concluded the Housing Diversity and Desirable Neighbourhoods Study during the reporting period; which included a suite of investigations as well as stakeholder and community engagement to assist Council in advocating for an updated policy position for the future of the Residential Zones in the Planning and Design Code.

Outcomes from this Study included streetscape character guidelines which are now published on Council's website, and Council successfully advocating for Character Areas Overlays to be applied across the majority of the residential areas in the new Planning and Design Code. This positive advocacy outcome results in developments in residential areas being held to a higher design quality standard in City of Prospect than in other areas without the Character Area Overlay.

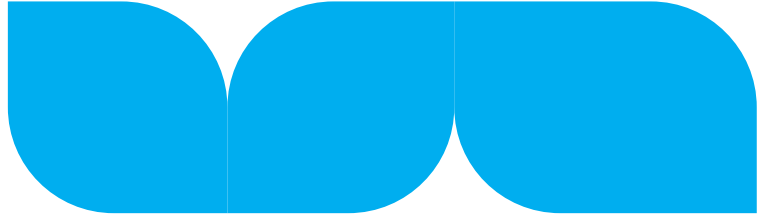
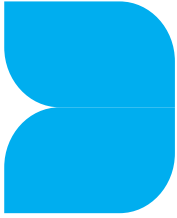






Inclusive & Diverse





Our Awarded Community

Community Service Awards

Council's annual Community Service Awards program acknowledges and celebrates significant voluntary contributions that make City of Prospect such a great place to live and work. The awards promote individuals, community groups and sport clubs.

Nominations for the 2020/2021 Awards opened on Monday 19 February 2021 and closed on Friday 2 April 2021.

The award process is community driven as it is considered that the community themselves are best placed to know and appreciate whom in their community, community group or sports club should receive an award - therefore each nominee is eligible to receive an Award.

Presentation of the Community Service Awards was a feature of Council's National Volunteer Week event, held in May. This year's theme for National Volunteer Week was 'Recognise. Reconnect. Reimagine'. The following list shows those individuals, community groups and sporting clubs who received a 2021 Community Service Award:

Groups

- Regency Park Rotary Club
- Prospect District Cricket Club.

Individuals

- Jill Dyer
- Alison Hemingway
- Tony Di Girolami
- Shona Togher
- Kristina Barnett
- Neil Rossiter
- Ron Rogers
- Stephanie Ferretti
- Anne McGuinness
- William Pennino.

Australia Day Citizen of the Year Awards

The annual City of Prospect Australia Day Citizen of the Year Awards program provides the opportunity for local residents to nominate those who have made a significant contribution for the benefit of our communities.

The Awards are provided by the Australia Day Council of South Australia and are administered by Local Government Authorities throughout the State on behalf of the Council. The four Award categories are:

- Australia Day Citizen of the Year Award
- Young Citizen of the Year Award
- Community Event of the Year Award
- Award for Active Citizenship (new for 2020).

Active Citizenship was a new award in its first year; made available for a person or group delivering outstanding work or for an event or cause, staged in the community during the past year.

In choosing the recipients of the Australia Day Citizen of the Year Awards, consideration was given to the nominee's achievements in the year immediately prior to receiving the award, as well as their past achievements and ongoing contributions to the community.

A number of really strong nominations were received for three categories, and unfortunately, as a sign of the impact of COVID-19, no nominations were received for Community Event of the Year 2021.

- City of Prospect Citizen of the Year 2021 was awarded to **Chris Whiteside**
- City of Prospect Young Citizens of the Year 2021 was awarded to **Dylan Lo**
- City of Prospect Awards for Active Citizenship 2021 were awarded to **Alex Chu** and **Cameron MacGillivray**.





Cultural Festival and Event Grants

In an effort to see more events and festivals in our local parks, these grants were established and are designed to develop and deliver a public cultural festival or event for the benefit of our broad and diverse community.

Two applications were received, requesting a total of \$19,100 from a total budget of \$22,000, each were proportionally allocated according to the grant criteria and purpose based on the assessment and discussion with an assessing panel.

A total of \$10,000 was allocated to Lady Bandit Productions, the remaining \$12,000 being allocated to Council's Community Street Events (branded in 2020 as Festive Streets Explosion) as a catalyst for future community-led events with its delivery being a great pre-Christmas success story.

Network Prospect

Business Events and Webinar Series

As part of City of Prospect's COVID-19 response, Network Prospect shifted its business events (designed to upskill local operators) from in-person events held every month, to webinars specifically targeted to help businesses in their rapid digital transformation brought on by the pandemic. As restrictions began to lift in 2020/2021, Council was able to offer a hybrid model where a limited number of people could attend in person, but people would still be able to stream online for free.

Website Revitalisation

The Network Prospect Website is the core element of our small business engagement strategy. The original Network Prospect Website which was created in January 2016, was successfully redeveloped and redesigned in 2020.

The website has now been migrated to the same platform as the City of Prospect website. The migration has improved business continuity, increased IT and web support, and improved functionality and ease of access between the corporate and business websites.

The new website design features every function from the old site and includes an additional 'Prospect Road' page to promote the efforts of the Village Heart Marketing Fund brand, Prospect Road, without creating another website.

Have Your Say

Council is committed to involving our communities in our decision-making processes, including the adoption of our Annual Business Plan, Strategic (or Community) Plan, and local initiatives such as the development of parks and children's play spaces.

Community engagement enables a better understanding of our community's needs and aspirations, leading to more equitable and sustainable public decisions that improve the liveability of our local communities.

Getting involved is as simple as visiting Council's website to find details of current community consultation opportunities. Engagement Hub is our online tool that provides easy access to background information and updates on projects and initiatives, along with community polls, public meetings, surveys and other ways to have your say.

Community input was received for the following projects and initiatives:

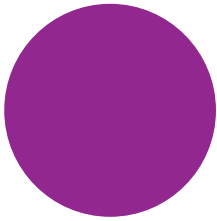
- Prospect Gardens/Narnu Wirra Playspace Upgrade
- Draft Disability Access and Inclusion plan 2020-2024
- Our Community Plan: Towards 2040
- Annual Business Plan 2021-2022
- Devonport Terrace Streetscape Upgrade
- Right of Way – Prospect Estate Reserve Carpark
- Draft Broadview Sports & recreation Precinct / Yarnta Tutu yarta Master Plan
- Irish Harp Reserve Upgrade 2021
- Representation Review 2021.







Creative & Innovative



Gallery and Public Art

Newmarch Gallery first full year of programming

Opening in October 2019, Newmarch Gallery is a testament to the guidance, perseverance and strong determination of its namesake Ann Newmarch, alongside staff, artists and the broader community that through the 1980s raised the profile of arts and created a strong grass roots movement within and beyond Prospect.

The gallery remains supported by the nine person strong Prospect Arts Action Network (PAAN), and is building its reputation as a modern and contemporary yet community focussed space for exhibitions and programming.

Despite facing numerous COVID-19 closures and operating under restrictions for the full duration of 2020/2021 affecting gallery programming as well as openings and workshops, Newmarch Gallery delivered 11 exhibitions in this period:

- **June** – a dual exhibition involving **Poles of Art** (re-exhibiting from Prospect Gallery due to COVID-19 closure), and **Mothers Ilk** in the Newmarch Gallery window gallery
- **August** – **21st Prospect Community Art Show** – over locally connected 100 artists, makers and creators
- **September** – **Strange Days** – artists from Prospect Arts Action Network including Cathy Brooks, Gus Clutterbuck, Katie Harten, Youngsoon Jin, Peter Lindon and Sarah Northcott (a replacement exhibition due to cancellation of KAB101 exhibition from COVID-19 impact) *

- **October** – **The Road to Somewhere** – David Blight *
- **November** – **The Evocative Object** – Elizabeth Wojciak, Linda Lee, Suzie Gardiner and Yasmin Grass *
- **December & January** – **Ann Newmarch Survey** – Ann Newmarch OAM
- **February** – **1000 Ways to Rainbow** – Eleanor Zecchin (postponed from 2019/20 calendar due to COVID) * †
- **March** – **Mother's Ilk** – Will Cheesman / Pamela Jane Cheesman, Henry Jock Walker / Michelle Gai Branson, Jack Hodges / Sharyn Brady, Kaspar Schmidt Mumm / Koruna Schmidt Mumm, Jack Ladd / Cathy Brooks, Wes the Pants / Claudine Maselli * †
- **April** – **Backbone** – Mark Niehus
- **May / June** – **Local Schools Art Exhibition** – four local primary schools
- **June** – **We Paved Paradise** – Caroline Walker-Grime.

The highlight of the year again featured the December exhibition, being the one year anniversary of Newmarch Gallery marking the opening of **Ann Newmarch Survey**. Ann, who was unable to attend the Official Opening of the gallery in 2019, was present at the 2020 event, and it was a true celebration with family, friends, past students and colleagues, community, PAAN and dignitaries.

The team continued to move and adjust throughout the year as restrictions moved, and opening events were everything from our 'normal' to fully seated affairs with masks. Despite the challenge, gallery lovers and visitors adjusted, and all exhibitions were able to have a celebratory event to mark the opening or closing of each exhibition. Attendances continued to grow in 2020/2021, with the largest attendance being **Mother's Ilk** and the **Local Schools Art Exhibition**.

*Artist Exhibitions

†Postponed exhibition from 2019/20 program due to COVID-19 closure / impact



Additionally, programs and workshops were offered throughout the year in a combination of curated activations linked to the exhibitions, and others as broader creative pursuits. These included:

- Painting / drawing workshops with Joe Felber, Leah Grant (children, teen, adults), Blip Art School (linked to a Prospect Community Garden activation), Zinia King & Sharyn Louise Ingham
- Creative sessions with Calamity Tash
- Digital works with Sally Parnis †
- Ceramic sessions with Gus Clutterbuck
- Live Portrait with Daniel O'Connell* and emerging Anangu Artist Matthew Moore
- Artist / curator talks sessions linked to Ann Newmarch Survey, Backbone, The Evocative Object, 1000 Ways to Rainbow, Mother's Ilk and the launch of Threads in Motion
- Prospect Art Walk hosted at Newmarch Gallery.

Public Art and Newmarch Gallery intersected with Adelaide Film Festival working to bring to life large scale projections in the front window of the gallery 14-25 October 2020, and Sair Bean being commissioned through the Public Art Quick Response grants to activate the front window of the gallery in the lead up to the Local Schools Art Exhibition. The 7 day temporary art installation was so popular it stayed up for the duration of the exhibition. Continued connections with NAIDOC Week saw the Local Schools Day complete paintings with a focus on flora and fauna of Kurna Land, and a visit to and tour of Tarnanthi: Open Hands exhibition at Art Gallery of South Australia hosted by Newmarch Gallery staff.



Public Art

The following public art initiatives (capital and operational) were completed with support from the City Wide Public Art Roundtable (CWPAR) for 2020/2021:

- The installation of Threads in Motion by Karl Meyer of Exhibition Studios in October 2020, followed by official opening by Premier Steven Marshall in March 2021. This project was supported by Arts South Australia and was the 2019 recipient of the Public Art and Design Major Commission Grant. Meet the Maker sessions were also hosted
- The Quick Response Public Art Grants program continued with projects including: Stobie Poles in Clifton Street and Braund Road, front Window of Newmarch Gallery, and support to Jack Fran (Foodland site) and Matt Stuckey (Cotto site) for installations during Prospect Art Walk
- Support to infrastructure project including delivery of three public art pieces play installations at Broadview Oval / Yarrta Tutu yarta play space
- Adelaide Film Festival launch event and feature film in Newmarch Gallery Window
- Development and launch of Augmented Reality through Prospect Art Walk, including 6 mural pieces (ongoing) and a range of temporary installations related to the event
- Collinswood beautification project – artist Matt Stuckey engaged to develop concepts and deliver installations to improve aesthetics of site, and brighten the busy commercial precinct. This project is noted as being underway.
- Inside Out – this footpath sticker based Public Art project (launched due to COVID-19 lockdowns early 2020) continued to be rolled out in stages during August and September 2020 and remained in place until early / mid 2021
- Public Art Collection Management – work has continued on this long term project.

†Continued partnership with Adelaide Central School of Art





Street Art Tour, which launched in February 2020 was unable to be hosted in 2020/2021 despite several attempts, and noted these outstanding Public Art tours with direct impact within our local schools are scheduled for August / September 2021.

It is noted that the main capital investment for 2020/2021 was selected to be Devonport Terrace, and due to the commencement date of the infrastructure project being later than planned, the capital public art project was rolled over to delivery 2021/2022.

Prospect Arts Action Network (PAAN) and City Wide Public Art Roundtable (CWPAR)

PAAN continues to meet monthly to provide guidance and advice on Gallery business and exhibition programming, as well as the PAAN member-led arts projects and initiatives whilst also volunteering at Gallery events. The group continued to support staff through the launch and facilitation of gallery programming particularly as COVID-19 changes effected each exhibition.

PAAN includes Council Members Cr Kristina Barnett and Cr Allen Harris, and community members Peter Lindon, Cathy Brooks, Katie Harten, Youngsoon Jin, Gus Clutterbuck, Joanna Majchrowska, Sarah Northcott and Claire Chessman.

The City Wide Public Art Advisory Roundtable (CWPAR), a group supporting the direction of Public Art throughout the City, meets approximately bi-monthly to discuss a range of projects including major installations, shared projects with other Council departments and smaller art initiatives.

CWPAR consists of eight members including Mayor David O'Loughlin, Deputy Mayor Matt Larwood and community members Cathy Brooks, Katie Harten, Seb Humphreys, Peter Syndicas and Jason Sims.

Business & Innovation



Village Heart Marketing Fund

Main streets like the Prospect Road Village Heart are in competition with a wide range of other main streets and retailers, including the Parade at Norwood, Burnside Village, O'Connell Street North Adelaide and Adelaide's CBD.

Prospect Road has had the Village Heart Marketing Fund for four years and following requests from local business and property owners, extended the geographical area and offered a variety of meeting times to ensure more of our traders can be active in driving results for the street.

In an effort to lower costs on local businesses, the Village Heart Marketing Fund separate rate was waived for the first quarter of 2020/2021 (as well as the last quarter of the previous financial year). Council funded this through savings in other areas of the budget affected by COVID-19, ensuring the full allocation was still made available to the Prospect Road business community.

Digital marketing efforts have continued and local businesses have been enjoying a busy main street, as a result of increased visitation following Council initiatives to keep businesses open.

In 2020, Prospect Road won the Mainstreet SA People's Choice Award for the consecutive year, thanks to overwhelming community support.

Investment Attraction

City of Prospect is seeking to attract new businesses and development to increase the vitality of its commercial roads.

Prospect Road has been a consistent winner of Mainstreet Awards both for its marketing and its vibrancy. In an effort to further this type of local investment, Business and Innovation staff are taking a hands-on, one-on-one approach to meet with potential investors, property owners, and businesses. This approach has seen a number of new investments and projects begin to take shape, both in the Village Heart and across the City, including the sale of a long held development site. We look forward to these projects beginning soon.

Prospect Property Network

City of Prospect established the Prospect Property Network group to work with the property sector to promote the benefits of development in the Council area.

The pandemic resulted in an early 2020 event being postponed, but with the easing of COVID-19 restrictions by October 2020 City of Prospect were able to hold a seminar with HIA Economist Thomas Devitt discussing national and state property trends in face of the COVID-19 pandemic with Peter Shizas, Director of Harris Prospect, providing a local perspective on current property matters. Mayor David O'Loughlin was also on hand to explain Council's ongoing efforts to support local investment to a keen audience of property owners, real estate agents and property developers.







Responsible &
Sustainable



Significant Tree Grants

In its first year, the City of Prospect Significant Tree Grant Program received 12 applications seeking grant funding, with a total maintenance works value of \$21,892.

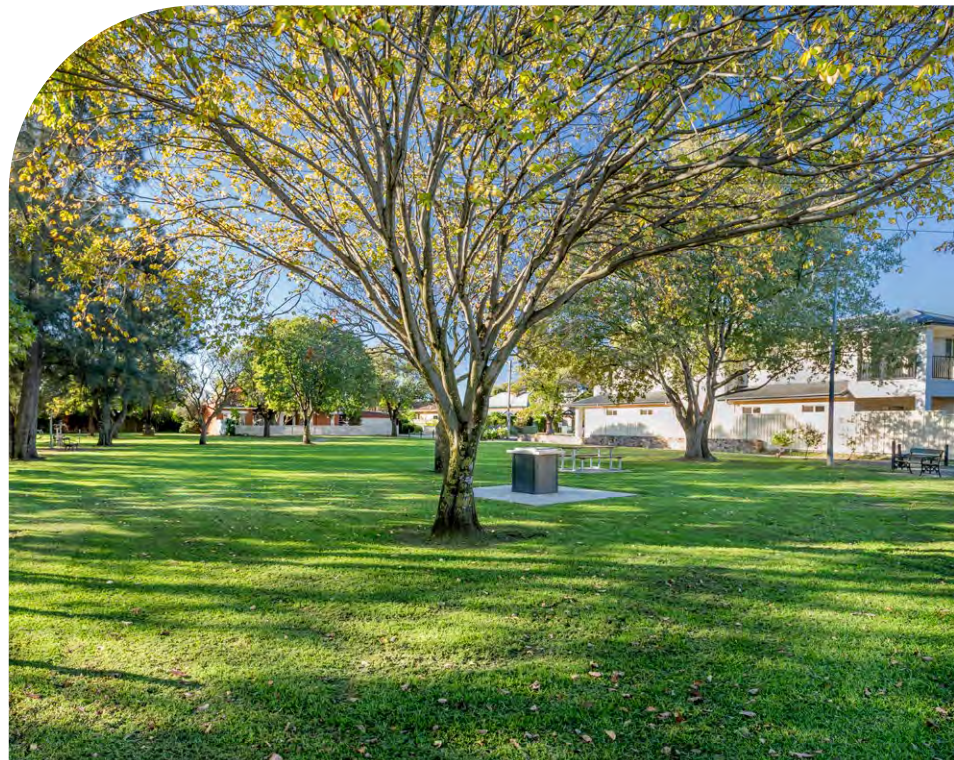
Six applications were assessed as achieving the grant criteria, with the \$5,000 funding allocated by Council leading to tree maintenance works with a total value of \$10,607.

These works supported by grant funding all related to maintenance pruning of each tree canopy, with the pruning of two of the trees resulting in reduced conflict with heritage buildings (and thus the Significant Tree Grant Program indirectly assisted in the protection of those two heritage places).

Tree Planting

The Green Tunnel Tree Planting Program targets areas throughout our City identified as having low tree canopy cover, as well as locations where street trees have been removed either due to age, ill health or damage. The aim is to plant these areas with additional street trees to increase tree canopy coverage and form a green leafy tunnel in future years providing a range of environmental, social and economic benefits.

Under the Green Tunnel Tree Planting Program, 314 trees were purchased with 243 street trees planted prior to 30 June 2021. Planting of the remaining trees continues into the new financial year.



Asset Management



Sound asset management is a key to the financial sustainability for City of Prospect.

Council has an obligation to ensure that current assets are managed efficiently and effectively and that decisions regarding the renewal, upgrade, maintenance of assets is undertaken openly and transparently. The management of assets needs to consider financial, social and environmental factors in decision making.

The development of Asset Management Plans documents the way Council manages its assets and ensures compliance with legislative requirements. Asset Management Plans set out the costs to Council to provide the required levels of service over the ten year long term financial planning period (LTFP).

Draft Asset Management Plans have been developed for Roads, Footpaths, Buildings and Open Space. Work is continuing to finalise a Stormwater Asset Plan which will be integrated with Council's future Stormwater Management Plan. Council's asset plans are intended to ensure the lowest cost whole of life interventions are undertaken to ensure the technical operating requirements for our assets are met while supporting community requirements and expectations.

Council's Draft Asset Management Plans will continue to be reviewed to ensure they reflect best practice and are reflective of actual conditions and situation. Council's focus on its infrastructure and ensuring its future sustainability comes at a cost and is part of ongoing conversation.

Road Resurfacing and Reconstruction Program

Council's 2020/2021 Road Renewal Program included the upgrade and stabilisation of a number of roads. Our works wherever possible utilise recycled materials including asphalt with at least 50% recycled content. Our works included the upgrade of the kerb and water table where appropriate and looked to improve on surface water flows into our drainage network.

During the year Council has also been upgrading pedestrian kerb ramps to ensure that they are DDA compliant. As part of continuing to ensure the safe accessibility for all to our footpaths, we have also been upgrading the tactiles at bus stops. These works are complemented by our ongoing footpath maintenance and renewal programs.

Streetscape Upgrade of Churchill Road and Devonport Terrace

The Churchill Road Stage 3 streetscape upgrades are well underway with the allocation of \$1.5m towards these works which were jointly funded by the State Government. The works include upgrades to footpaths, garden beds, tree plantings and irrigation. The works are also interfacing with the new Payinthe Drive, that is nearing completion.

Devonport Terrace Streetscape works have also now commenced with plans in place to landscape and upgrade approximately 4km of interface zone between the road and railway land. The project has been developed as a result of the required tree and bush clearing works that have occurred to support the electrification of the rail line through the area. The works will include the installation of rain gardens, upgrade to kerbs and spoon drains, extensive sub story plantings, tree plantings, irrigation systems and pedestrian ramp and rail station entry upgrades. Some funds are also available for some lighting upgrades.

Grant Funding for Infrastructure Projects

The projects that Council delivers would not be possible without grant funding, and as such Council actively seeks funding from Federal and State Governments to minimise the reliance on rate income to deliver improved new facilities and spaces for our community. Council was successful in securing funding contributions as below to deliver great projects for our community.

Grant funding is usually subject to a 50/50 contribution by the funding body and Council although for the major Churchill Drainage Project we have achieved a third State and a third Federal towards the program.





Amount	Source	Project
\$1,499,964	Office of Recreation Sport and Racing	Broadview Oval / Yarnta Tutu yarta Community Hub
\$1,150,000	Local Government Infrastructure Program	Livingstone / Hillside Road Reconstruction and Drainage Upgrade
\$3,000,000	Stormwater Management Authority / National Flood Mitigation infrastructure Program	Churchill Road Drainage

Property Maintenance and Renewal

Council owns and maintains a number of community assets that are highly utilised by residents and visitors, which require ongoing maintenance and periodic upgrades or renewals to ensure that their important function continues.

Projects to be Completed

We are actively moving forward with the delivery of projects such as Vine Street Plaza, Prospect Gardens/ Narnu Wirra Playspace and the Nailsworth Hall Upgrade. These projects are progressing after extensive community engagement and consultation to ensure that outcomes are shaped to people's requirements and expectations. These projects will be finalized during the 2021/2022 financial year.

Nailsworth Community Hall Upgrade Project

The majority of the Nailsworth Hall Refurbishment project was undertaken in 2020/2021 and is due for completion in September 2021.

The upgrade will result in improvements to the facility to allow multiple concurrent user groups to use the spaces, new storeroom, new air conditioning, new kitchenette, furniture, fittings and upgrade to the capacity of the carpark.

Broadview Oval Yarnta Tutu yarta Community Hub Master Plan

In June 2021, Council was successful in receiving a \$1.5m grant through the Office of Recreation Sport and Racing as part of a Grassroots Facilities Program to deliver a New Sports Hub at Broadview Oval.

Council was successful in securing funding to deliver great projects for our community.



Environmental Sustainability

Waste Processing

Waste management continues to be a key focus of Council. City of Prospect collected 9,374 tonnes of waste as part of its kerbside collection. 54% of this waste, namely compostable waste, recyclables and E-waste, was diverted from landfill.



	2021	2020	Trend
Tonnes recycling waste diverted from landfill	1,730	1,787	↓
Tonnes food and organic waste diverted from landfill	3,143	2,943	↑
Tonnes general waste collected	4151	4,016	↑
Tonnes hard waste collected	350	339	↑
Kerbside collection diversion from landfill rate	54%	54%	No change

Waste Education

Council continues to develop ways of promoting our message to the community to reduce waste to landfill and contamination of other waste streams. A range of actions undertaken included:

- Articles in the 'Your Prospect' magazine
- Waste education on Council's website including brochures, recycling and composting information, E-waste and hard waste information
- 18 waste education workshops, school excursions, bus tours to waste facilities, information stalls and online sessions were delivered in partnership with East Waste and other community groups including KESAB environmental solutions, Clean Up Australia Day, Prospect Community Garden and the City of Prospect events team. Highlights include:
 - Beyond the Kerb bus tour to five sites including the landfill waste transfer stations
 - Organics collection site and electronics, plastics and metal recycling facilities

- School waste education and recycle relays delivered by KESAB at local primary schools and kindergartens
- DIY Cleaning Product and Composting Workshops held at Prospect Community Garden
- Waste information displays in Payinthei foyer for National Recycling Week and International Composting Awareness Week
- Information stalls at the Twilight Sessions in Memorial Gardens
- Delivered education workshops to school students in partnership with East Waste and KESAB Environmental. Activities included: Statewide Education Centre excursion, Waste and Recycling Presentation, Papermaking incursion and supply of the Mini Bin Game
- Promotion of MyLocalServices apps for access to collection calendars, waste tips and A-Z information on what goes where straight from your phone. 2,038 residents received weekly waste education tips pushed to their phone with bin collection reminders via the MyLocalServices App.
- Promotion of State Government's 'Which Bin?' campaign
- Moving towards zero waste at all Council community events
- As part of Council's commitment to reduce printing unnecessary paper, the annual Waste Calendar is no longer being printed and information is available electronically via Council's website.

Kitchen Organics Basket

Council continues to offer and supply residents with kitchen organics baskets, including 150 compostable (corn starch) bags to help assist with the collection of food scraps for disposal into organics (lime green) lid bin. The food scraps are processed into compost rather than landfill, which is a much better environmental option and is cheaper than sending to landfill.



Compost Bins and Worm Farms

Council continues to offer residents a rebate for the purchase of compost bins and worm farms through the 'Compost Bin and Worm Farm Incentive Scheme'. Residents may receive a rebate of \$20 towards the purchase cost of these products as acknowledgement of your commitment to reduce landfill.

Battery and Light Globe Recycling Collections

A battery and light globe recycling service for residents was introduced on the ground floor at Payinthe. The items are collected by EcoCycle for recycling.

Implementation of Resilient East, Climate Ready Eastern Adelaide

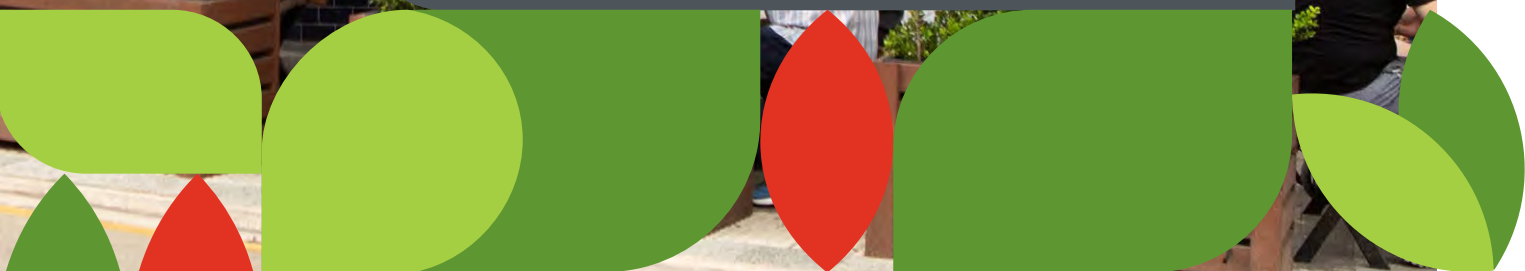
Resilient East is a regional climate initiative between state and local government organisations in eastern Adelaide. The year saw a range of research, collaboration, trialling, community projects and outreach that have continued to optimise understanding, future investments and prioritise work for future years, this includes:

- Completion of a Climate Risk Governance Assessment
- Heat Mapping Fact Sheets are now available online
- Street Tree Species Guideline was completed
- Community workshops organised on Water Smart Solutions for your Home and Speed Dating for Trees
- Staff capacity building with Water Sensitive Urban Design training
- Advocacy for climate resilience in submissions made to the Planning and Design Code review, Natural Resource Committee Parliamentary Enquiry into Urban Green Spaces, and participation in the development of the Green Adelaide Regional Plan
- Fostering stronger partnerships, working collaboratively, storytelling and sharing learnings within councils, across councils and with governments, external organisations and communities.



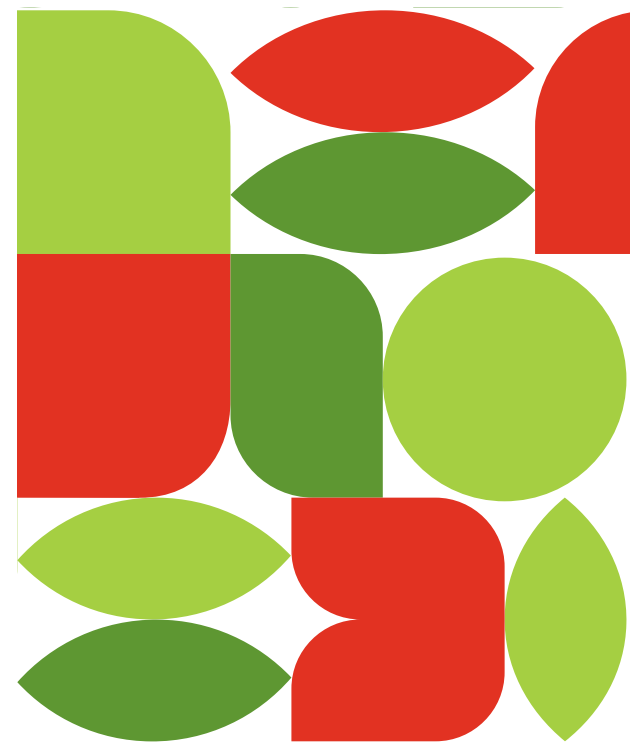


Appendices



Appendix 1

City of Prospect Financial Statement



City of Prospect

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2021



General Purpose Financial Statements

for the year ended 30 June 2021

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City of Prospect

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.



Chris White
Chief Executive Officer

16 November 2021



David O'Loughlin
Mayor

16 November 2021

Statement of Comprehensive Income

for the year ended 30 June 2021

\$ '000	Notes	2021	2020
Income			
Rates	2a	22,462	21,713
Statutory Charges	2b	904	598
User Charges	2c	296	221
Grants, Subsidies and Contributions	2g	1,625	1,682
Investment Income	2d	45	109
Reimbursements	2e	62	77
Other income	2f	151	454
Net Gain - Equity Accounted Council Businesses	19(a)	27	32
Total Income		25,572	24,886
Expenses			
Employee costs	3a	9,410	9,305
Materials, Contracts and Other Expenses	3b	10,315	10,144
Depreciation, Amortisation and Impairment	3c	5,869	4,605
Finance Costs	3d	754	836
Net loss - Equity Accounted Council Businesses	19(a)	—	7
Total Expenses		26,348	24,897
Operating Surplus / (Deficit)		(776)	(11)
Asset Disposal & Fair Value Adjustments	4	877	1,698
Amounts Received Specifically for New or Upgraded Assets	2g	1,772	234
Net Surplus / (Deficit)		1,873	1,921
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	33,789	—
Total Amounts which will not be reclassified subsequently to operating result		33,789	—
Total Other Comprehensive Income		33,789	—
Total Comprehensive Income		35,662	1,921

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	2,808	391
Trade & Other Receivables	5b	1,837	1,666
Inventories		3	–
Non-Current Assets Held for Sale	20	–	1,771
Total current assets		4,648	3,828
Non-current assets			
Financial Assets	6a	1,164	1,341
Equity Accounted Investments in Council Businesses	6b	166	139
Other Non-Current Assets	6c	3,267	460
Infrastructure, Property, Plant & Equipment	7a(i)	223,999	192,603
Total non-current assets		228,596	194,543
TOTAL ASSETS		233,244	198,371
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	3,342	3,163
Borrowings	8b	1,728	1,369
Provisions	8c	2,039	1,953
Total Current Liabilities		7,109	6,485
Non-Current Liabilities			
Borrowings	8b	13,585	15,007
Provisions	8c	125	116
Total Non-Current Liabilities		13,710	15,123
TOTAL LIABILITIES		20,819	21,608
Net Assets		212,425	176,763
EQUITY			
Accumulated surplus		80,381	78,655
Asset revaluation reserves	9a	129,132	95,343
Other reserves	9b	2,912	2,765
Total Council Equity		212,425	176,763
Total Equity		212,425	176,763

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		78,655	95,343	2,765	176,763
Adjustments (Correction of Prior Period Errors)		—	—	—	—
Restated opening balance		78,655	95,343	2,765	176,763
Net Surplus / (Deficit) for Year		1,873	—	—	1,873
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	33,789	—	33,789
- Share of OCI - Equity Accounted Council Businesses		—	—	—	—
- Other Movements (enter details here)		—	—	—	—
Other comprehensive income		—	33,789	—	33,789
Total comprehensive income		1,873	33,789	—	35,662
Transfers between Reserves		(147)	—	147	—
Balance at the end of period		80,381	129,132	2,912	212,425
2020					
Balance at the end of previous reporting period		77,085	95,343	2,414	174,842
Adjustments (Correction of Prior Period Errors)		—	—	—	—
Restated opening balance		77,085	95,343	2,414	174,842
Net Surplus / (Deficit) for Year		1,921	—	—	1,921
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	—	—	—
- Share of OCI - Equity Accounted Council Businesses		—	—	—	—
- Other Movements (enter details here)		—	—	—	—
Other comprehensive income		—	—	—	—
Total comprehensive income		1,921	—	—	1,921
Transfers between Reserves		(351)	—	351	—
Balance at the end of period		78,655	95,343	2,765	176,763

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		22,775	21,277
Statutory Charges		904	598
User Charges		296	221
Grants, Subsidies and Contributions (operating purpose)		1,625	2,739
Investment Receipts		45	109
Reimbursements		62	77
Other Receipts		(162)	455
<u>Payments</u>			
Finance Payments		(754)	(836)
Payments to Employees		(9,650)	(8,989)
Payments for Materials, Contracts & Other Expenses		(8,860)	(12,770)
Net cash provided by (or used in) Operating Activities	11b	<u>6,281</u>	<u>2,881</u>
Cash flows from investing activities			
Amounts Received Specifically for New/Upgraded Assets		803	1,203
Sale of Replaced Assets		2,890	4,734
Repayments of Loans by Community Groups		31	124
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(3,770)	(5,887)
Expenditure on New/Upgraded Assets		(2,756)	(3,063)
Net cash provided (or used in) investing activities		<u>(2,802)</u>	<u>(2,889)</u>
Cash flows from financing activities			
<u>Payments</u>			
Repayments of Borrowings		(1,303)	(608)
Repayment of Finance Lease Liabilities		(65)	(62)
Net Cash provided by (or used in) Financing Activities		<u>(1,368)</u>	<u>(670)</u>
Net Increase (Decrease) in Cash Held		<u>2,111</u>	<u>(678)</u>
plus: Cash & Cash Equivalents at beginning of period		391	1,069
Cash and cash equivalents held at end of period	11a	<u>2,502</u>	<u>391</u>
Additional Information:			
Total Cash, Cash Equivalents & Investments		<u>2,502</u>	<u>391</u>

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* dated 16 November 2021

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 Impact of COVID-19 Global Pandemic

The COVID-19 pandemic has impacted the 2020-2021 financial statements, which may impact on the comparability of some line items and amounts reported in this financial report.

The financial impacts are a direct result of either Council's response to the pandemic or due to the mandatory shut downs as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

The impacts on the Council's financial performance and financial position are outlined below:

- Decrease in rates revenue of approx. \$17,000 due to the suspension of fines and interest on late installments, as well as debt collection procedures.
- Reduction in income of \$26,000 related to business support in the form of temporary suspension of footpath trader fees and rent (including sports fields, clubrooms and licence fees)

Council estimates that the reduction in revenue and increase in expenditure resulted in a net decrease of approximately \$43,000 in the 2020-2021 net surplus with no continued impact on future years.

Council has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the 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

City of Prospect is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at Payinthe, 128 Propesct Road, Prospect, South Australia 5082. These financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

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. Eastern Waste Management Inc, commonly known as East Waste (8.25% Ownership Interest; 14% Voting Power). Council joined this organisation on 1 October 2017.
2. Eastern Health Authority Inc (13% Ownership Interest; 20% Voting Power)

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 local road grants) has varied from the annual allocation as shown in the table below:

	Cash Payment Received	Annual Allocation	Differenece
2018-2019	\$946,966	\$748,646	+ \$198,120
2019-2020	\$684,911	\$759,152	- \$74,241
2020-2021	\$653,174	\$768,442	- \$115,268

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.

5.1 Real Estate Held for Resale

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision. Settlements on these properties are scheduled within the next 12 months.

(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 such thresholds, regard is had to the nature of the asset and its estimated service life.

No capitalisation threshold is applied to the acquisition of land or interests in land.

6.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of Non-Current Assets

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

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually and reflected in Note 7b.

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.

Building & Other Structures

Buildings	20 to 80 years
Sheds & Shelters	25 to 35 years
Toilet Blocks, Storerooms & Clubrooms	40 to 50 years
Civic Centre & Grandstands	80 years

Infrastructure

Roads – Surface	10 to 60 years
Roads – Base	70 to 100 years
Kerb & Gutter	90 years

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

Footpaths	15 to 80 years
Stormwater Drainage	115 years
Pipes	70 to 115 years
Side Entry Box Drains & Junction Boxes	90 years
Open Channel	80 years

Other Asset Classes

Plant & Equipment	5 years
Furniture & Fittings	5 to 10 years
Library Books	5 years
Artworks	100 years
Open Space	10 to 20 years

6.5 Impairment

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

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

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

6.6 Borrowing Costs

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

(7) Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

Amounts 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.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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.

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 and is not required to pay any outstanding accrual to employees on cessation of employment.

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.

(10) Provisions for Reinstatement, Restoration and Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council's policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

(11) Leases

Accounting policy applicable from 01 July 2019

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

11.1 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:

Land & Buildings (Depot Cohabitation)	10 years
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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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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.

(12) 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.

(13) 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.

(14) New accounting standards and UIG interpretations

The Council applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 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 an 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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Summary of Significant Accounting Policies (continued)

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

(15) Comparative Figures

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

(16) 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	22,292	21,604
Less: Mandatory Rebates	(467)	(431)
Less: Remissions - COVID-19 Financial Support Package	–	(83)
Total General Rates	21,825	21,090
Other Rates (Including Service Charges)		
Natural Resource Management Levy	600	583
Village Heart Separate Rate	15	20
Total Other Rates (Including Service Charges)	615	603
Other Charges		
Penalties for Late Payment	28	41
Legal & Other Costs Recovered	28	5
Other	2	–
Total Other Charges	58	46
Less: Discretionary Rebates, Remissions & Write Offs	(36)	(26)
Total Rates	22,462	21,713

(b) Statutory Charges

Parking Fines / Expiation Fees	489	207
Animal Registration Fees & Fines	91	147
Town Planning Fees	183	119
Development Act Fees	102	90
Rate Searches	39	35
Total Statutory Charges	904	598

(c) User Charges

Council Land Usage	62	46
Function and Event Charges	31	41
Rents & Fees	23	26
Services to Aged & Disabled	26	25
Payinthi Lease Income	85	17
Prospect Magazine - Income	25	16
Library Services	13	14
Hall & Equipment Hire	21	12
Prospect Spring Fair Income	–	12
Network Prospect Events Digital Marketing - Income	1	4
Bi Annual Prospect Portrait Prize - Income	–	3
Other	9	5
Total User Charges	296	221

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	25	31
- Loans to Community Groups	20	78
Total Investment Income	45	109
(e) Reimbursements		
Insurance Reimbursements	12	48
Private Works	11	10
Connected Cities Reimbursement	1	8
Fuel Tax Credit Reimbursement	15	6
SA Water - Farrant & Alexander St - Stormwater	21	—
Other	2	5
Total Reimbursements	62	77
(f) Other income		
Insurance Special Distribution	81	41
Risk Management WHS Award	20	—
Waste Management Other Income	15	11
Refund - Electricity Network Charges	13	124
Sponsorship	5	42
Donations or Resources Contributed Received	4	14
Open Space Development Fund Contribution	—	177
Minor Asset Sale	—	22
Plant Hire - Other Councils	—	6
Other	13	17
Total Other income	151	454
(g) Grants, Subsidies, Contributions		
Amounts Received Specifically for New or Upgraded Assets		
- LRCI Grant Devonport Terrace Upgrade	803	—
- Churchill Road Stage 3 Upgrade	750	—
- Prospect Gardens/Narnu Wirra	219	—
- Charles Cane / Parndo Yerta Revedelopment Grant	—	40
- Prospect Road Upgrade	—	114
- Payinthe Major Art Installation	—	80
Total Amounts Received Specifically for New or Upgraded Assets	1,772	234

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Income (continued)

\$ '000	2021	2020
Other Grants, Subsidies and Contributions		
- Commonwealth Home Support Programme (CHSP)	606	597
- General Purpose Grant	216	225
- Local Road Grant	82	89
- Roads to Recovery	204	204
- Record Library Materials Grant	89	85
- Public Library Services Grant	72	71
- NAIDOC Week Grant	1	–
- Connected Cities Grant and partner council contributions	–	30
- Waste Management	–	10
Individually Significant Item - Additional Grants Commission Payment (refer below)	355	371
Total Other Grants, Subsidies and Contributions	1,625	1,682
Total Grants, Subsidies, Contributions	3,397	1,916

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

(i) Sources of grants

Commonwealth Government	1,463	801
State Government	1,932	1,085
Other	2	30
Total	3,397	1,916

(ii) Individually Significant Items

Grant Commission (FAG) Grant Recognised as Income	355	371
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2021

50% of FY22 General Purpose Grant \$228,812 brought forward

50% of FY22 Local Roads Grant \$127,185 brought forward

2020

50% of FY21 General Purpose Grant \$235,255 brought forward

50% of FY21 Local Roads Grant \$135,808 brought forward

2019

50% of FY20 General Purpose Grant \$219,876 brought forward

50% of FY20 Local Roads Grant \$124,726 brought forward

100% of FY20 and FY21 Supplementary Road Funding, \$201,404 brought forward

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		8,233	7,941
Employee Leave Expense		108	324
Superannuation - Defined Contribution Plan Contributions	18	614	598
Superannuation - Defined Benefit Plan Contributions	18	131	131
Workers' Compensation Insurance		201	178
Personal Accident & Sickness Insurance		123	133
Total Operating Employee Costs		9,410	9,305
Total Number of Employees (full time equivalent at end of reporting period)		88	87
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		28	23
Bad and Doubtful Debts		28	15
Elected Members' Expenses		267	262
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		39	98
Subtotal - Prescribed Expenses		362	398
(ii) Other Materials, Contracts and Expenses			
Contractors		9,058	11,207
Waste Services		2,225	2,115
Materials		1,176	1,133
Consultants		921	596
Levies Paid to Government - NRM levy		599	576
Information Technology - Computing		559	529
Electricity & Gas		411	434
Water		332	379
Hired Temporary Staff		285	336
Insurance		280	243
Courses & Conferences		107	126
Communications		96	109
Subscriptions		96	94
Legal Expenses		132	93
Telephone		73	70
Postage		62	69
Fuel		61	68
Bank Charges		55	67
Contributions & Donations		37	61
Meals & Entertainment		30	58
Rates & Taxes (including FBT)		47	47
Dog and Cat Management Board		25	28
Travel & Accommodation		6	28
Motor Vehicle Registration		28	28
Sundry		36	25
Stationery and Office Consumables		15	24
Levies - Other		13	11

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Expenses (continued)

\$ '000	Notes	2021	2020
Irrigation		5	7
Refunds		2	(48)
Less: Capitalised and Distributed Costs		(6,819)	(8,767)
Subtotal - Other Material, Contracts & Expenses		9,953	9,746
Total Materials, Contracts and Other Expenses		10,315	10,144

(c) Depreciation, Amortisation and Impairment

(i) Depreciation and Amortisation

Buildings & Other Structures	1,571	1,356
Infrastructure		
- Stormwater Drainage	546	399
- Roads	1,867	1,079
- Footpaths	513	539
- Traffic Control Devices	86	89
Right-of-use Assets	72	72
Plant & Equipment	340	328
Furniture & Fittings	120	113
Library Books	247	137
Artworks	20	9
Open Space	487	484
Subtotal	5,869	4,605
Total Depreciation, Amortisation and Impairment	5,869	4,605

(d) Finance Costs

Interest on Loans	729	808
Interest of Lease Liabilities	25	28
Total Finance Costs	754	836

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2021	2020
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	2,890	4,734
Less: Carrying Amount of Assets Sold	(2,013)	(2,502)
Gain (Loss) on Disposal	877	2,232
Fair Value Adjustments		
Revaluation Decrements Expensed	—	(534)
Total Fair Value Adjustments	—	(534)
Net Gain (Loss) on Disposal or Revaluation of Assets	877	1,698

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Current Assets

\$ '000	2021	2020
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(a) Cash & Cash Equivalent Assets

Cash on Hand at Bank	3	57
Short Term Deposits & Bills, etc.	2,805	334
Total Cash & Cash Equivalent Assets	2,808	391

(b) Trade & Other Receivables

Rates - General & Other	468	784
Council Rates Postponement Scheme	51	48
Accrued Revenues	115	—
Debtors - General	433	473
GST Recoupment	350	112
Prepayments	229	204
Loans to Community Organisations	191	45
Subtotal	1,837	1,666
Total Trade & Other Receivables	1,837	1,666

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Non-Current Assets

\$ '000	2021	2020
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(a) Financial Assets

Receivables

Loans to Community Organisations

Subtotal**Total Receivables****Total Financial Assets**

1,164	1,341
<u>1,164</u>	<u>1,341</u>
<u>1,164</u>	<u>1,341</u>
<u>1,164</u>	<u>1,341</u>

\$ '000	Notes	2021	2020
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(b) Equity Accounted Investments in Council Businesses

Eastern Health Authority (EHA)

Eastern Waste Management Authority INC (East Waste)

Total Equity Accounted Investments in Council Businesses

19(a)i	65	60
19i	<u>101</u>	<u>79</u>
	<u>166</u>	<u>139</u>

(c) Other Non-Current Assets

Other

Capital Works-in-Progress

Total Other**Total Other Non-Current Assets**

3,267	460
<u>3,267</u>	<u>460</u>
<u>3,267</u>	<u>460</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. Infrastructure, Property, Plant & Equipment

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

		as at 30/06/20		Asset movements during the reporting period										as at 30/06/21	
	Fair Value Level	At Fair Value	Accumulate d At Cost	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciatio n Expense (Note 3c)	Additions - Right of Use Assets	Revaluatio n Decrements to P&L (Note 4)	Revaluatio n Increments to Equity (ARR) (Note 9)	At Fair Value	Accumulate d At Cost	Carrying amount	
Land	2	5,701	-	5,701	-	-	-	-	-	-	-	5,701	-	5,701	
Land	3	56,005	-	56,005	-	-	-	-	-	-	-	56,005	-	56,005	
Buildings & Other Structures	2	25,891	19,487	28,236	155	-	-	(1,571)	-	-	-	26,046	19,487	26,827	
Buildings & Other Structures	3	401	1 (327)	75	-	-	-	-	-	-	-	401	1 (334)	68	
Infrastructure															
- Stormwater Drainage	3	33,551	1,174	16,223	359	-	(22)	(546)	-	-	6,612	47,106	1,533	22,627	
- Roads	3	77,047	8,023	51,810	-	848	(187)	(1,867)	-	-	19,717	106,393	8,871	70,320	
- Footpaths	3	28,757	4,469	25,452	-	267	(51)	(513)	-	-	7,460	43,814	4,736	32,614	
- Traffic Control Devices		-	2,424	1,413	13	-	-	(86)	-	-	-	-	2,436	1,338	
Right-of-Use Assets		718	-	646	-	-	-	(72)	-	-	-	718	-	573	
Plant & Equipment		-	3,650	1,416	-	514	(202)	(340)	-	-	-	-	3,786	1,387	
Furniture & Fittings		-	711	382	-	-	-	(120)	-	-	-	-	711	262	
Library Books		-	974	256	-	116	-	(247)	-	-	-	-	1,090	125	
Artworks		-	305	267	162	-	-	(20)	-	-	-	-	467	409	
Open Space		-	9,072	4,721	1,508	-	-	(487)	-	-	-	-	10,580	5,743	
Total Infrastructure, Property, Plant & Equipment															
		228,071	50,290	192,603	2,197	1,745	(462)	(5,869)	-	-	33,789	286,184	53,698	223,999	
Comparatives		230,426	27,148	174,845	9,505	13,309	(635)	(4,605)	718	(534)	-	228,071	50,290	192,603	

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 & Investment Property

Valuation of Assets

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

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

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

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

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

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

Information on Valuations

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.

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.

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

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

Other Information

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

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

Highest and best use

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

- 1) Land - Civic Centre (Payinthe) & Town Hall
- 2) Recreation Reserve - Bradford Reserve
- 3) Recreation Reserve - Main North Road & Regency Gardens

Notes to the Financial Statements

for the year ended 30 June 2021

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

- 4) Recreation Reserve - WT Smith Reserve
- 5) Dead End Street - off Darmody Street
- 6) Land - Development Site

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

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

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

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

Transition to AASB 13 - Fair Value Measurement

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

Land & Land Improvements

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2018 by JLL
- Valuer: Kate Tynan, B Bus Property (Valuation) AAPI, JLL

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

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.

Buildings & Other Structures

- Basis of valuation: Fair Value
- Date of valuation: 1 July 2018 by JLL
- Valuer: Kate Tynan, B Bus Property (Valuation) AAPI, JLL

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 buildings, infrastructure and other assets: There is no known market for these assets and they are valued at depreciated current replacement cost. This method involves:

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

Infrastructure

Notes to the Financial Statements

for the year ended 30 June 2021

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

Roads, Kerb and Gutter, Footpaths

Assets were valued by Asset Engineering on 1st July 2020. All acquisitions made after the respective dates of valuation are recorded at cost.

A Peer review was conducted by Assetic (iisight). Following Management review of the revaluations Management decided to uniformly extend the useful asset lives on the original revaluations by 15%. This is considered reasonable, based on real world observations of the condition of Council's assets, as well as experience of Council staff in undertaking maintenance activities.

Stormwater Drainage

Assets were valued by Asset Engineering on 1st July 2020. All acquisitions made after the respective dates of valuation are recorded at cost.

A Peer review was conducted by Assetic (iisight). Following Management review of the revaluations Management decided to uniformly extend the useful asset lives on the original revaluations by 15%. This is considered reasonable, based on real world observations of the condition of Council's assets, as well as experience of Council staff in undertaking maintenance activities.

Open Space

Assets were valued by Public Private Property as at 1 July 2019. All acquisitions made after the respective dates of valuation are recorded at cost.

Plant & Equipment

These assets are recognised on the cost basis.

Furniture & Fittings

These assets are recognised on the cost basis.

All other Assets

These assets are recognised on the cost basis. Library books and other lending materials are capitalised in bulk and written out when fully depreciated.

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	2,858	—	1,336	—
Payments Received in Advance	—	—	969	—
Accrued Expenses - Employee Entitlements	93	—	428	—
Accrued Expenses - Other	248	—	286	—
Other	143	—	144	—
<u>TOTAL Trade and Other Payables</u>	<u>3,342</u>	<u>—</u>	<u>3,163</u>	<u>—</u>

\$ '000	Notes	2021 Current	2021 Non Current	2020 Current	2020 Non Current
(b) Borrowings					
Bank Overdraft		306	—	—	—
Loans		1,354	13,063	1,303	14,417
Lease Liabilities	17b	68	522	66	590
<u>TOTAL Borrowings</u>		<u>1,728</u>	<u>13,585</u>	<u>1,369</u>	<u>15,007</u>

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

(c) Provisions

Employee Entitlements (including oncosts) - Long Service Leave	1,106	125	1,085	116
Employee Entitlements (including oncosts) - Annual Leave	933	—	868	—
<u>TOTAL Provisions</u>	<u>2,039</u>	<u>125</u>	<u>1,953</u>	<u>116</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Reserves

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset Revaluation Reserve					
Land	11,466	—	—	—	11,466
Buildings & Other Structures	755	—	—	—	755
Infrastructure					
- Stormwater Drainage	2,949	6,612	—	—	9,561
- Roads	21,340	19,717	—	—	41,057
- Footpaths	11,448	7,460	—	—	18,908
Land and Buildings	47,191	—	—	—	47,191
JV's / Associates - Other Comprehensive Income	194	—	—	—	194
Total Asset Revaluation Reserve	95,343	33,789	—	—	129,132
Comparatives	95,343	—	—	—	95,343

	as at 30/06/20				as at 30/06/21
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other Reserves					
Car Park Development Reserve	446	1	—	—	447
Carry Forward Reserve	1,876	2,022	(1,876)	—	2,022
Development Reserve	443	—	—	—	443
Total Other Reserves	2,765	2,023	(1,876)	—	2,912
Comparatives	2,414	2,064	(1,713)	—	2,765

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).

Car Park Development Reserve

The car park development reserve is used for the development of future car parking facilities.

Carry Forward Reserve

The carry forward reserve temporarily holds the unspent capital and grant funded project budgets from the 2020-2021 Budget. This surplus will be included in the 2021-2022 Budget through Budget Review 1 and will be used to finalise the incomplete projects of 2020-2021.

Development Reserve

The development reserve is used for future development or redevelopment of open space facilities.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 10. Assets Subject to Restrictions

Council does not hold any assets subject to restrictions

Note 11. Reconciliation to Statement of Cash Flows

\$ '000	Notes	2021	2020
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(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	2,808	391
Less: Short-Term Borrowings	8	(306)	—
Balances per Statement of Cash Flows		2,502	391

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

Net Surplus/(Deficit)		1,873	1,921
Non-Cash Items in Income Statements			
Depreciation, Amortisation & Impairment		5,869	4,605
Fair Value Adjustments		—	534
Equity Movements in Equity Accounted Investments (Increase)/Decrease		(27)	(25)
Grants for capital acquisitions treated as Investing Activity		(1,772)	(234)
Net (Gain) Loss on Disposals		(877)	(2,232)
		5,066	4,569
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables		(25)	1,200
Net (Increase)/Decrease in Inventories		(3)	—
Net Increase/(Decrease) in Trade & Other Payables		1,148	(3,080)
Net Increase/(Decrease) in Other Provisions		95	192
Net Cash provided by (or used in) operations		6,281	2,881

(c) Financing Arrangements

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

Corporate Credit Cards	100	100
LGFA Cash Advance Debenture Facility	11,000	11,000

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

Notes to the Financial Statements

for the year ended 30 June 2021

Note 12(a). Functions

Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 12(b).											
\$ '000	2021	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
Functions/Activities											
Planning and Community	868	988		3,662	4,049	(2,794)	(3,061)	696	753	534	523
Infrastructure, Assets and Environment	1,910	1,202		9,587	8,971	(7,677)	(7,769)	82	99	190,983	192,080
Corporate Services	22,765	22,635		10,780	10,910	11,985	11,725	847	800	9,197	5,768
Business and Economic Development	29	62		868	967	(839)	(905)	—	30	—	—
Other	—	—		—	—	—	—	—	—	32,530	—
Total Functions/Activities	25,572	24,887		24,897	24,897	675	(10)	1,625	1,682	233,244	198,371

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:

PLANNING AND COMMUNITY

- City Planning
- Development Assessment
- Heritage
- Community Development (includes Community and Youth Services, Home Assist)
- Recreation and Sports
- Library
- Community Transport
- Community Arts

INFRASTRUCTURE, ASSETS AND ENVIRONMENT

- Environmental Sustainability
- Environmental Health
- Waste Management (Domestic, Green and Recycling)
- Community Safety (includes Parking and Dog Control & General Inspections)
- Traffic Management
- Streets and Footpaths
- Stormwater Drainage
- Open Spaces
- Street Trees and Nature Strips
- Street Cleaning and Public Toilets
- Fleet Management
- Depot Operations
- Street Lighting

CORPORATE SERVICES

- Governance
- Rates Administration
- Employee Relations and Training
- Customer Service & Administration Services
- Financial Management
- Information Management
- Elected Members
- Human Resources

BUSINESS AND ECONOMIC DEVELOPMENT

- Business & Economic Initiatives
- Marketing

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% (2019: 0.45% and 0.65%).

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% (2019: 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 (describe basis); interest is charged at fixed (or variable - describe) rates between **3.4%** and **7.0%** (2019: **3.4%** and **7.0%**).

Carrying Amount:

Approximates fair value.

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	–	–	–	–	2,808
Receivables	–	–	–	–	2,657
Total Financial Assets	–	–	–	–	5,465
Financial Liabilities					
Payables	3,312	–	–	3,312	3,106
Current Borrowings	2,021	–	–	2,021	1,728
Non-Current Borrowings	–	7,320	8,804	16,124	13,585
Total Financial Liabilities	5,333	7,320	8,804	21,457	18,419
2020					
Cash & Cash Equivalents	391	–	–	391	391
Receivables	1,462	–	–	1,462	1,462
Other Financial Assets	–	781	560	1,341	1,341
Total Financial Assets	1,853	781	560	3,194	3,194
Financial Liabilities					
Payables	1,622	–	–	1,622	1,622
Current Borrowings	2,040	–	–	2,040	1,369
Non-Current Borrowings	–	8,086	10,061	18,147	15,007
Total Financial Liabilities	3,662	8,086	10,061	21,809	17,998

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
Overdraft	0.00%	306	0.00%	–
Fixed Interest Rates	4.75%	15,313	4.43%	16,376
		15,619		16,376

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
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(a) Capital Commitments

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

Infrastructure	1,140	3,006
	<u>1,140</u>	<u>3,006</u>

These expenditures are payable:

Not later than one year	1,140	3,006
	<u>1,140</u>	<u>3,006</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	–	26
IT Helpdesk & Support	56	169
Waste Management Services	1,459	2,394
	<u>1,515</u>	<u>2,589</u>

These expenditures are payable:

Not later than one year	1,515	1,379
Later than one year and not later than 5 years	–	1,210
	<u>1,515</u>	<u>2,589</u>

Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Financial Indicators

\$ '000	Indicator 2021	Indicators 2020	Indicators 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	(3.0)%	0.0%	3.4%
<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	59%	73%	74%
<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	(3.0)%	0.3%	2.6%
Adjusted Net Financial Liabilities Ratio			
Net Financial Liabilities			
Total Operating Income	59%	73%	74%
3. Asset Renewal Funding Ratio			
Net Asset Renewals			
Infrastructure & Asset Management Plan required expenditure	162%	169%	285%
<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 15. Financial Indicators (continued)

Financial Indicators - Graphs

1. Operating Surplus Ratio



Purpose of operating surplus ratio

This indicator is to determine the percentage the operating revenue varies from operating expenditure

Commentary on 2020/21 result

2020/21 ratio (3.0)%

Unfavourable to the 0.95% anticipated strategic deficit that was planned to construct Payinthe due to significant increase in depreciation expense in Roads and Stormwater assets following asset revaluation in 2020-21.

2. Net Financial Liabilities Ratio



Purpose of net financial liabilities ratio

This indicator shows the significance of the net amount owed to others, compared to operating revenue

Commentary on 2020/21 result

2020/21 ratio 59%

Council has utilised a mix of debt facilities to permit the partial repayment of debt when surplus cash is on hand. As a result, a reduced outstanding balance as at 30 June 2021 is evident in a reduced net financial liability balance. Short term variable facilities may be redrawn in meet cash flow requirements in future years.

Adjusted Operating Surplus Ratio



Purpose of adjusted operating surplus ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2020/21 result

2020/21 ratio (3.0)%

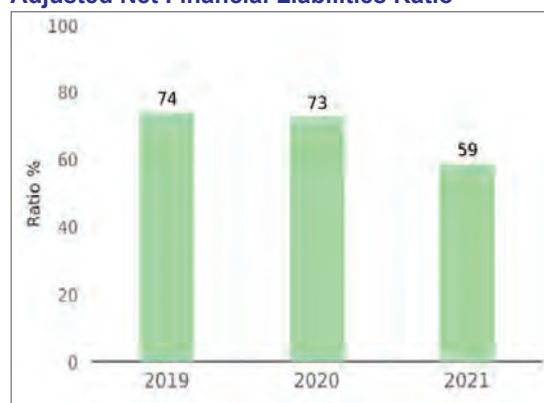
Council received advance an advance payment for the Financial Assistance Grant in June 2021, the adjustment had minimal impact on the 2020-2021 results.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 15. Financial Indicators (continued)

Adjusted Net Financial Liabilities Ratio



Purpose of adjusted net financial liabilities ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2020/21 result

2020/21 ratio 59%

Council received advance an advance payment for the Financial Assistance Grant in June 2021, the adjustment had minimal impact on the 2020-2021 results.

3. Asset Renewal Funding Ratio



Purpose of asset renewal funding ratio

This indicator aims to determine if assets are being renewed and replaced in an optimal way

Commentary on 2020/21 result

2020/21 ratio 162%

The Asset Renewal Funding Ratio has exceeded Council's ratio target of 90% - 120%. This is due to Council advancing future renewal projects to secure economic stimulus grants partly funding these projects. Council is also undertaking a review of its Asset Management Plans with anticipated adoption in late 2021.

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	25,572	24,886
less Expenses	(26,348)	(24,897)
Operating Surplus / (Deficit)	(776)	(11)
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(3,770)	(5,887)
add back Depreciation, Amortisation and Impairment	5,869	4,605
add back Proceeds from Sale of Replaced Assets	2,890	4,734
	4,989	3,452
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(2,756)	(3,063)
add back Amounts Received Specifically for New and Upgraded Assets	803	1,203
	(1,953)	(1,860)
Net Lending / (Borrowing) for Financial Year	2,260	1,581

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

Land & Buildings

Council holds a lease to occupy the depot facility at City of Campbelltown. The 5+5 year lease commenced in April 2019 with an annual payment of \$85,000 to be indexed annually by Adelaide CPI.

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	Land & Buildings	Total
2021		
Opening balance	646	646
Depreciation charge	(72)	(72)
Balance at 30 June	574	574
2020		
Opening balance	718	718
Depreciation charge	(72)	(72)
Balance at 30 June	646	646

(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	656	718
Accretion of interest	25	23
Payments	(85)	(85)
Balance at 30 June	596	656
Classified as:		
Current	68	66
Non Current	528	590

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

The Group had total cash outflows for leases of \$85,446.

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	72	72
Interest expense on lease liabilities	25	23
Total amount recognised in profit or loss	97	95

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. 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	27	25	166	139
Total Council's Share of Net Income	27	25	166	139

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

(a) Carrying Amounts

\$ '000	Principal Activity	2021	2020
Eastern Waste Management Authority (East Waste)	Waste Collection & Disposal	22	32
Eastern Health Authority (EHA)	Health Services	65	60
Total Carrying Amounts - Joint Ventures & Associates		87	92

Eastern Waste Management Authority (East Waste)

Eastern Waste Management Authority, a regional subsidiary (the subsidiary) was established pursuant to Section 43 of the Local Government Act 1999, by a number of constituent councils comprising Adelaide Hills, Burnside, Campbelltown, Mitcham, Norwood Payneham & St Peters, Prospect and the Town of Walkerville.

Prospect joined the organisation on 1 October 2017, in order to deliver Council's waste collection services as well as recyclables and organics collection and processing.

Council's membership in the organisation brings efficiencies in the delivery of the service across multiple communities.

Eastern Health Authority (EHA)

City of Prospect is one of five member Councils of the Eastern Health Authority Inc (EHA). The other member Councils are City of Burnside, Campbelltown City Council, City of Norwood, Payneham & St Peters & the Corporation of the Town of Walkerville. During the report period, City of Prospect owned 13% of the equity in EHA but did not control either the financial or operating policies of the entity. EHA is managed by a board of directors comprised of two representatives from each of the five member Councils. Each director has one full and equal voting right on the Board. The principal activity of the authority is to provide health services to Councils. As at the 30 June 2017, the net assets of the subsidiary were as disclosed below.

(b) Relevant Interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2021	2020	2021	2020	2021	2020
Eastern Waste Management Authority (East Waste)	8.25%	8.20%	8.25%	8.20%	14.29%	14.29%
Eastern Health Authority (EHA)	11.56%	12.79%	11.56%	12.79%	20.00%	20.00%

Notes to the Financial Statements

for the year ended 30 June 2021

Note 19. Interests in Other Entities (continued)

(c) Movement in Investment in Joint Venture or Associate

\$ '000	Eastern Waste Management Authority (East Waste)		Eastern Health Authority (EHA)	
	2021	2020	2021	2020
Opening Balance	78	46	60	67
Share in Operating Result	22	32	5	(7)
Council's Equity Share in the Joint Venture or Associate	100	78	65	60

(d) Summarised Financial Information of the Equity Accounted Business

Statement of Financial Position

Cash and Cash Equivalents	3,168	2,322	783	721
Trade and Other Receivables	661	1,019	189	156
Non-Current Assets	8,098	7,652	1,301	1,491
Total Assets	11,927	10,993	2,273	2,368
Current Trade and Other Payables	1,609	1,205	164	158
Current Borrowings	654	1,929	177	262
Current Provisions	1,925	597	308	308
Non-Current Borrowings	6,423	6,221	1,037	1,144
Non-Current Provisions	97	77	22	22
Total Liabilities	10,708	10,029	1,708	1,894
Net Assets	1,219	964	565	474

Statement of Comprehensive Income

Council Contributions	16,707	16,756	1,822	1,804
Statutory Charges	—	—	151	72
User Charges	—	—	236	330
Grants, Subsidies & Contributions	—	—	257	246
Investment Income	12	21	5	8
Other Income	917	677	4	4
Total Income	17,636	17,454	2,475	2,464
Employee Costs	6,089	5,851	1,636	1,636
Materials, Contracts & Other Expenses	9,149	9,120	509	595
Depreciation, Amortisation and Impairment	1,986	2,069	191	190
Finance Costs	262	281	48	56
Total Expenses	17,486	17,321	2,384	2,477
Other Revenue / Expense Items	105	60	—	—
Operating Result	255	193	91	(13)

Notes to the Financial Statements

for the year ended 30 June 2021

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

\$ '000	2021	2020
Carrying Amounts of Assets and Liabilities		
Assets		
- Depot	–	1,771
Total Assets	–	1,771
Net Assets	–	1,771

Council has resolved to Sale portions of land at 218 Main North Road, Prospect SA 5082.

Settlement of this sale contract occurred prior to 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 **88 km** of road reserves of average width **9 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 has not guaranteed any loans and other banking facilities.

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 no notice of any appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

Notes to the Financial Statements

for the year ended 30 June 2021

Note 22. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 14 persons were paid the following total compensation:

\$ '000	2021	2020
The compensation paid to Key Management Personnel comprises:		
Allowances	223	211
Employee Costs	889	858
Termination Benefits	138	—
Total	1,250	1,069

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

Receipts from Key Management Personnel comprise:

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

Contributions for Fringe Benefits Tax purposes	34	39
Total	34	39

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



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INDEPENDENT AUDITOR'S REPORT

To the members of City of Prospect

Opinion

We have audited the accompanying financial report of City of Prospect (the Council), 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, and the Council Certificate of City of Prospect.

In our opinion, the accompanying 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 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 Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (Including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council's responsibility for the financial report

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

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

Auditor's responsibility for the audit of the financial report

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

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

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

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Partner

17 November 2021

David Chant CA, FCPA
Simon Smith CA, FCPA
David Sullivan CA, CPA
Jason Seidel CA
Renae Nicholson CA
Tim Muhlhausler CA
Aaron Coonan CA
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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS

To the members of City of Prospect

Opinion

We have audited the compliance of City of Prospect (the Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2020 to 30 June 2021 have been conducted properly and in accordance with law.

In our opinion, City of Prospect has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2020 to 30 June 2021.

Basis for opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2020 to 30 June 2021. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Council's responsibility for internal controls

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

Our independence and quality control

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

Auditor's responsibility

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

Limitation of use

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS


Tim Muhlhausler CA, Registered Company Auditor
Partner

17 November 2021

City of Prospect

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 City of Prospect for the year ended 30 June 2020, the Council's Auditor, Galpins 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*.



Chris White
Chief Executive Officer



Corinne Garrett
Presiding Member, Audit Committee

Date: 10 November 2021

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



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CITY OF PROSPECT

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Statement by Auditor

I confirm that, for the audit of the financial statements of City of Prospect 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 (Including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

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

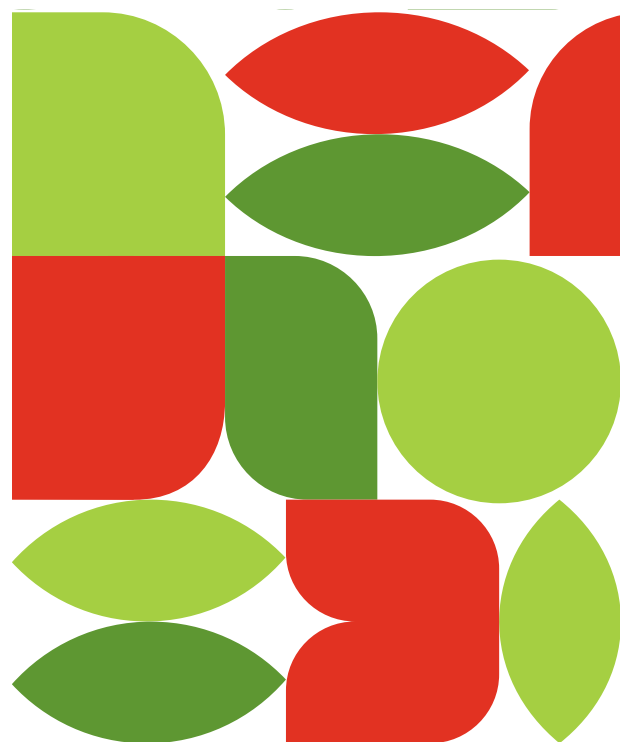
Tim Muhlhausler CA, Registered Company Auditor

Partner

17 November 2021

Appendix 2

Eastern Health Authority Annual Report 2020/21







Message from the Chairperson

Cr Peter Cornish

With over 125 years of accumulated experience in its public health staff and over 100 years of accumulated experience in its immunisation staff; it is no wonder why EHA provides such a remarkable service for its community.

The Eastern Health Authority (EHA) continues to deliver remarkable service during this continued period of uncertainty of a global pandemic.

The residents and ratepayers of its five constituent Councils (the Cities of Norwood, Payneham and St Peters, Campbelltown, Burnside, Prospect and the Town of Walkerville) continued to benefit directly and indirectly from the operations of EHA. In June 2021, an independent service review which benchmarked EHA against other comparable Councils in Food inspection, Food enforcement and Immunisation activities was presented.

The review details that EHA conducts more food safety inspection, and the highest follow-up inspections as a total and percentage of premises within our service area. It also details EHA provides a greater immunisation service with the highest proportion of its aggregate population compared to other comparative Councils. The review did make governance and administrative recommendations ensuring EHA continuously improves and maintains and improves its current service levels. The Board will be addressing these recommendations.

With over 125 years of accumulated experience in its public health staff and over 100 years of accumulated experience in its immunisation staff; it is no wonder why EHA provides such a remarkable service for its community.

I thank all the hard working staff at EHA especially during a challenging year in the ever changing public health area.

I am thrilled to bring the 2020-21 Annual Report for your consideration.

Cr Peter Cornish
Chairperson

About Eastern Health Authority

Eastern Health Authority (EHA) has a proud history of promoting and enforcing public health standards in Adelaide's eastern and inner northern suburbs.

Prospect

Rateable Properties	10,148
Population of Council	21,520

Walkerville

Rateable Properties	4,067
Population of Council	8,094

NPSP

Rateable Properties	20,097
Population of Council	36,750



Campbelltown

Rateable Properties	24,476
Population of Council	53,082

Burnside

Rateable Properties	21,191
Population of Council	46,127

Total

Rateable Properties	79,979
Population of Councils	165,573



Chief Executive Officer's Report

Michael Livori

The continual focus on COVID-19 related issues and disruptions has continued to dominate our lives during the past year. We have had to remain agile and adapt as the situation continues to unfold while continuing our important public health protection responsibilities. In addition to our existing health protection work, our staff continue to undertake COVID-19 compliance checks during their routine assessments in accordance with the Emergency Management Directions put in place to manage the pandemic. The crisis has certainly highlighted the importance of effective public health systems and responses.

Our public immunisation clinics continue to be very popular with 3,775 clients receiving 7,069 vaccines. With ongoing COVID-19 restrictions in place we continued with appointment-based clinics which has had an impact on the number of clients that can be serviced comparing to the previous year. The School Based Immunisation Programme delivered 10,497 vaccines to high school students and our coverage rates continue to be higher than the state average. An enhanced SMS reminder system for absentees was introduced with positive results. COVID-19 vaccines for students at schools are currently under consideration and we stand ready if they are added to the programme. Eastern Health Authority's (EHA) Workplace Influenza Program conducted between March and June assists businesses to protect their staff from the highly contagious influenza virus, reducing costly absenteeism. 107 workplace visits were undertaken, including eight new businesses, where 4,164 vaccines were administered.

Healthy communities require access to safe and suitable food. Monitoring food safety standards to ensure this occurs, continues to be one of our most important areas of core business. EHA is responsible for monitoring over 1,300 food businesses to ensure appropriate food safety standards are being maintained. Over 1,500 inspections were conducted during the year. While recognising the significant COVID-19 related pressures faced by food businesses, it was disappointing that there was a significant increase in Prohibition Orders issued. During the year, Prohibition Orders requiring a business to close for a period of time to rectify issues of concern were issued on 16 occasions. This course

of action is not undertaken lightly, however the public must be protected from the small number of proprietors who are willing to put their health at risk.

A food safety training program focusing on the fundamentals of food safety was designed and developed during the year aimed to improve food handlers' knowledge of safe food practices and in turn, businesses compliance with the Food Safety Standards. The program commenced in June and was fully subscribed with 24 participants with varying levels of experience in the food industry and from a variety of food businesses, such as schools, cafes, cinemas, and restaurants attending. Feedback provided by the participants was overwhelmingly positive with attendees requesting longer and additional sessions. The program will be refined based on the feedback and more sessions offered next year including via virtual platforms.

An independent organisational service review was finalised in June 2020, and we were extremely pleased with the findings. EHA was found to effectively manage the risk profile for public and environmental health and food safety across the region.



EHA continues to lead the Eastern Hoarding and Squalor Group. The Group continued into its eighth successful year and met four times. This collaborative forum for Environmental Health officers and representatives from Government and non-Government agencies allows for proactive discussion and information sharing on squalor and hoarding.

On behalf of EHA I would like to thank our hardworking staff for their commitment and efforts during the year.

In terms of local government public health protection, EHA is structured in a unique manner. This structure allows us to have a single focus and be experts and leaders in our field. An independent organisational service review was finalised in June 2020, and we were extremely pleased with the findings. EHA was found to effectively manage the risk profile for public and environmental health and food safety across the region. Centralised services provided through a regional subsidiary model was well recognised and valued by stakeholders. A benchmarking exercise found EHA performs

well against other councils, particularly those that were most comparable in terms of population and resource allocations. The efficient and pro-active way in which EHA was able to adjust responsibilities and liaise with State agencies during COVID-19 was highly valued by stakeholders and the ability to pivot service delivery was seen as a strength. EHA was highlighted as a high performer in delivering immunisation services, citing professionalism and willingness to innovate and improve service quality. A median score of 9 out of 10 given by Constituent Councils for overall service quality, illustrates the value attributable to EHA's service delivery.

I would like to take this opportunity to thank the Board Members for the interest you have in public health and the support you provide to the EHA administration. It is valued and appreciated. On behalf of EHA I would like to thank our hardworking staff for their commitment and efforts during the year. None of the achievements outlined in this report would have been possible without you.

Michael Livori
Chief Executive Officer



Governance

Board of Management 2021

EHA is a body corporate, governed by a Board of Management comprised of two elected members from each Constituent Council. The Board met six times during the year to consider EHA's business.

City/Town	Member	Meetings Attended
City Of Burnside	Cr P Cornish	● ● ● ● ● ○
	Cr J Davey	● ● ● ● ● ○
City Of Norwood Payneham & St Peters	Cr S Whittington	● ● ● ● ● ○
	Cr G Knoblauch	● ● ● ● ● ○
Campbelltown City Council	Cr J Kennedy	● ● ● ● ● ○
	M Hammond	● ● ● ● ● ○
City Of Prospect	Cr K Barnett	● ● ● ● ● ○
	N Cunningham	● ● ● ● ● ○
Town Of Walkerville	A Caddy	○ ○ ○ ○ ○ ○
	Cr J Joshi	○ ○ ○ ○ ○ ○

Finance Audit Committee

Members of EHA's Audit Committee include:

- Claudia Goldsmith Presiding Member
- Independent Member Madeleine Vezis
- Board Appointed Member Cr Peter Cornish

The Committee met on three occasions during the year.

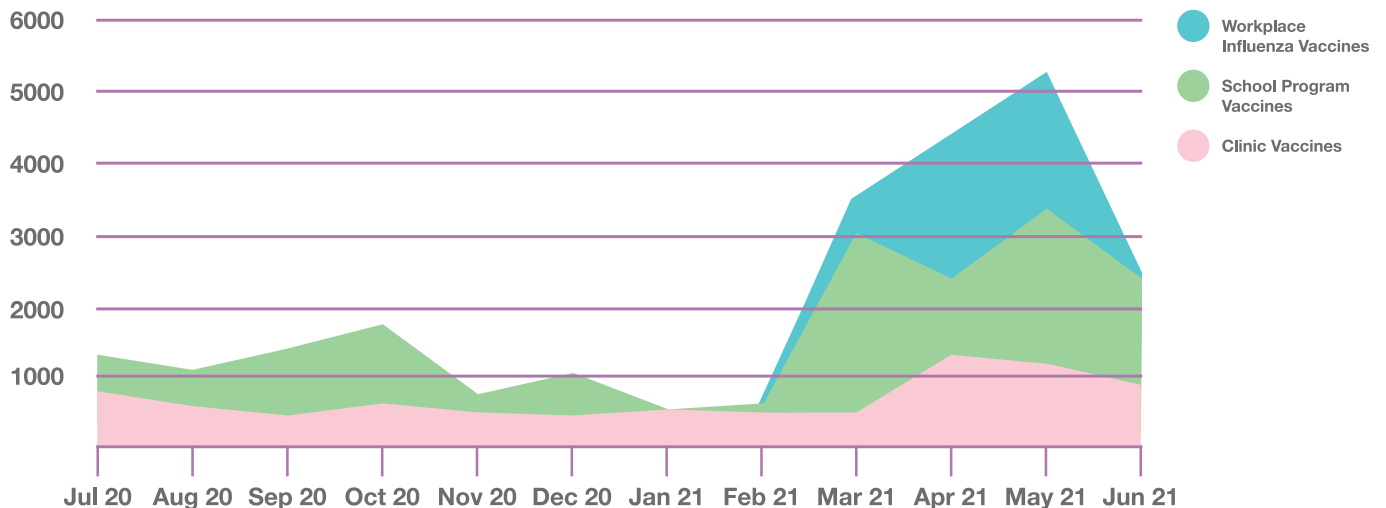




Immunisation

EHA provides a comprehensive, specialised, and convenient immunisation service by way of public immunisation clinics, school immunisation program and workplace immunisation programs to the residents of our Constituent Councils.

The combined demand for all immunisation services over the last year

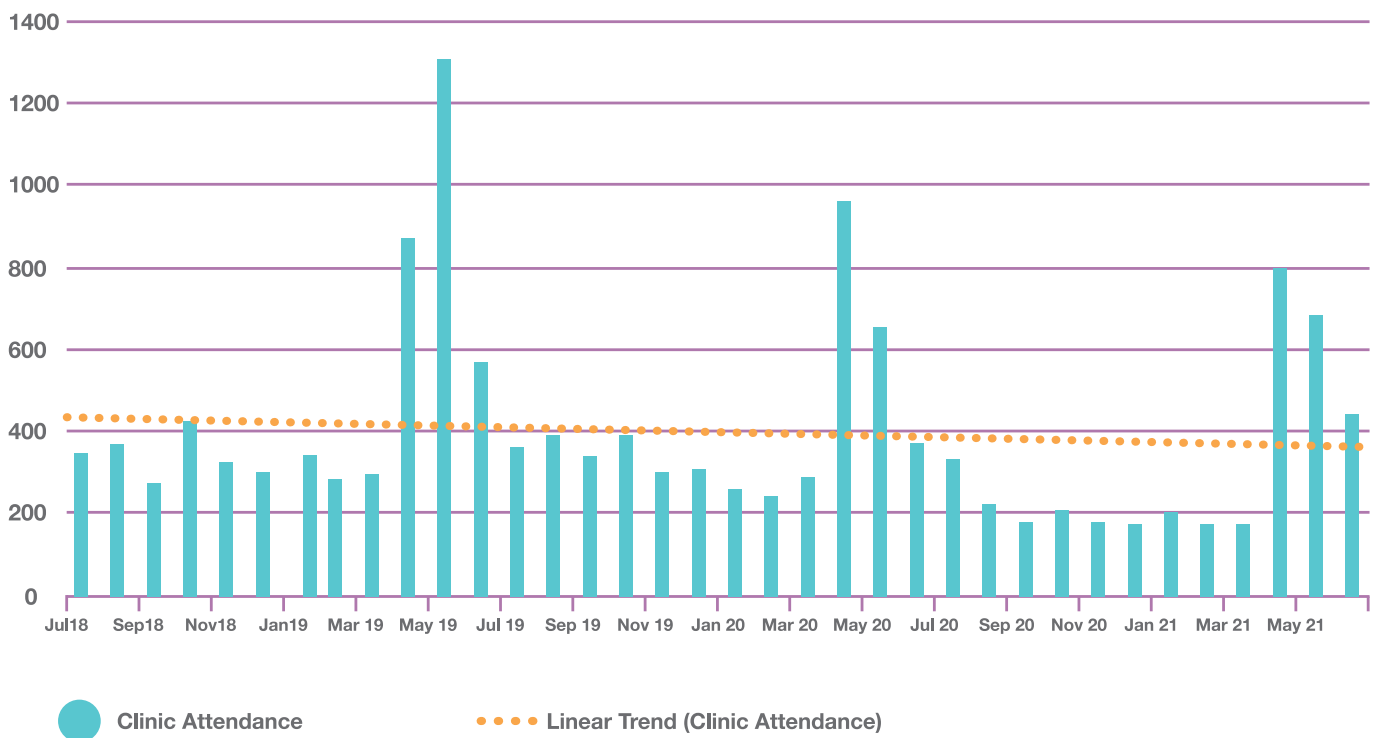




Public Immunisation Clinics

3,775 clients were provided with 7,069 vaccinations.

Client attendance at public immunisation clinics for the last 3 years



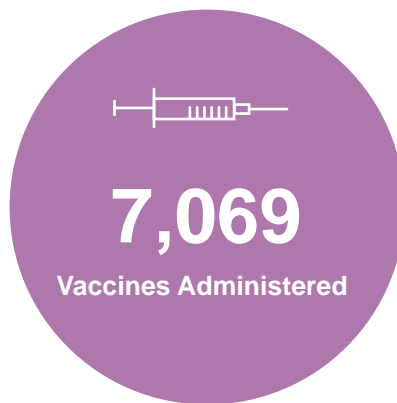
The number of vaccines administered at public clinics for the last 3 years.





The number of clients per council area and their choice of clinic venue

Where clients come from (Council Area)	Number of clients from Council Area	Where clients attend (Clinic Venue by %)			
		Burnside	Campbelltown	NPSP	Prospect
Burnside	914	21%	3%	76%	0%
Campbelltown	1,092	3%	16%	80%	1%
NPSP	1,020	2%	2%	95%	1%
Prospect	313	1%	2%	76%	21%
Walkerville	193	1%	0%	96%	3%
Other	243	9%	16%	72%	3%
Total Number of Clients	3,775				

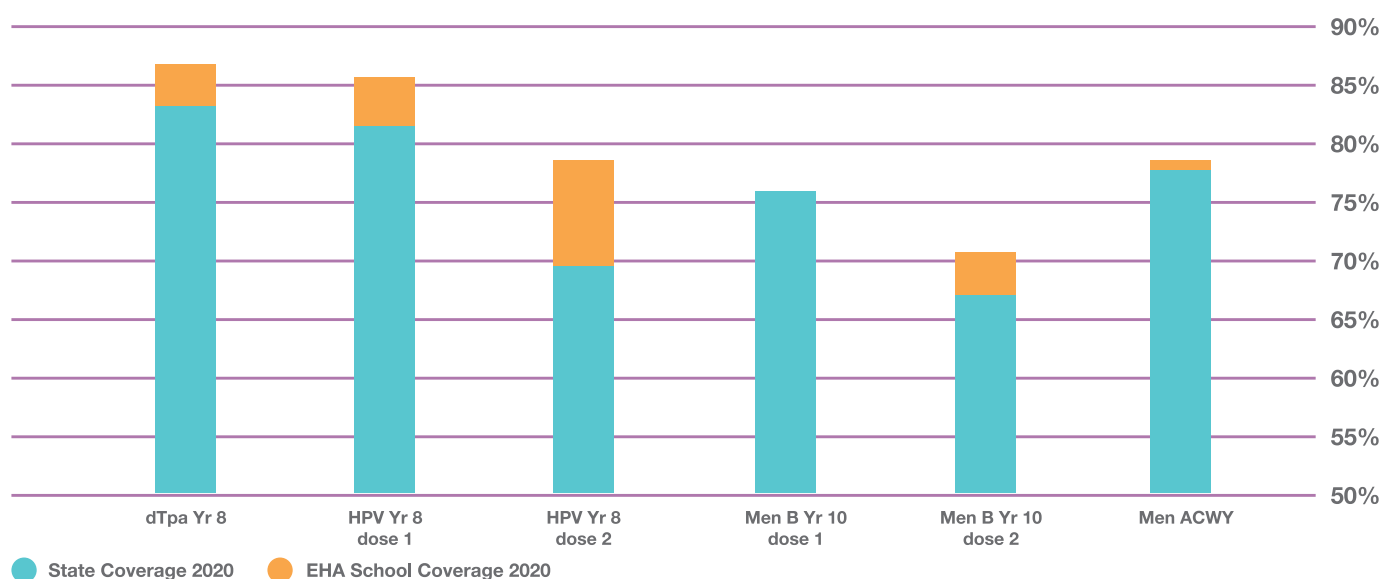




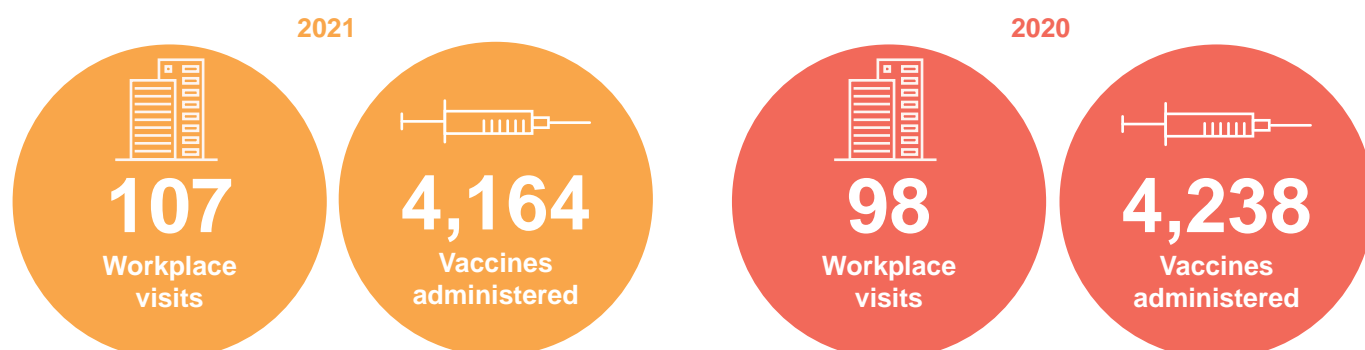
School Vaccinations for Calendar Year to Date – January to December 2020

Council	Human Papillomavirus (HPV)	Diphtheria Tetanus and Pertussis (dTpa)	Meningococcal B (Men B)	Meningococcal ACYW (Men ACWY)	Total
Burnside	1,212	476	1,059	682	3,429
Campbelltown	902	482	869	459	2,712
NPSP	1,193	547	1,040	555	3,335
Prospect	193	106	196	104	599
Walkerville	141	71	132	78	422
Total	3,641	1,682	3,296	1,878	10,497

A graph illustrating EHA vaccine coverage rates compared with the SA State coverage rates across all vaccines administered.



Workplace Immunisation Program





Public and Environmental Health

Environmental health is the branch of public health that focuses on the interrelationships between people and their environment, promotes human health and well-being, and fosters healthy and safe communities.

website: [NEHA Environmental health](#)



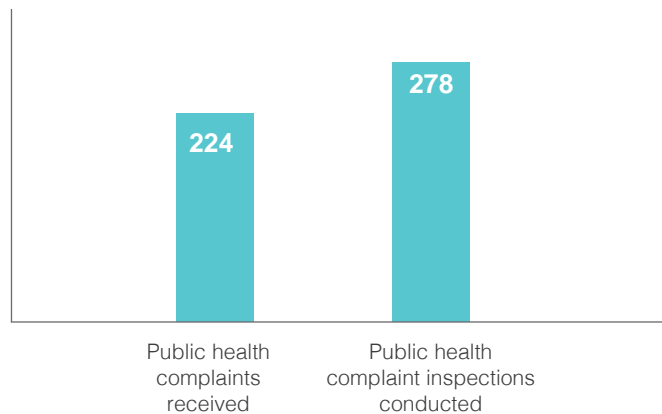
Complaints and Referrals

Environmental Health Officer's responsibilities under the *SA Public Health Act 2011* continued to extend to respond to control of the COVID-19 Pandemic spread within South Australia.

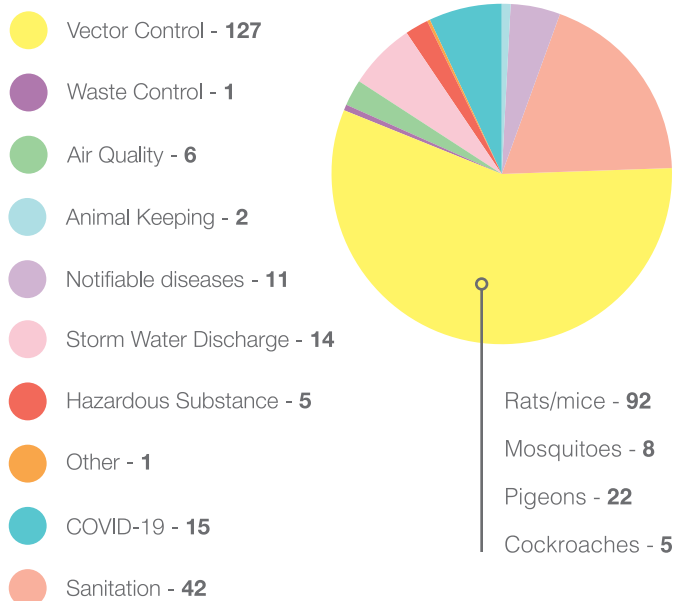
Public health related complaints/referrals from the public or State Government.

2018-19	2019-20	2020-21
162	213	224 ▲

1.24 inspections per complaint



Public Health Complaint Category



Vector Complaints– (increase)



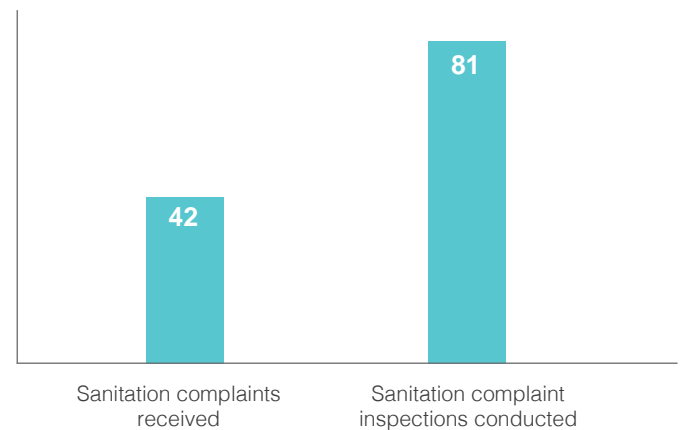
Squalor



Hoarding



1.92 inspections per complaint



14

Stormwater discharge complaints investigated a significant increase from 5 (2019-20)

15

COVID-19 Social Distancing Complaints a decrease from 28 complaints in 2019-20

Notifiable Diseases

	2019-20	2020-21
Campylobacter	267	248 ▼
Salmonella	79	38 ▼
Legionellosis	5	2 ▼
Cryptosporidiosis	5	4 ▼
Hepatitis A	1	0 ▼
Rotavirus	47	15 ▼
COVID-19	51	11 ▼

Monitoring and Surveillance

Cooling Towers and Warm Water Systems

19 Cooling Towers at 12 sites	
Routine inspections	19
Follow-up inspection	1

18 Warm Water Systems at 4 sites	
Routine inspections	10
Follow-up inspection	1

Water samples taken from all HRMWS sites during routine inspections - two detections of *Legionella* at two separate sites.

Two *Legionella* disease notifications were received from SA Health. Both required desktop reviews and no further action.

Public Swimming Pools and Spas

28 swimming pool and spa sites	
Routine inspections	46
Follow-up inspection	16
Compliance Notice Issued	1

Personal Care and Body Art (PCBA)

All eight tattoo premises involving high risk skin penetration practice were assessed.

Waste Control Systems

A small area within EHA's catchment is not connected to SA Water Sewer or a Community Wastewater Management Scheme, requiring the installation of an approved onsite wastewater system.

Four wastewater applications for wastewater works were received and approved

Health Care and Community Services

5

Licence renewal applications were received and approved.

6

Unannounced routine licensing audits were conducted across 5 facilities.

3

Complaint investigations were undertaken. No further action taken.





Food Safety

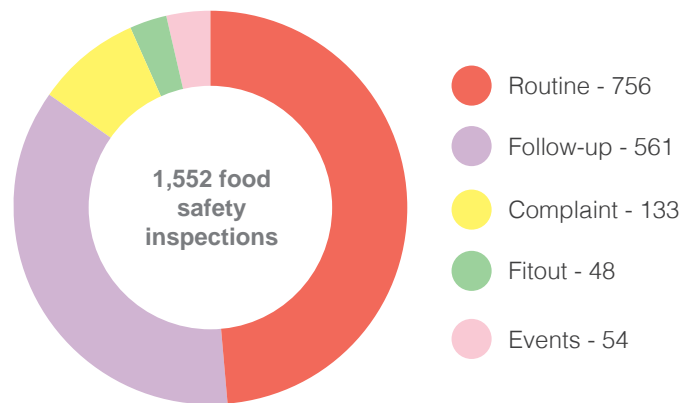
EHA administers the *Food Act 2001* in conjunction with the Food Safety Standards to protect the public from food-borne illness and associated risks.

Food Safety Inspections

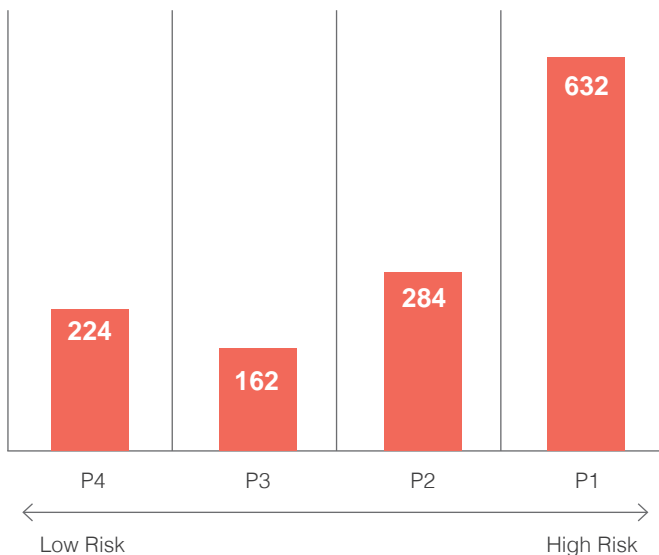
1,302

known food premises are operating as at 30/06/2021

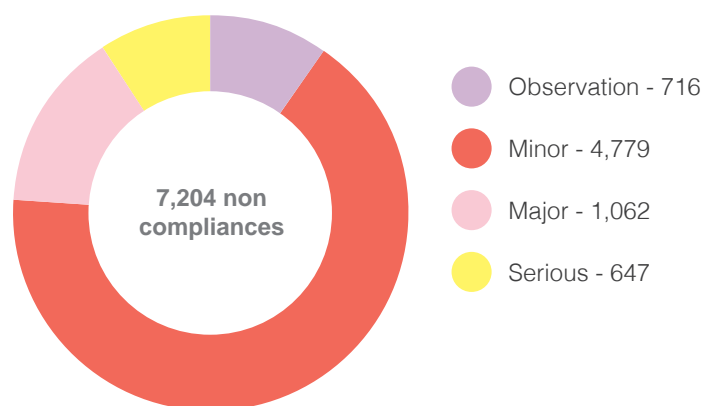
Type of food safety inspections undertaken during 2020-21



Number of food businesses per risk classification



Type of food safety non-compliances observed during 2020-21



Increase in types of food safety non-compliances observed during routine inspections compared to the previous year. In particular:

64%

Increase in the number of routine food inspections when compared to the previous year.

Cleaning

2.5

fold increase

Food storage

1.5

fold increase

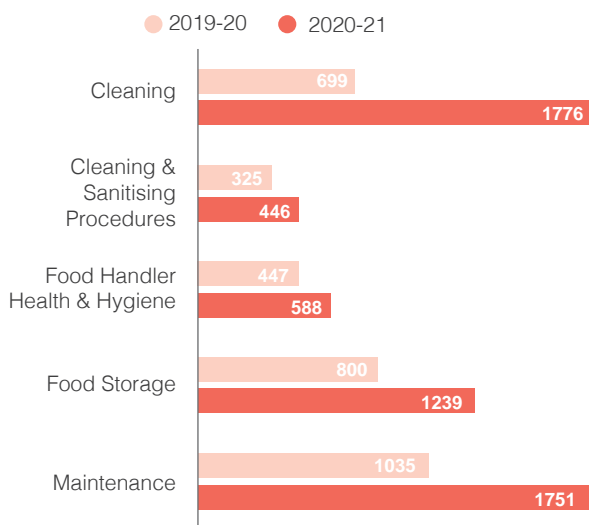
Maintenance

1.7

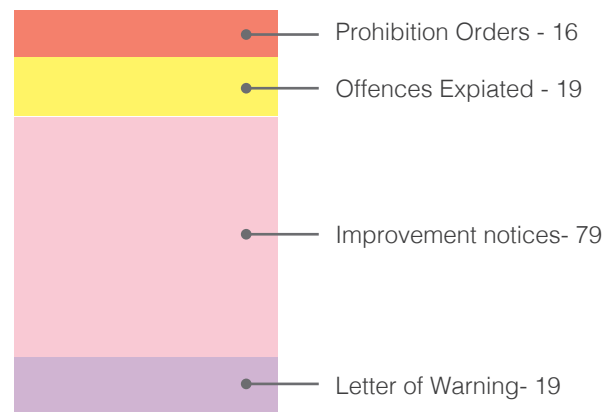
fold increase



Two year comparison of the types of food safety non-compliances observed during routine inspections during 2020-21.



A graph illustrating the graduated response to enforcement under the *Food Act 2001*.



The majority of food businesses requiring legal action are P1 high risk businesses.

Food Safety Enforcement



Number of businesses requiring legal action per risk rating.

	P1	P2	P3
Warning Letter	18	1	0
Improvement Notices	65	13	1
Offences Expiated	12	2	0
Prohibition Orders	14	2	0



Improvement Notices

79 Improvement Notices issued to 54 food businesses

19 businesses issued with multiple Improvement Notices – accounted for 44 Improvement Notices

7.1% of routine inspections resulted in the issue of an Improvement Notice

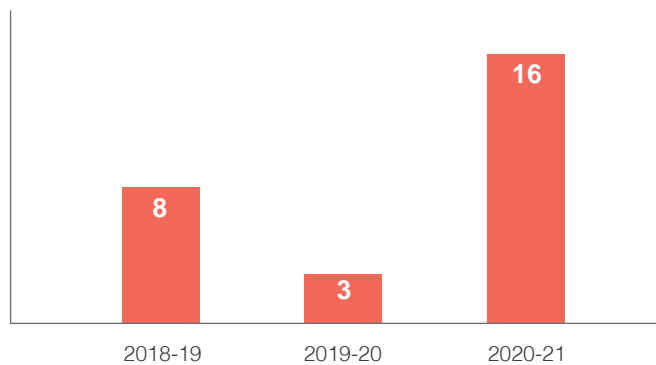
Expiations

14 businesses were expiated under the *Food Act 2001*

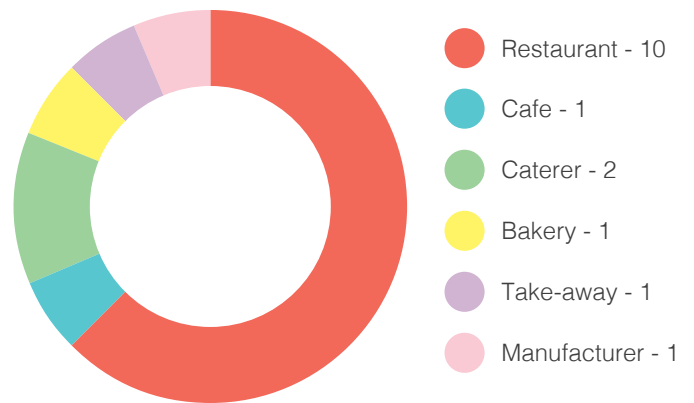
1.85% of routine inspections resulted in the issue of an Expiation Notice

Prohibition Orders

16 Prohibition Orders issued. 13 more when compared to the previous year.



Types of food businesses issued with a Prohibition Order during 2020-21.

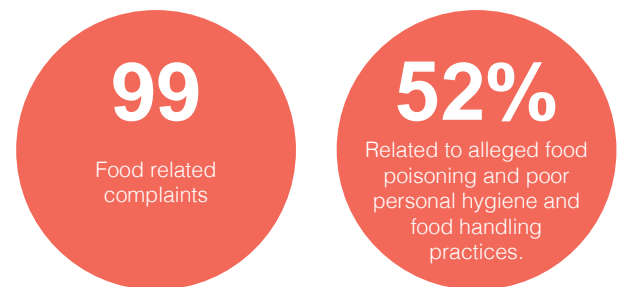


Food Safety Audits

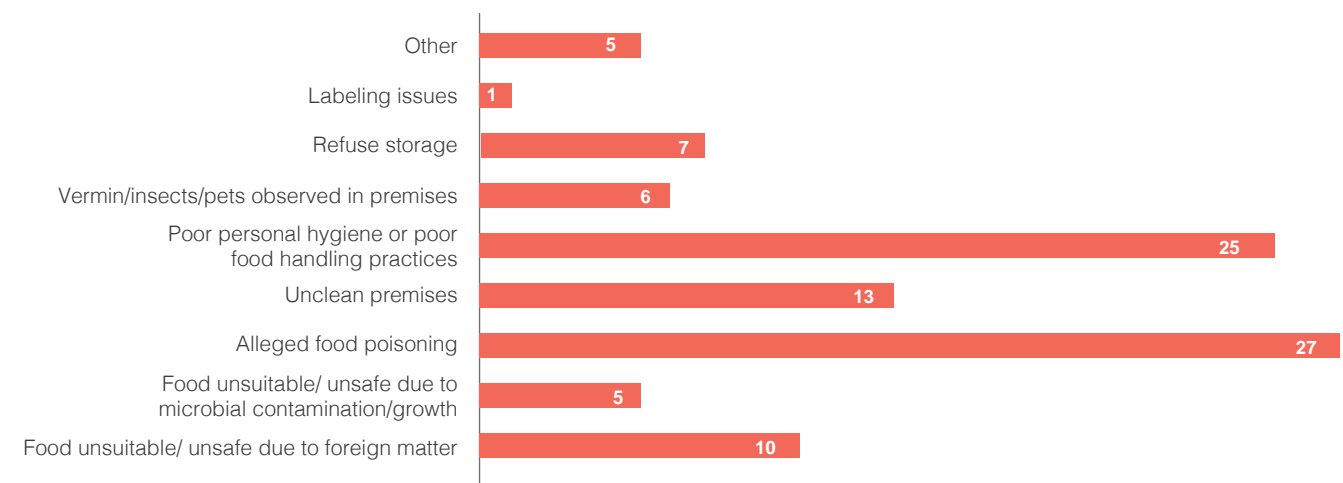
120 scheduled food safety audits food businesses serving food to vulnerable populations



Food Safety Complaints



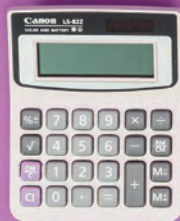
Types of Food Complaints received in 2021





Summary Financial Statement for the year ending 30 June 2021

	2020	2021
INCOME		
Council Contributions	1,803,571	1,821,865
Statutory charges	72,447	150,625
User charges	330,134	235,151
Grants, subsidies and contributions	245,618	256,514
Investment income	8,183	4,901
Other income	4,031	4,5498
TOTAL INCOME	2,463,984	2,474,605
EXPENSES		
Employee Costs	1,636,215	1,635,933
Materials, contracts & other expenses	594,507	509,065
Depreciation, amortisation & impairment	190,358	190,797
Finance costs	56,305	48,445
TOTAL EXPENSES	2,477,385	2,384,240
OPERATING SURPLUS (DEFICIT)		
Asset disposal & fair value adjustments		
NET SURPLUS/(DEFICIT)	(13,401)	90,365
Other Comprehensive Income		
TOTAL COMPREHENSIVE INCOME	(13,401)	90,365
CURRENT ASSETS		
Cash and cash equivalents	721,310	782,896
Trade and Other Receivables	155,650	188,901
TOTAL CURRENT ASSETS	876,960	971,797
NON-CURRENT ASSETS		
Infrastructure, Property, Plant & Equipment	1,491,511	1,300,714
TOTAL NON-CURRENT ASSETS	1,491,511	1,300,714
TOTAL ASSETS	2,368,471	2,272,511
CURRENT LIABILITIES		
Trade & Other Payables	157,719	163,940
Borrowings	262,051	177,021
Provisions	307,885	307,903
Liabilities relating to Non-current Assets held for Sale		
TOTAL CURRENT LIABILITIES	727,655	648,864
NON-CURRENT LIABILITIES		
Borrowings	1,143,669	1,036,687
Provisions	22,268	21,716
TOTAL NON-CURRENT LIABILITIES	1,165,937	1,058,403
TOTAL LIABILITIES	1,893,592	1,707,267
NET ASSETS	474,879	565,244
EQUITY		
Accumulated Surplus	474,879	565,244
TOTAL EQUITY	474,879	565,244





The General Purpose Financial Reports for the year ended 30 June 2021

Eastern Health Authority General Purpose Financial Reports for the year ended 30 June 2021

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EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Eastern Health Authority (EHA) 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 EHA'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.

Michael Livori
CHIEF EXECUTIVE OFFICER

Cr Peter Cornish
**CHAIRPERSON
EHA BOARD OF MANAGEMENT**

Date: 31/8/21



Eastern Health Authority
Statement of Comprehensive Income
for the year ended 30 June 2021

		2021	2020
	Notes	\$	\$
INCOME			
Council contributions	2	1,821,865	1,803,571
Statutory charges	2	150,625	72,447
User charges	2	236,151	330,134
Grants, subsidies and contributions	2	256,514	245,618
Investment income	2	4,901	8,183
Other income	2	4,549	4,031
Total Income		2,474,605	2,463,984
EXPENSES			
Employee costs	3	1,635,933	1,636,215
Materials, contracts & other expenses	3	509,065	594,507
Depreciation, amortisation & impairment	3	190,797	190,358
Finance costs	3	48,445	56,305
Total Expenses		2,384,240	2,477,385
OPERATING SURPLUS / (DEFICIT)		90,365	(13,401)
NET SURPLUS / (DEFICIT) (transferred to Equity Statement)		90,365	(13,401)
Other Comprehensive Income		-	-
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		90,365	(13,401)

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



Eastern Health Authority
Statement of Financial Position
as at 30 June 2021

		2021	2020
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	782,896	721,310
Trade & other receivables	4	188,901	155,650
Total Current Assets		971,797	876,960
Non-current Assets			
Infrastructure, property, plant & equipment	5	1,300,714	1,491,511
Total Non-current Assets		1,300,714	1,491,511
Total Assets		2,272,511	2,368,471
LIABILITIES			
Current Liabilities			
Trade & other payables	6	163,940	157,719
Borrowings	6	177,021	262,051
Provisions	6	307,903	307,885
Total Current Liabilities		648,864	727,655
Non-current Liabilities			
Borrowings	6	1,036,687	1,143,669
Provisions	6	21,716	22,268
Total Non-current Liabilities		1,058,403	1,165,937
Total Liabilities		1,707,267	1,893,592
NET ASSETS		565,244	474,879
EQUITY	Notes	2021 \$	2020 \$
Accumulated Surplus		565,244	474,879
TOTAL EQUITY		565,244	474,879

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



Eastern Health Authority
Statement of Changes in Equity
for the year ended 30 June 2021

		Acc'd Surplus	TOTAL EQUITY
2021	Notes	\$	\$
Balance at end of previous reporting period		474,879	474,879
Net Surplus / (Deficit) for Year		90,365	90,365
Balance at end of period		565,244	565,244
2020	Notes	\$	\$
Balance at end of previous reporting period		488,280	488,280
Net Surplus / (Deficit) for Year		(13,401)	(13,401)
Balance at end of period		474,879	474,879

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



Eastern Health Authority
Statement of Cash Flows
for the year ended 30 June 2021

		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES	Notes	\$	\$
<i>Receipts:</i>			
Council Contributions		1,821,865	1,983,928
Statutory charges		150,625	72,447
User charges		227,736	373,345
Investment receipts		5,757	7,234
Grants utilised for operating purposes		256,514	245,618
Other revenues		4,549	4,031
<i>Payments:</i>			
Employee costs		(1,637,628)	(1,645,676)
Materials, contracts & other expenses		(525,832)	(802,416)
Finance payments		(49,988)	(57,773)
Net Cash provided by Operating Activities		253,598	180,738
CASH FLOWS FROM INVESTING ACTIVITIES			
<i>Payments:</i>			
Expenditure on renewal/replacement of assets		-	(24,677)
Net Cash used in Investing Activities		-	(24,677)
CASH FLOWS FROM FINANCING ACTIVITIES			
<i>Payments:</i>			
Repayments of borrowings		(70,732)	(67,488)
Repayment of principal portion of lease liabilities		(121,280)	(110,535)
Net Cash used in Financing Activities		(192,012)	(178,023)
Net Increase (Decrease) in cash held		61,586	(21,962)
Cash & cash equivalents at beginning of period	7	721,310	743,272
Cash & cash equivalents at end of period	7	782,896	721,310

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



Eastern Health 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.

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 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

Eastern Health Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 101 Payneham Road, St Peters, SA 5069. These consolidated financial statements include the Authority's direct operations and all entities through which 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

3.1 Revenue

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.



Eastern Health Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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

5 Property, Plant & Equipment

5.1 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.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by 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. Examples of capitalisation thresholds applied during the year are given in Note 5.

5.3 Depreciation of Non-Current Assets

Property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Authority, best reflects the consumption of the service potential embodied in those assets.

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

Major depreciation periods for each class of asset are shown in Note 5.

5.4 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 Authority 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).

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 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". Interest free loans are carried at their nominal amounts; interest revenues foregone by the lender effectively being a reduction of interest expense in the period to which it relates.



Eastern Health Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

8 Provisions

8.1 Employee Benefits

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 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. Authority does not make payment for untaken sick leave.

Superannuation:

The Authority 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 Authority's involvement with the schemes are reported in Note 12.

9 Leases

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.

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.

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.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 5.4 - Impairment above.

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.

iii) Short-term leases and leases of low-value

The Authority applies the short-term lease recognition exemption to its short-term leases of 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.



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

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

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.



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 2 - INCOME

	Notes	2021 \$	2020 \$
COUNCIL CONTRIBUTIONS			
City of Burnside		438,131	437,022
Campbelltown City Council		452,548	426,994
City of Norwood, Payneham & St Peters		586,308	559,954
City of Prospect		210,656	230,650
Town of Walkerville		103,032	102,500
Public Health Plan/Service Review (equal constituent share)		31,190	46,451
		1,821,865	1,803,571
STATUTORY CHARGES			
Inspection Fees: Food		91,852	53,213
Inspection Fees: Legionella		10,665	8,603
SRF Licences		3,255	1,520
Fines / expiation fees		44,853	9,111
		150,625	72,447
USER CHARGES			
Immunisation: Clinic Vaccines		62,086	87,341
Immunisation: Worksite Vaccines		96,879	98,799
Food Auditing		77,186	84,428
City of Unley		-	59,566
		236,151	330,134
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		4,901	8,183
		4,901	8,183
OTHER INCOME			
Motor Vehicle Reimbursements		3,705	1,627
Sundry		844	2,404
		4,549	4,031
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Other grants, subsidies and contributions			
Immunisation: School Programme		180,024	220,308
Immunisation: ACIR		21,860	25,310
Immunisation: PHN Project		54,630	-
		256,514	245,618



Eastern Health 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		1,434,514	1,453,727
Employee leave expense		35,942	9,091
Superannuation - defined contribution plan contributions	11	128,218	124,020
Superannuation - defined benefit plan contributions	11	16,100	12,212
Workers' Compensation Insurance		17,050	18,441
Other - Agency staff and Consultant Medical Officer		4,109	18,724
Total Operating Employee Costs		1,635,933	1,636,215
 Total Number of Employees		 18	 15
<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		8,000	7,494
Bad and Doubtful Debts		-	1,227
Goverance expenses		4,158	11,144
Lease Expenses - short term leases	10	3,769	6,000
Subtotal - Prescribed Expenses		15,927	25,865
<u>Other Materials, Contracts & Expenses</u>			
Accounting		8,848	5,473
Contractors		26,065	26,466
Energy		9,066	10,808
Fringe benefits tax		14,272	12,447
Human Resources		7,573	18,983
Income protection		18,355	24,177
Insurance		29,245	28,817
IT licencing & support		119,736	161,608
Legal Expenses		28,646	13,605
Motor vehicle expenses		15,399	14,250
Parts, accessories & consumables		143,529	181,373
Printing & stationery		21,155	15,088
Staff training		6,924	6,843
Sundry		24,149	21,889
Telephone		14,414	18,923
Work health & safety consultancy		5,761	7,892
Subtotal - Other Materials, Contracts & Expenses		493,138	568,642
		509,065	594,507



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 3 - EXPENSE cont.

		2021	2020
	Notes	\$	\$
DEPRECIATION, AMORTISATION & IMPAIRMENT			
Depreciation			
Buildings & Other Structures		23,642	23,642
Office Equipment, Furniture & Fittings		15,877	20,271
Right of Use Assets	10	151,278	146,445
		<u>190,797</u>	<u>190,358</u>
FINANCE COSTS			
Interest on Loans		6,332	9,650
Interest on Leases		42,113	46,655
		<u>48,445</u>	<u>56,305</u>



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 4 - CURRENT ASSETS

		2021	2020
CASH & EQUIVALENT ASSETS	Notes	\$	\$
Cash on Hand and at Bank		405,770	168,947
Deposits at Call		377,126	552,363
		<u>782,896</u>	<u>721,310</u>
TRADE & OTHER RECEIVABLES			
Accrued Revenues		93	949
Debtors - general		163,116	154,701
Prepayments		25,692	-
Total		<u>188,901</u>	<u>155,650</u>
Less: Allowance for Doubtful Debts		<u>-</u>	<u>-</u>
		<u>188,901</u>	<u>155,650</u>



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - PROPERTY, PLANT & EQUIPMENT (PP&E)

	2020				2021			
	\$				\$			
Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Buildings & Other Structures	-	472,846	(211,970)	260,876	-	472,846	(235,612)	237,234
Office Equipment, Furniture & Fittings	-	264,186	(220,106)	44,080	-	264,186	(235,983)	28,203
Right of Use Assets	-	1,333,000	(146,445)	1,186,555	-	1,333,000	(297,723)	1,035,277
Total PP&E	-	2,070,032	(578,521)	1,491,511	-	2,070,032	(769,318)	1,300,714
Comparatives		712,355	(388,163)	324,192	-	2,070,032	(578,521)	1,491,511

This Note continues on the following pages.

Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 5 - PROPERTY, PLANT & EQUIPMENT

	2020	Carrying amount movement during year						2021
	\$	Net Adjust AASB 16	Additions		Disposals	Dep'n	Impair't	\$
	Carrying Amount		New / Upgrade	Renewals				
Buildings & Other Structures Office Equipment, Furniture & Fittings Right of Use Assets Total PP&E	260,876		-	-	-	(23,642)	-	237,234
	44,080		-	-	-	(15,877)	-	28,203
	1,186,555		-	-	-	(151,278)	-	1,035,277
	1,491,511	-	-	-	-	(190,797)	-	1,300,714
Comparatives	324,192	1,333,000		24,677		(190,358)		1,491,511

This note continues on the following pages.



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 6 - LIABILITIES

		2021		2020	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		122,323		108,316	
Accrued expenses - employee entitlements		38,575		39,736	
Accrued expenses - other		2,451		3,994	
GST Payable		591		5,673	
		163,940	-	157,719	-
BORROWINGS					
Loans		74,132	38,391	70,732	112,523
Leases Liabilities	10	102,889	998,296	191,319	1,031,146
		177,021	1,036,687	262,051	1,143,669
<i>All interest bearing liabilities are secured over the future revenues of the Authority.</i>					
PROVISIONS					
Employee entitlements (including oncosts)		307,903	21,716	307,885	22,268
		307,903	21,716	307,885	22,268



Eastern Health 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	4	782,896	721,310
Balances per Cash Flow Statement		<u>782,896</u>	<u>721,310</u>

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

Net Surplus (Deficit)	90,365	(13,401)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	190,797	190,358
Net increase (decrease) in unpaid employee benefits	(1,695)	(9,461)
	<u>279,467</u>	<u>167,496</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(33,251)	12,550
Net increase (decrease) in trade & other payables	7,382	692
Net Cash provided by operations	<u>253,598</u>	<u>180,738</u>

(c) Financing Arrangements

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

Corporate Credit Cards	5,000	5,000
------------------------	--------------	-------

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



Eastern Health 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 are returning fixed interest rates 0.30% (2020: 0.45%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Fees & other charges	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method</p> <p>Terms & conditions: Unsecured, and do not bear interest. Although 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>
Receivables - other levels of government	<p>Accounting Policy: initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>Terms & conditions: Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Creditors and Accruals	<p>Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.</p> <p>Terms & conditions: Liabilities are normally settled on 30 day terms.</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Interest Bearing Borrowings	<p>Accounting Policy: initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate</p> <p>Terms & conditions: secured over future revenues, borrowings are repayable; interest is charged at fixed rates between 4.75% (2020: 4% and 5%)</p> <p>Carrying amount: approximates fair value.</p>
Liabilities - Finance Leases	<p>Accounting Policy: accounted for in accordance with AASB 16 as stated in note 10</p>



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

Note 8 - FINANCIAL INSTRUMENTS (cont.)

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	782,896			782,896	782,896
Receivables	163,209	-	-	163,209	163,209
Total	946,105	-	-	946,105	946,105
<u>Financial Liabilities</u>					
Payables	122,914	-	-	122,914	122,914
Current Borrowings	74,132	-	-	74,132	74,132
Lease Liabilities	102,889	330,236	668,060	1,101,185	1,101,185
Non-Current Borrowings	-	38,391	-	38,391	38,391
Total	299,935	368,627	668,060	1,336,622	1,336,622

2020	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
<u>Financial Assets</u>	\$	\$	\$	\$	\$
Cash & Equivalents	721,310			721,310	721,310
Receivables	155,650	-	-	155,650	155,650
Total	876,960	-	-	876,960	876,960
<u>Financial Liabilities</u>					
Payables	157,719	-	-	157,719	157,719
Current Borrowings	70,732	-	-	70,732	70,732
Lease Liabilities	121,280	386,361	714,824	1,222,465	1,222,465
Non-Current Borrowings	-	112,523	-	112,523	112,523
Total	349,731	498,884	714,824	1,563,439	1,563,439

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
	%	\$	%	\$
Fixed Interest Rates	4.75	122,523	4.75	183,255
		122,523		183,255



for the year ended 30 June 2021

Note 8 - FINANCIAL INSTRUMENTS (cont.)

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the 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 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

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

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

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Authority has 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.



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 9 - 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 local government Authority 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	2,474,605	2,463,984
Expenses	<u>(2,384,240)</u>	<u>(2,477,385)</u>
Operating Surplus / (Deficit)	90,365	(13,401)
 Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	-	(24,677)
Add back Depreciation, Amortisation and Impairment	190,797	190,358
	190,797	165,681
 Net Lending / (Borrowing) for Financial Year	 <u>281,162</u>	 <u>152,280</u>



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 10 - LEASES

Authority as a Lessee

Right of Use Asset

Set out below are the carrying amounts (written down value) of right of use assets recognised within Property, Plant & Equipment

Carrying Value	Building & Structures	Motor Vehicles	Total
At 1 July 2020	1,104,000	82,555	1,186,555
Depreciation Charge	(96,000)	(55,278)	(151,278)
At 30 June 2021	1,008,000	27,277	1,035,277

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

	2021	2020
Opening Balance	1,222,465	1,333,000
Payments	(191,319)	(110,535)
Closing Balance	1,031,146	1,222,465
Current	102,889	191,319
Non Current	998,296	1,031,146

The maturity analysis of lease liabilities is included in note 8

The following are amounts recognised on profit or loss:

Depreciation expense right of use asset	151,278	146,445
Interest expense on lease liabilities	42,113	46,655
Expenses relating to short term leases	3,769	6,000
Total amount recognised in profit and loss	197,160	199,100



Eastern Health Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2021

Note 11 – 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 2019-20; 9.50% in 2020-21). 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. 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, 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 119.34(a), 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 Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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.



Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2021

Note 12 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no contingencies, asset or liabilities not recognised in the financial statements for the year ended 30 June 2021.

Note 13 – EVENTS OCCURRING AFTER REPORTING DATE

There are no events subsequent to 30 June 2021 that need to be disclosed in the financial statements.



Eastern Health 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 EHA include the Chairperson, Board Members, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, the Key Management Personnel were paid the following total compensation:

	2021	2020
	\$	\$
Salaries, allowances & other short term benefits	180,314	182,847
TOTAL	180,314	182,847

Amounts received from Related Parties during the financial year:

	2021	2020
	\$	\$
City of Burnside	438,131	437,022
Campbelltown City Council	452,548	426,994
City of Norwood, Payneham & St Peters	586,308	559,954
City of Prospect	210,656	230,650
Town of Walkerville	103,032	102,500
Public Health Plan/Service Review (equal constituent share)	31,190	46,451
TOTAL	1,821,865	1,803,571

Amounts paid to Related Parties during the financial year:

	2021	2020
	\$	\$
City of Norwood, Payneham & St Peters	108,739	106,978
TOTAL	108,739	106,978

Description of Services provided to all related parties above:

Assist the Constituent Councils to meet their legislative responsibilities in accordance with the SA Public Health Act 2011, the Food Act 2001 (SA), the Supported Residential Facilities Act 1992 (SA), the Expiation of Offences Act 1996 (SA), (or any successor legislation to these Acts) and any other legislation regulating similar matters that the Constituent Councils determine is appropriate within the purposes of EHA; Take action to preserve, protect and promote public and environmental health within the area of the Constituent Councils.



EASTERN HEALTH 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 Eastern Health Authority for the year ended 30 June 2021, the Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Michael Livori
CHIEF EXECUTIVE OFFICER

.....

Claudia Goldsmith
**PRESIDING MEMBER
AUDIT COMMITTEE**

Date: 31 August 2021



EASTERN HEALTH 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 Eastern Health Authority for the year ended 30 June 2021, the Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Chris Cowley
**CHIEF EXECUTIVE OFFICER
CITY OF BURNSIDE**

Date: 12 August 2021




EASTERN HEALTH 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 the Eastern Health Authority for the year ended 30 June 2021, the Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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



.....
Mario Barone PSM
CHIEF EXECUTIVE OFFICER
CITY OF NORWOOD PAYNEHAM & ST PETERS

Date: 12. 08. 2021.



EASTERN HEALTH 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 Eastern Health Authority for the year ended 30 June 2021, the Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

.....
Paul Di Iulio
**CHIEF EXECUTIVE OFFICER
CAMPBELLTOWN CITY COUNCIL**

Date: **27.7.21**



EASTERN HEALTH 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 Eastern Health Authority for the year ended 30 June 2021, the Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Alison Hancock
**ACTING CHIEF EXECUTIVE OFFICER
CITY OF PROSPECT**

Date:

5/8/21.



EASTERN HEALTH 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 Eastern Health Authority for the year ended 30 June 2021, the Auditor, Bentleys SA Audit Partnership, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Kiki Cristol

**CHIEF EXECUTIVE OFFICER
CORPORATION OF THE TOWN OF WALKERVILLE**

Date: 3 August 2021



Item 5.1 Attachment 1



Certification of Auditor Independence

I confirm that, for the audit of the financial statements of Eastern Health Authority Inc 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.

Bentleys SA Audit Partnership

David Francis
Partner

Dated at Adelaide this 31st day of August 2021



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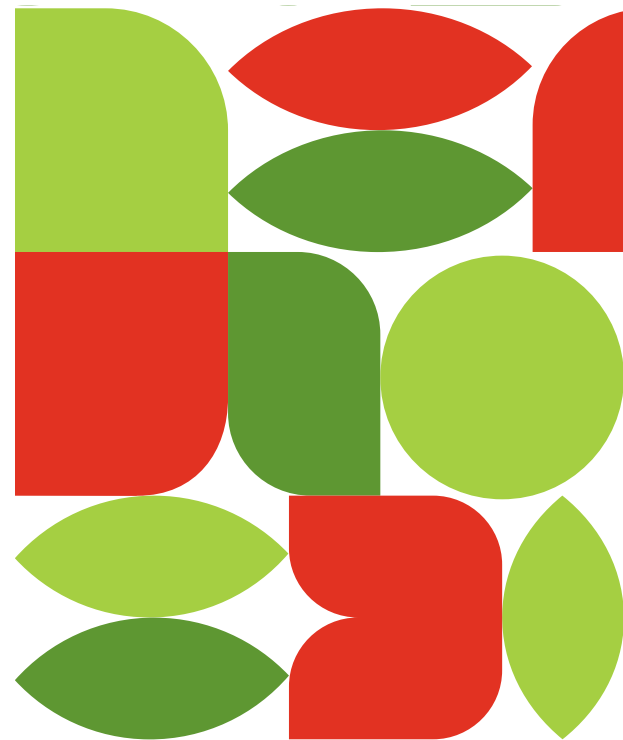




local councils working together to protect the health of the community

Appendix 3

East Waste Annual Report 2020-2021



EastWaste

ANNUAL
REPORT
2020-2021





East Waste is on a transformational path moving solely from a reactive waste collection logistics business to a broader resource manager and active community behaviour change agent.

EastWaste

Annual Report 2020-2021

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CHAIRPERSON'S REPORT	5
GENERAL MANAGER'S REPORT	9
GOVERNANCE	13
FINANCIAL STATEMENTS	15





‘Food scraps to green bin’ and the use of kitchen caddies was promoted through bus shelters and street signs. Pictured: Kerry March and Michaela Tamlin from City of Mitcham.

Chairperson's Report

It is with much enthusiasm that I commend to you the second Annual Report of my tenure as Chair of East Waste for the 2020/21 financial year.

The challenges, opportunities and learnings that have come with the position have been thoroughly enjoyable and it is hard to communicate to those outside of the industry how much it is continually evolving. A number of moving parts, strategically, politically (policy) and operationally are constantly occurring. All of this is moving in a positive direction and East Waste continues to perform well and participate in the right discussions to benefit our Members and the community.

Financially, East Waste has performed strongly once again and through efficient and diligent budget management, coupled with favourable markets, East Waste has been able to deliver an Operating Surplus of \$726,000. These savings will be returned to our Member Councils. This alone demonstrates one of the key benefits and distinctions of being part of the East Waste subsidiary.

This great financial performance has unquestionably been aided by a highly engaged

and conscientious Audit and Risk Management Committee, which has worked with Management and the Board to further enhance the systems and Governance of the Organisation. I want to take this opportunity to thank all Members of the Audit and Risk Management Committee.

While in this vein, I must thank the members of our Board. Our meetings generate strong robust conversations and decision making which is applied to all matters. As a result, our Member Councils enjoy a high degree of confidence in the governance, processes and strategic direction of the Organisation. We will continue to build upon this. Many of the Board members have been a valuable counsel and this helps from time to time. I would specifically like to acknowledge Mario Barone's time on the Board. Mario sat on the Board and various sub-committees for a number of years. His insights on all matters were very valuable.

Through the 2030 Strategic Plan East Waste set a number of bold targets that it seeks to



Chairperson's Report



● The popular Why waste it? and Which Bin? education stalls were hosted at a total of 21 Council events.

aspire to achieve and we know that we cannot do these alone. We require the assistance and influence of many individuals and Organisations and are fortunate that we have already built some strong partnerships with parties like the Northern Adelaide Waste Management Authority (NAWMA), Fight Food Waste Cooperative Research Centre (FFW CRC), KESAB, the Environment Protection Authority and Green Industries SA (GISA). We look forward to continuing to work with these Organisations and others for the express benefit of our Member Councils.

Since its transformation from Zero Waste SA, we have been fortunate to have Vaughan Levitzke head up GISA. Vaughan's retirement earlier this year closes a long and distinguished Public Sector career and his legacy on the waste industry and support of local Councils will provides benefits well outliving his career. On behalf of East Waste we congratulate and thank Vaughan. We look forward to Dr Ian Overton, his replacement, putting his own strong stamp on the role and valued Organisation.

Earlier this year, as part of our project with the FFW CRC, which is supported by GISA and Adelaide University, we undertook the most comprehensive individual bin audit ever undertaken in South Australia. While the results

of the project are still being analysed, the early data coming from the project provides insight and will help shape not only East Waste's future behaviour change and education programs, but those more broadly rolled out through state and local government across Australia. The project is a fantastic demonstration of the value of like-minded, but diverse Organisations collaborating to advance research and innovate new ways to tackle age old problems.

In my 25 years in the waste industry, the only constant has been change itself. The year ahead will be no different and undoubtedly will deliver a number of opportunities and challenges. With the engaged Board, Administration and Member Councils that we have, we are exceptionally well placed to tackle each of these issues and maximise them for the benefit of our Member Councils.



Fraser Bell
East Waste Chair





113,332 TOTAL TONNAGES COLLECTED



8,500,000⁺ ANNUAL BIN COLLECTIONS



3,275 HARD WASTE TONNES CONVERTED TO FUEL



56% OF MATERIAL DIVERTED FROM LANDFILL



45 COLLECTION VEHICLES



5,769 BIN REPAIRS UNDERTAKEN BY THE MOBILE TEAM



4,449 BIN DELIVERIES UNDERTAKEN PER YEAR



2,000⁺ ENQUIRIES RECEIVED & RESOLVED EACH WEEK

General Manager's Report

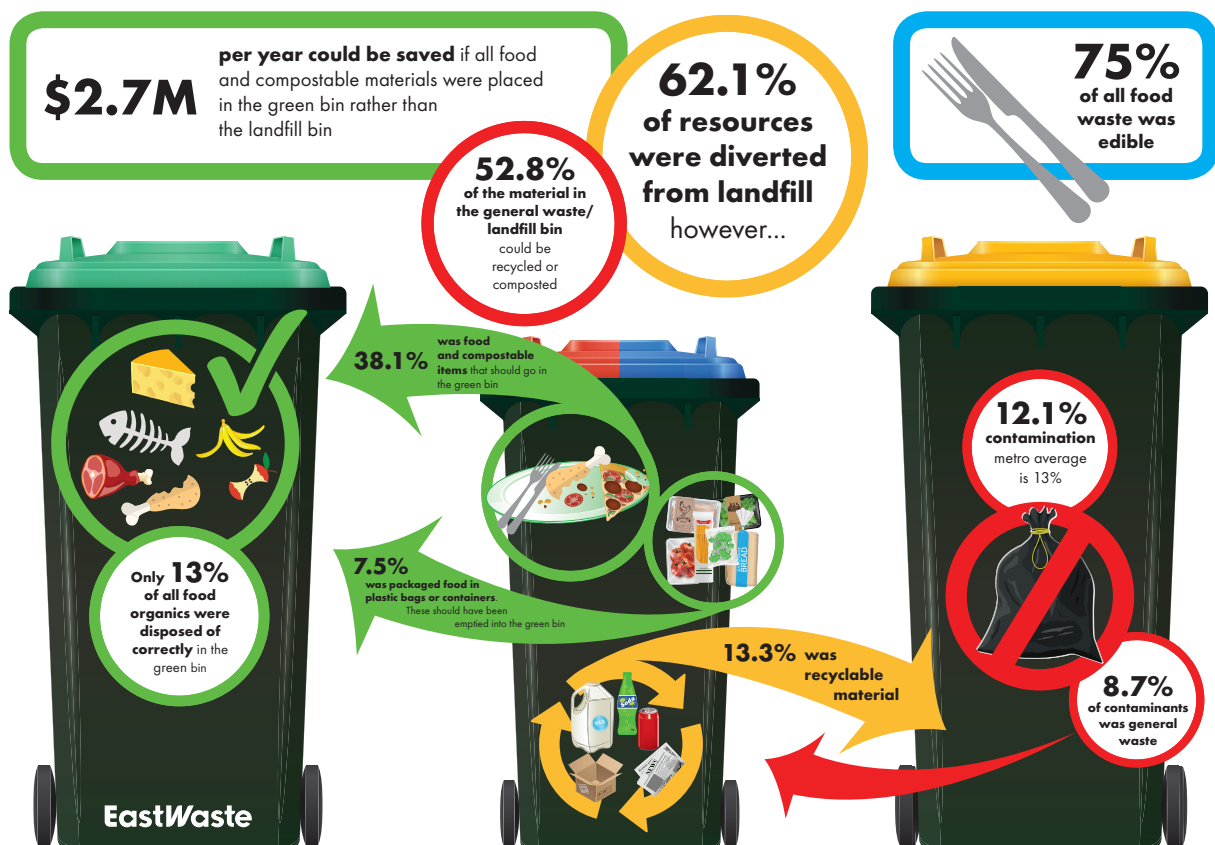
In reflecting on the year, the first thing that comes to mind is an enormous sense of gratitude. Gratitude to the East Waste staff who have continually adapted to the changing nature of the COVID environment that we live in. From our Drivers and Mechanics to Customer Service staff and Management, all have worked with us to ensure all our services could continue to be delivered regardless of the phase we found ourselves in.

East Waste adopted (and is continuing to do so) a number of changes to our business operations to ensure the health, safety and welfare of our staff and their families, well ahead of many others in the waste industry and to ensure we can continue to deliver our services. This was (and is) only possible with the continued support and adaptability of our staff. To all, my ongoing thanks.

In late 2020 the Board adopted a new 10-year Strategic Plan for East Waste. The 2030 plan sets the aspirational vision of being "The leading waste logistics Company in Australia through the delivery of innovative collection and resource

management services to our Member Councils and their communities."

Bold Key Performance Targets were set as part of this, most notably (and challengingly), 100% of food waste being separately collected and recycled by 2030. With a baseline of just 13% (2019 East Waste Audit), there is an enormous amount of work and step change required to achieve this. As will driving our kerbside diversion rate up to 75% which currently sit at 54%. Transferring food waste and compostable materials from the landfill bin (which currently make up almost 40% of the total contents (2019 East Waste Audit)) to the organics bin is undoubtedly the



General Manager's Report



key to achieving this target. As Fraser mentions in his report, we appreciate that we cannot do this alone and that we need the support and partnerships of others.

East Waste has for the past 4 years been a strong and active participant in the waste education and behaviour change space and our work over the past year is no different. Through the 2020/21 Annual Plan, East Waste committed to undertaking a review of East Waste's Education Program, principally with a view to determining the return on investment. Measuring the true value/benefit of any educational program is challenging and none more so than waste education, where a process of awareness and behaviour change is first needed before actual results can be realised. Typically, this is not instantaneous and can often be a long-protracted implementation. Undertaken by an independent economic firm, the results showed that the benefit-cost ratio (BCR) of the investment is a minimum of \$3.10 for every \$1.00 of investment expenditure incurred in implementing the education program.

This program is largely driven by our Education & Promotions Coordinator Megan Bekesi and her passion and active engagement in this space was

rewarded with being a joint winner of the Green Industries SA 2020 Women in Circular Economy Award winner. As a winner Megan receives funding to further study education in waste and we look forward to seeing her apply her findings to our already successful campaign.

Finally, I want to thank and acknowledge the Board and Audit and Risk Management Committee which have supported our initiatives and provided valuable feedback to solidify our strength as an organisation. To Chair, Mr Fraser Bell, your guidance and encouragement has been invaluable, but above these your enthusiasm for the industry and Organisation ensures the long-term viability of East Waste for our Member Councils.



Rob Gregory
General Manager



‘Food scraps to green bin’ and the use of kitchen caddies was promoted through bus shelters and street signs. Pictured: Customer Service staff, Hedy Hashemi and Cristina Nazar from Town of Walkerville.

Kerbside Tonnages Collected



Member Council	Recyclables	Organics	Waste
Adelaide Hills Council	3,559	4,560	7,190
City of Burnside	4,055	6,858	7,224
Campbelltown City Council	4,124	7,274	9,872
City of Mitcham	5,684	10,128	11,898 ¹
City of Norwood, Payneham & St Peters	3,531	4,931	7,224
City of Prospect	1,740	3,141	4,177
Town of Walkerville	663	1,087	1,211

¹ City of Mitcham undertakes the collection of waste for its residents.



East Waste Governance

East Waste is administered by a Board in accordance with the requirements of the Local Government Act, the East Waste Charter, and various other policies and codes.

The membership of the Board comprises of eight directors – one director appointed by each of the Member Councils, and one independent person who acts as Chair. The Board appoints a General Manager who is responsible for implementing

the decisions made by the Board, and running the day-to-day operations of East Waste.

The Board held eight formal meetings over the 2020-2021 financial year. The table below details Board Member attendance.

BOARD MEMBER	MEETINGS
Mr Fraser Bell (Chair)	6/6
Cr Linda Green (Adelaide Hills Council)	5/6
Mr Simon Bradley (City of Prospect) *Ceased 20 May 2021	3/4
Mr Vincent Cammell (City of Prospect) *Appointed 22 May 2021	1/2
Cr Julian Carbone (City of Burnside)	3/6
Mr Paul Di Iulio (Campbelltown City Council)	4/6
Mayor Heather Holmes-Ross (City of Mitcham)	4/6
Mr Mario Barone (City of Norwood, Payneham & St Peters) *Ceased 31 December 2020	2/2
Cr Mike Stock (City of Norwood, Payneham & St Peters) *Appointed 01/01/2021	4/4
Cr Rob Ashby (Corporation of the Town of Walkerville)	6/6

DEPUTY DIRECTOR ATTENDANCE	MEETINGS
Mr Craig Harrison (City of Mitcham)	1/6

East Waste Governance



Audit and Risk Management Committee

In accordance with the requirements of the Local Government Act 1999, East Waste has an established Audit and Risk Management Committee (the Audit Committee).

The principal objective of the Audit Committee is to ensure that the East Waste Board meets its

legislative and probity requirements as required by the *Local Government Act 1999* and other relevant legislation, standards and codes.

The Audit Committee held five formal meetings over the 2020-2021 financial year. The table below details Audit Committee Member attendance.

AUDIT & RISK MANAGEMENT COMMITTEE MEMBER	MEETINGS
Mr Fraser Bell (Chair)	4/5
Mr Mario Barone (City of Norwood, Payneham & St Peters) *Ceased 31/12/2020	2/2
Cr Mike Stock (City of Norwood, Payneham & St Peters) *Appointed 31/01/2021	1/1
Mr Simon Bradley (City of Prospect) *Appointed 01/01/2021 *Ceased 20/05/2021	1/2
Cr Linda Green (Adelaide Hills Council)	5/5
Mr Tim Muhlhausler (Independent Member) *Ceased 31/12/2020	2/2
Ms Emma Hinchey (Independent Member) *Appointed 01/01/2021	3/3
Ms Sandra Di Blasio (Independent Member) *Appointed 01/01/2020	5/5

The Audited Financial Statements for the year ending 30 June 2021 are provided on the following pages.

EastWaste

FINANCIAL
STATEMENTS
2020-2021



Financial Statements

2020-2021

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Financial Statements 2020-2021

CERTIFICATION OF FINANCIAL STATEMENTS

EASTERN WASTE MANAGEMENT AUTHORITY INC

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2021

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by Eastern Waste Management Authority Inc. 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.



Rob Gregory
Executive Officer



Fraser Bell
Chairperson

Date: 30 SEPTEMBER 2021

Financial Statements 2020-2021

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 \$'000	2020 \$'000
INCOME			
User charges	2	16,707	16,756
Investment income	2	12	21
Grants, subsidies and contributions		-	-
Other	2	917	677
Total Income		17,636	17,454
EXPENSES			
Employee costs	3	6,089	5,851
Materials, contracts & other expenses	3	9,149	9,120
Finance costs	3	262	281
Depreciation & amortisation	3	1,986	2,069
Total Expenses		17,486	17,321
OPERATING SURPLUS		150	133
Asset disposal & fair value adjustments	4	105	60
NET SURPLUS		255	193
Other Comprehensive Income		-	-
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		255	193

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

Financial Statements 2020-2021

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 \$'000	2020 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	3,168	2,322
Trade & other receivables	5	661	1,019
Total Current Assets		3,829	3,341
Non-current Assets			
Property, Plant & Equipment	6	8,098	7,652
Total Non-current Assets		8,098	7,652
Total Assets		11,927	10,993
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	1,609	1,205
Provisions	7	654	597
Borrowings	7	1,925	1,929
Total Current Liabilities		4,188	3,731
Non-current Liabilities			
Borrowings	7	6,423	6,221
Provisions	7	97	77
Total Non-current Liabilities		6,520	6,298
Total Liabilities		10,708	10,029
Net Assets		1,219	964
EQUITY			
Accumulated Surplus		1,219	964
Total Equity		1,219	964

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



Financial Statements 2020-2021

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Accumulated Surplus \$'000	Total Equity \$'000
Balance at start of period - 1 July 2020	964	964
Net Surplus for Year	255	255
Other Comprehensive Income		
Contributed Equity	-	-
Distributions to Member Councils	-	-
Balance at end of period - 30 June 2021	1,219	1,219
 Balance at start of period - 1 July 2019	 706	 706
Net Surplus for Year	193	193
Other Comprehensive Income		
Contributed Equity	65	65
Distributions to Member Councils	-	-
Balance at end of period - 30 June 2020	964	964

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

Financial Statements 2020-2021

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 \$'000	2020 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts		18,457	17,136
Investment receipts		7	16
Employee costs		(6,012)	(5,795)
Materials, contracts & other expenses		(9,243)	(8,677)
Finance payments		(233)	(291)
Net cash provided by operating activities	8	2,976	2,389
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of replaced assets	4	124	81
Expenditure on renewal/replacement of assets	6	(2,452)	(2,297)
Net cash used in investing activities		(2,328)	(2,216)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contribution by member councils		-	65
Proceeds from Borrowings		2,284	2,171
Repayments of Borrowings		(1,826)	(1,834)
Repayment of lease liabilities		(260)	(220)
Net cash provided by (used in) financing activities		198	182
Net Increase (Decrease) in cash held		846	355
Cash & cash equivalents at beginning of period	5	2,322	1,967
Cash & cash equivalents at end of period	5	3,168	2,322

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

Financial Statements 2020-2021

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 Adelaide Hills Council, City of Burnside, Campbelltown City Council, City of Mitcham, City of Norwood, Payneham & St Peters, City of Prospect and the Corporation of the Town of Walkerville. The seven Member Councils have an equity share and the Board comprises a Director from each Council and an Independent Chair appointed by the absolute majority of the Member Councils.

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

Eastern Waste Management Authority Inc. operates as a regional subsidiary and is incorporated under the SA Local Government Act 1999. Its principal place of business is at 1 Temple Court Ottoway.

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

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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.

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 9.

5 Property, Plant & Equipment

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.

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".

5.2 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.

5.3 Depreciation of Non-Current Assets

Property, plant and equipment assets are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, 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.

Asset Class	Estimated Useful Lives	Capitalisation Threshold
Plan, Machinery & Equipment	3-10 Years	>\$1,000
Buildings & Other Structures	5-20 Years	>\$1,000
Right-of-use-assets	Over period of expected lease	n/a

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

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Asset Class	Estimated Useful Lives	Capitalisation Threshold
Plant, Machinery & Equipment	3-10 Years	>\$1,000
Buildings & Other Structures	5-20 Years	>\$1,000
Right-of-use-assets	Over period of expected lease	n/a

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

5.4 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 amount exceeds its recoverable amount (which is the higher of the present value of future cash outflows or value in use).

For 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 the Authority were deprived thereof, the value in use is the depreciated replacement cost. In assessing impairment for these assets, a rebuttable assumption is made that the current replacement cost exceeds the original cost of acquisition.

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 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.

The Authority has recognised for the first time in 2020/21 a liability for employee benefits relating to rostered day off (RDO) entitlements in Note 7 given entitlements are paid-out on termination of employment. Experience indicates that RDO entitlements are generally taken given there is a cap applied to the level of RDO entitlements allowed to be accrued.

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.



- East Waste's public education program is largely driven by our Education & Promotions Coordinator Megan Bekesi. Her passion and active engagement in this space was rewarded with being a joint winner of the Green Industries SA 2020 Women in Circular Economy Award. Pictured: David Speirs MP, Minister for Environment and Water, and Megan Bekesi.

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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 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 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.

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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 GST Implications

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

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

10 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

11 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.

The Authority has recorded a liability totalling \$0.47 million as at 30 June 2021 as a result of over estimating waste charges required to be recovered from Member Councils to fund operational expenses relating to the current financial year. A liability has been recorded in Note 7 as at 30 June 2021 which will be returned in the form of a reduction in waste collection fees to be charged to Member Councils in the following financial year.

12 New Accounting Standards

The Authority applied for the first-time certain new standards and amendments, which are effective for annual reporting 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 Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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.

13 Highbury Landfill Authority Inc.

The Authority, originally known as the East Torrens Municipal Destructor Trust, was established on 19 July 1928 (the name change took place in 1993). As at 1 July 2004, the Authority comprised of 3 Member Councils, being the City of Norwood, Payneham & St Peters, City of Burnside and the Corporation of the Town of Walkerville.

On 5 August 2004, the City of Norwood, Payneham & St Peters, the City of Burnside and the Corporation of the Town of Walkerville established the Highbury Landfill Authority Inc. Its purpose included the facilitation of the closure and the post closure of the Highbury Landfill site, as well as managing the joint interests and liability of the Councils in relation to the closure of the site.

On 31 December 2004 the property known as the Highbury Landfill site was transferred from East Waste to Highbury Landfill Authority Inc.

On 1 January 2005, the Authority's Charter was amended to include the three new Member Councils – the City of Mitcham, the City of Campbelltown and the Adelaide Hills Council.

On 1 January 2005 a loan was created between the Authority and the Highbury Landfill Authority that represented the net value of assets in East Waste prior to 1 January 2005. This was an At Call Loan and interest had been capitalised until the loan was called in by the Highbury Landfill Authority in November 2008. The loan amount was \$873,000 and the Authority borrowed the money from the National Australia Bank with an Interest Only Loan. This loan was re-financed through the Local Government Finance Authority, to be repaid over 10 years.

The Board of the Authority resolved in February 2010 to charge Member Councils the loan repayments for this loan in their equity percentages as set out in the January 2006 Charter.

The loan was fully repaid in the 2019/20 financial year.



Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 2 - INCOME

	Notes	2021 \$'000	2020 \$'000
USER CHARGES			
Waste Collection Income		12,327	12,159
Waste Processing Income		4,640	4,509
Administration		235	225
Member Council Waste Collection Rebate		(540)	(137)
		16,707	16,756
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		12	21
		12	21
OTHER INCOME			
Bin Supply		254	203
Replacement Bins		642	457
Sundry		21	17
		917	677

NOTE 3 - EXPENSES

EMPLOYEE COSTS			
Salaries and Wages		4,924	4,599
Employee leave expense		76	56
Superannuation		403	381
Wages Casual Agency		490	467
Workers' Compensation Insurance		113	196
Other		83	152
Total Employee Costs		6,089	5,851

<i>Number of FTE Employees as at reporting date</i>	57	59
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Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 3 - EXPENSES (Cont.)

	Notes	2021 \$'000	2020 \$'000
MATERIALS, CONTRACTS & OTHER EXPENSES			
Auditor's Remuneration		9	10
Board Expenses		29	33
Waste Processing Costs		4,614	4,532
Electricity		4	27
Fuel, Gas & Oil		993	1,076
Legal Expenses		27	34
Maintenance		2,214	2,123
Parts, Accessories & Consumables		2	11
Printing, Stationery & Postage		36	24
Professional Services		440	449
Registration & Insurance - Trucks		215	364
Sundry		566	437
		9,149	9,120
FINANCE COSTS			
Interest on Loans		234	247
Interest on Leases		28	34
		262	281
DEPRECIATION & AMORTISATION			
Buildings & Other Structures	6	10	25
Plant, Machinery & Equipment	6	1,725	1,788
Right-of-use assets	6	251	256
		1,986	2,069

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 4 - ASSET DISPOSAL

	Notes	2021 \$'000	2020 \$'000
Proceeds from disposal		124	81
Less: Carrying amount of assets sold		(19)	(21)
Gain (Loss) on disposal		105	60

NOTE 5 - CURRENT ASSETS

CASH & CASH EQUIVALENTS

Cash on Hand and at Bank	2,995	1,160
Deposits at Call	173	1,162
	3,168	2,322

TRADE & OTHER RECEIVABLES

Debtors - general	654	1,013
Accrued Income	-	6
Prepaid Expenses	7	-
	661	1,019

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 6 - PROPERTY, PLANT & EQUIPMENT

	Notes	2021 \$'000	2020 \$'000
Buildings & Other Structures - At Cost		325	162
Accumulated Depreciation		(92)	(82)
		233	80
Plant, Machinery & Equipment - At Cost		17,227	16,573
Accumulated Depreciation		(10,176)	(10,090)
		7,051	6,483
Right-of-use-assets		1,321	1,345
Accumulated Depreciation		(507)	(256)
		814	1,089
Total Property, Plant & Equipment		8,098	7,652

	2020 \$'000						2021 \$'000
	Carrying Value	Additions		Disposals	Depreciation	Adjustment	Carrying Value
		New/ Upgrade	Renewal				
Buildings & Other Structures	80	163	-	-	(10)	-	233
Plant, Machinery & Equipment	6,483	2,312	-	(19)	(1,725)	-	7,051
Right-of-use-asset	1,089	-	-	-	(251)	(24)	814
	7,652	2,475	-	(19)	(1,986)	(24)	8,098
2020	6,100	3,642	-	(21)	(2,069)	-	7,652

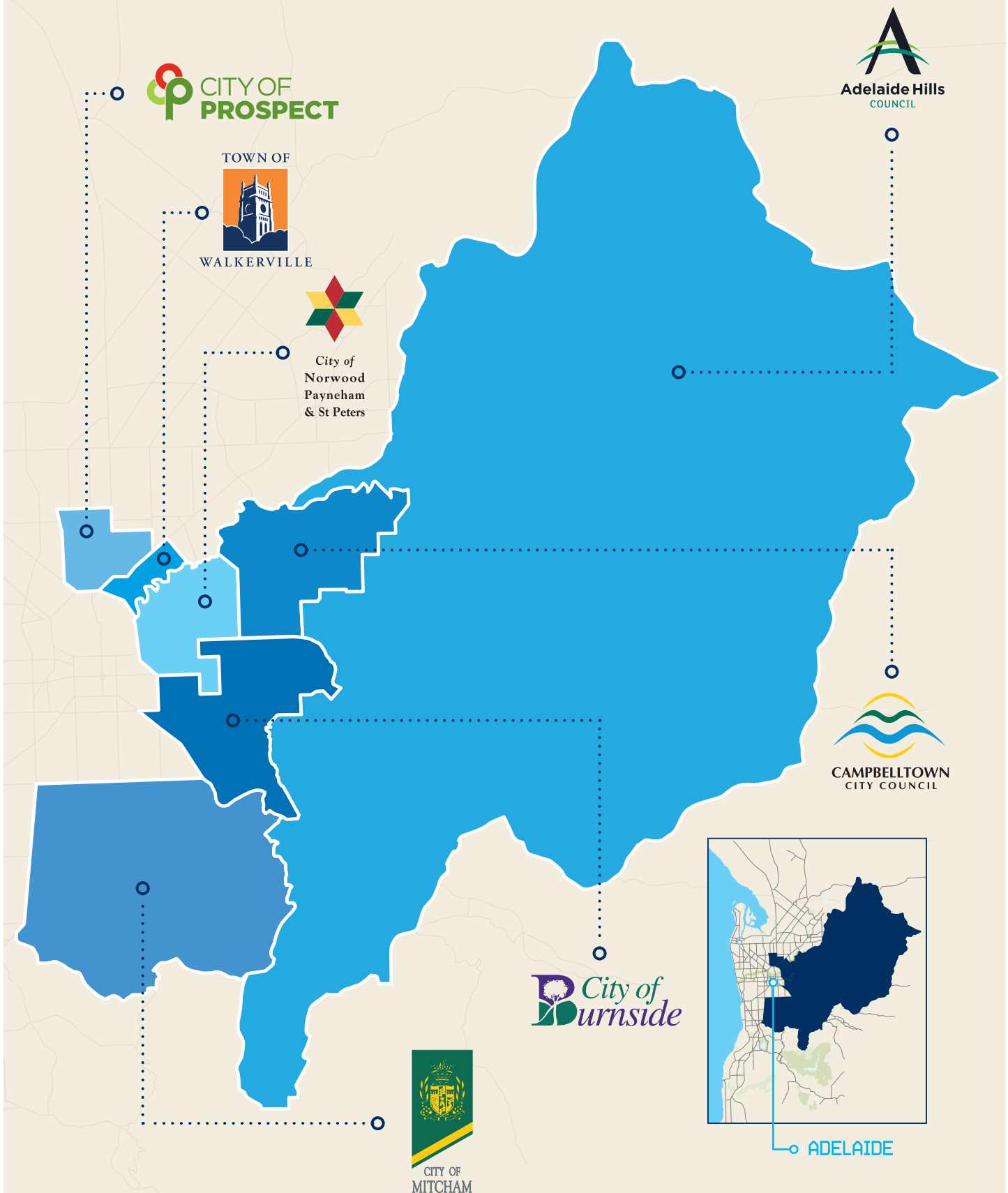
Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 7 - LIABILITIES

	2021 \$'000		2020 \$'000	
	Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES				
Goods & Services	902	-	998	-
Accrued expenses - other	707	-	207	-
	1,609	-	1,205	-
BORROWINGS				
Loans	1,679	5,805	1,692	5,334
Lease Liabilities	246	618	237	887
	1,925	6,423	1,929	6,221
PROVISIONS				
Annual Leave	302	-	304	-
Rostered-Day-Off (RDO)	51	-	-	-
Long Service Leave	301	97	293	77
	654	97	597	77

Current Service Area



Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 8 - CASH FLOW RECONCILIATION

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:

	2021 \$'000	2020 \$'000
Total cash & equivalent assets	3,168	2,322
Balances per Cash Flow Statement	3,168	2,322

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

Net Surplus (Deficit)	255	193
Non-cash items in Income Statement of Comprehensive Income		
Depreciation	1,986	2,069
Net increase (decrease) in employee benefits	(77)	(56)
Net increase (decrease) accrued expenses	24	(15)
(Gain) / Loss on Disposal	(105)	(60)
Waste Rebates	470	-
	2,553	2,131
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	363	(297)
Net increase (decrease) in trade & other payables	(94)	443
Net increase (decrease) in other provisions	154	112
Net Cash provided by (or used in) operations	2,976	2,389

(b) Financing Arrangements

Corporate Credit Cards	15	15
Cash Advance Debenture Facility - LGFA	1,000	1,000

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 9 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	<p>Accounting Policy: Initially recognised at fair value and subsequently measured at amortised cost.</p> <p>Terms & conditions: Deposits on Call do not have a maturity period and have an average interest rates of 0.3% (2020: 0.4% - 0.45%).</p> <p>Carrying amount: approximates fair value due to the short term to maturity.</p>
Receivables - Waste Collection Fees & Associated Charges	<p>Accounting Policy: Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.</p> <p>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>
Liabilities - Interest bearing borrowings	<p>Accounting Policy: initially recognised at fair value and subsequently at amortised cost. Interest is charged as an expense using the effective interest rate.</p> <p>Terms & conditions: secured over future revenues and Member Councils, borrowings are repayable on fixed interest terms. Rates between 1.7% - 5.35% (2020: 2.55% - 5.35%).</p>
Liabilities - Leases	<p>Accounting Policy: accounted for in accordance with AASB 16 as stated in Note 11.</p>

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 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.

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 9 - FINANCIAL INSTRUMENTS (Cont.)

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.

Liquidity Analysis

2021	≤ 1 year	Maturity > 1 year ≤ 5 years	> 5 years	Non- Interest Bearing	Total
<i>Financial Assets</i>	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	3,168	-	-	-	3,168
Receivables	-	-	-	654	654
Total	3,168	-	-	654	3,822
<i>Financial Liabilities</i>					
Payables	-	-	-	902	902
Borrowings	1,925	5,091	1,332	-	8,348
Total	1,925	5,091	1,332	902	9,250

2020	≤ 1 year	Maturity > 1 year ≤ 5 years	> 5 years	Non- Interest Bearing	Total
<i>Financial Assets</i>	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	2,322	-	-	-	2,322
Receivables	-	-	-	1,013	1,013
Total	2,322	-	-	1,013	3,335
<i>Financial Liabilities</i>					
Payables	-	-	-	998	998
Borrowings	1,929	5,460	726	-	8,115
Total	1,929	5,460	726	998	9,113

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 10 - EXPENDITURE COMMITMENTS

Expenditure Commitments

The Authority has expenditure commitments totalling an estimated \$2 million as at reporting.

NOTE 11 - LEASES

Authority as a lessee

Right-of-use-assets

The Authority leases its administrative and depot facilities at Ottoway.

	Buildings & Other Structures \$'000	Total \$'000
At 1 July 2020	1,089	1,089
Additions of right-of-use-assets	-	-
Depreciation Charge	(251)	(251)
Adjustments to right-of-use-assets	(24)	(24)
At 30 June 2021	814	814

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2020 \$'000
At 1 July 2020	1,124
Additions	-
Accretion of interest	28
Payments	(258)
Adjustments to lease liability	(30)
At 30 June 2021	864
Current	265
Non-Current	599

NOTE 12 - POST BALANCE DATE EVENTS

There were no events post balance date that are required to be disclosed.

Financial Statements 2020-2021

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 13 - 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, 4 persons were paid the following total compensation:

	2021 \$'000	2020 \$'000
Salaries, allowances & other short term benefits	462	476
TOTAL	462	476

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
Adelaide Hills Council	3,307	55	Provision of kerbside waste collection and hard waste collection services
City of Burnside	3,064	79	Provision of kerbside waste collection and hard waste collection services
City of Mitcham	3,082	171	Provision of kerbside waste collection and hard waste collection services
City of Norwood, Payneham & St Peters	2,823	159	Provision of kerbside waste collection and hard waste collection services
City of Prospect	1,471	35	Provision of kerbside waste collection and hard waste collection services
Corporation of the City of Campbelltown	3,508	76	Provision of kerbside waste collection and hard waste collection services
Corporation of the Town of Walkerville	581	25	Provision of kerbside waste collection and hard waste collection services

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 5.

The Related Parties disclosed above are equity owners of the Authority and are referred to as Member Councils. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.



Financial Statements 2020-2021

CERTIFICATION OF AUDITOR INDEPENDENCE



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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of Eastern Waste Management Authority Inc 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.

Bentleys SA Audit Partnership

David Papa
Partner

Dated at Adelaide this 30th September 2021

Financial Statements 2020-2021

INDEPENDENT AUDITOR'S REPORT



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EASTERN WASTE MANAGEMENT AUTHORITY INC

Opinion

We have audited the accompanying financial report of the Eastern Waste Management Authority Inc, which comprises the statement of financial position as at 30 June 2021, the 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 the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the Eastern Waste Management Authority Inc as of 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

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

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

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

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

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

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

Financial Statements 2020-2021

INDEPENDENT AUDITOR'S REPORT



Auditor's Responsibilities for the Audit of the Financial Report

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

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

BENTLEYS SA AUDIT PARTNERSHIP

DAVID PAPA
PARTNER

Dated at Adelaide this 1st day of October 2021

East Waste's behavioural change initiatives include eliminating food waste from being disposed of to landfill by targeting 100% of food waste collected from residential premises to be recycled by 2030.



EastWaste



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East Waste - Eastern Waste
Management Authority



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