

2021/2022

Annual Report





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Introduction

City of Prospect acknowledges that we are on the traditional country of the Kurna people of the Adelaide Plains region and we pay our respect to Elders past and present.

We recognise and respect their cultural heritage, beliefs and relationships with the land and we acknowledge that they are of continuing importance to the Kurna people living today.



Mayor's Reflections



Welcome to the Annual Report on the activities of City of Prospect for the financial year of 2021/2022.

2022 marks the 150th anniversary of the emergence of City of Prospect in 1872. The city has certainly improved on its humble origins, and this report marks further progress on a number of fronts.

New projects and major refurbishments are always appreciated by the community. This year we completed:

- the Vine Street Plaza upgrade;
- Prospect Petanque Club Pergola Renewal;
- Farrant Street and Alexandra Street Stormwater Diversion; and
- the JW Rattley Reserve Playground Upgrade.

Other highlights included:

- our new Green Tunnel Program was launched;
- our Tree Strategy was endorsed;
- our inaugural Prospect Art Walk was an outstanding and award-winning success; and
- we secured \$2.3m in additional grant funding, including to \$1.5m funding towards the \$5m cost of the new Broadview Oval Community and Sports Hub.

These successes are all the more remarkable considering the past year was one of continuing and unprecedented challenge for the City. COVID-19 finally hit home for residents, with thousands of COVID-19 cases across the city and dozens of cases in our council workplace. This also impacted our works and service delivery, as did the broader economic impacts of inflation, materials shortage, and labour pressure.

In spite of all of this, City of Prospect has continued to deliver great service and amazing outcomes for residents and ratepayers. Our newly-renovated Nailsworth Community Hall was reopened, and we launched our impressive landscaping and water reuse upgrade of Devonport Terrace, funded entirely by Federal Government grants, and compensation from State Government for the loss of trees associated with the adjacent rail line electrification.

Sustainability projects included numerous water-sensitive rain garden installations (such as those on LeHunte Avenue), and the completion of our tree planting project along the northern stretch of Prospect Road. Countless road, footpath and kerb reconstruction projects were also commenced and completed, and work continues on our most significant long-term projects; the Churchill Road Drainage Improvement project, the Irish Harp Reserve upgrade, and the major upgrade of Livingstone Avenue to improve drainage and lift the road to eliminate steep driveways and footpath ramps.



In the community and cultural space, council again must acknowledge the significant and invaluable contribution of all our volunteers and staff who continue to support our community services. These services span a range of well-loved and well-utilised programs, including Justice of the Peace services, community transport, in-home support services, social programs, kids programs, digital literacy programs, home library services, adult education, youth programs, our public art and Newmarch Gallery programs, and much more. We also continued to support local business through a range of programs and promotional activities.

A number of noteworthy milestones were also reached in the past year. We are humbled to have secured the support of the Kurna Yerta Aboriginal Corporation to establish our Payinthe Kumangka Steering Group, with the objective of promoting and progressing truth telling, healing, and reconciliation. We also conducted our inaugural Reconciliation Community Forum in October 2021 - an amazing event which we believe will act as a catalyst for further healing between our community and the traditional Kurna owners of this area.

We supported or delivered numerous events, including our well-loved Twilight Sessions in February 2022, and our community-delivered Festive Streets events over the summer holiday season. We also welcomed dozens of new Australian citizens through our citizenship ceremonies, and provided support to our ever-popular Fringe events. Given COVID-related constraints and risks, these events were a welcome opportunity for residents to reconnect and a catalyst for business, delivered under intensely challenging circumstances.

Despite this, and coupled with an unprecedented pandemic-and-war-driven inflationary environment, our final budget position has been better than expected which is a testament to the sound financial management of our Elected Members and staff. We have been able to limit our rate increases to less than inflation, albeit with some service reductions.

This financial success would not be achievable without the support of Federal and State Government grants. Whilst modest and a small proportion of our total income, our annual rate rises would be much higher without them. We have also benefited from their support for some of our major projects, which we would be unable to afford on our own.

Please read the full report for more detail on all of the above, and the full extent of services and projects City of Prospect delivered this year. We hope and trust we have continued the high level of service offered by the many Councils elected by our community over our first 150 years of service.

David O'Loughlin

Mayor – City of Prospect



Our Pandemic Response

The coronavirus pandemic saw City of Prospect staff needing to maintain continuity of service for our ratepayers whilst adapting to changing and unpredictable environments.

The Corporate Services team, comprising of Risk, Governance, Work Health and Safety, Human Resources, Information Management, IT and Finance as the engine room of our organisation, assisted in navigating the creation and implementation of processes and protocols to not only manage lockdowns and restrictions, but also to maintain functions and services in the most efficient, effective, and healthy manner.

Corporate Services activated council's Business Continuity Plan to ensure that services remained uninterrupted for our community. Our internal Crisis Management Team provided practical and risk-based solutions, including the flexibility to work and meet remotely. This included our customer service team being provided with remote access to specialised customer relationship management programs, and the wider organisation being granted remote access to City of Prospect's IT network.

Upon the lifting of restrictions, Corporate Services enacted a 'work readiness' process, allowing employees to safely commence a staggered return to the office, whilst retaining the flexibility which staff had enjoyed as part of the Business Continuity Plan. Council services remaining uninterrupted was at the forefront of the return-to-work process.

The result of the Corporate Services team's work resulted in wins both for council staff and City of Prospect's Community. Consistency and continuity of service was maintained for ratepayers, as well as ongoing access to council through remote customer service. Staff also benefitted, both during the peak of South Australia's COVID-19 wave and upon returning to work. Modern, effective, and flexible solutions have been maintained for staff on an ongoing basis, without compromising on delivery.



Connected & Caring

We strive to be a city which capitalises on its locational advantages, brings people together, harnesses social and technological connection opportunities and is easy to navigate.





Our Older Community

Prospect's Community Home Support Program (CHSP) 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 the team after completion of an initial assessment through the My Aged Care (Commonwealth) program.

During the 2021/2022 financial year, the CHSP team assisted **790** residents with in home and social programs.

In-Home Support

In order to assist residents to remain safely supported in their own home, we have provided **163** clients with home maintenance services, **176** clients with garden maintenance, **202** clients with domestic assistance, and installed grab rails for **22** clients.

Social Support

Social programs enable residents to stay connected with friends and neighbours by engaging in the community locally and around metropolitan Adelaide. We have had **209** clients attend out social support groups including exercise classes, social groups, day trips and other outings, and booked **67** clients on our community bus for travel assistance.

We have seen an increase of nearly 10% in social program attendances coming out of the COVID-19 limitations from the previous year. The most popular programs were the day trips and outings offering a door-to-door service to various locations around Adelaide.

Getting Out and About

Alison, a regular participant in CHSP Social Support programs, regularly states that the socialising and companionship she's gained has 'saved her'.

After learning about the social programs offered by City of Prospect through *Your Prospect* magazine, Alison contacted our CHSP team. Alison's husband had recently passed, and though she has four supportive children and an established network of friends, she said she wasn't exploring or learning as much as she used to. At the time, Denise encouraged Alison to 'get out and about' and give the programs a go.

Six years later, Alison's favourite events are Hotel Lunch Group, and outings to movies, museums, and performances. She also loves the variety of day trips to locations in the Adelaide Hills and the South Australian coastline, especially whale watching at Victor Harbor where she resided before relocating to Prospect. A recent day trip to Carrick Hill fascinated her, and she found the architecture, artwork, and gardens of particular interest.

Through the Community Support Programs, Alison has explored more of local and metropolitan areas of Adelaide, as well as maintaining her genuine interest in people which began when she first started her working life at Craven's Department Store in Adelaide. She's now encouraging her neighbours and friends to get out and about through participation in the Community Support Programs.



Community Transport

Coming out of COVID-19 during 2021, where the community bus had been utilised for essential grocery and banking transport for clients, the bus services quickly resumed the regular shopping and social outings for our residents.

This year the community bus and volunteers kept our residents busy with **85** social activities ranging from lunch groups, friendship groups, movies, live performances and information sessions both locally and around the metropolitan areas. The excursions and day trips covered our beach and hills suburbs along with Monarto Zoo and various museums.

The regular shopping Tuesday and Friday shopping service to Northpark Shopping Centre totalled nearly 50 trips on each day over the year. The new Tuesday Library service commenced in June 2022. The shopping and library services along with the social activities and events keep the community buses out and about every day!

Nailsworth Community Hall

After extensive renovations, Nailsworth Community Hall was able to re-open in October 2021, welcoming back a number of groups who had been temporarily re-housed during the construction period. The capital works project included creating three hireable spaces, installing a kitchenette, updating toilet facilities, creating a corridor, extending to the south for storage and a full repaint/ aesthetic refresh.



Community Events

Whilst the impacts of COVID-19 continued to impact large gatherings, City of Prospect was committed to keeping the community connected during the most challenged of times. Some of the highlights for the year included:

2022 Twilight Sessions

4, 11, 18 and 25 February 2022
(6:00pm – 9:30pm)

The Twilight Sessions were held in February and remain a long-time favourite in Prospect, with over 5000 attendees this season. 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.

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.

2021 Festive Streets Explosion

Sunday 12 December 2021

Following the success of its inaugural launch in 2020, the Festive Streets Explosion expanded to include **18** locations across the city, with its key focus of bringing residents together at Christmas in small scale, street specific events designed for the residents to come together in a COVID-19 safe manner to celebrate with festive season cheer in their very own street.

The following streets participated in the simultaneous street parties:

- Princes Street
- York Street
- Albert Street
- James Street
- Athol Avenue
- Le Hunte Avenue
- Bosanquet Ave
- Gladstone Road
- Olive Street
- Daphne Street
- Buller Street
- Clifton Street
- Toronto Street
- Milner Street
- Prospect Terrace
- Asquith Street
- Mawson Street
- Currie Street



Annual Grants Program

Community Support Fund

The Community Support Fund was made available to eligible incorporated not-for-profit community groups, with applications being assessed and weighted against the adopted grant criteria.

Applications opened on 12 July 2021 and closed on 17 September 2021.

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

- small equipment purchases
- community development programs
- facilities improvement
- small events
- environment grants.

As occurs each year, grant funds were proportionally allocated according to a weighted and comparative assessment against the adopted grant criteria. Funding of \$29,580 was allocated for the 2021/2022 Community Support Fund as shown on the following table:

2021-2022 Community Support Fund

1	Broadview Uniting Church	\$2,000
2	Pakistani Australian Association of SA	\$500
3	Prospect and Enfield Kindergym Inc.	\$709
4	Skill Teaching and Resources Inc.	\$600
5	Eagles Lacrosse Club	\$1,000
6	North Adelaide Croquet Club Inc.	\$2,000
7	1st Gilberton Scout Group	\$2,000
8	Prospect Petanque Club Inc.	\$2,000
9	Collingrove Tennis Club	\$2,000
10	Prospect Blair Athol Lions Club	\$2,000
11	Kiwanis Club of Prospect	\$2,000
12	Prospect Local History Group - 1	\$982
13	Prospect Local History Group - 2	\$583
14	Prospect Local History Group - 3	\$413
15	Prospect Local History Group - 4	\$1,155
16	Prospect Local History Group - 5	\$441
17	Prospect Local History Group - 6	\$506
18	Prospect Local Environment Group Inc.	\$375
19	Brilliant Brass SA Association	\$651
20	Prospect Rotary Club	\$2,000
21	Prospect Sub Branch RSL Inc.	\$2,000
22	Prospect Community Garden	\$2,000
23	Prospect Broadview Bowling Club	\$1,665
TOTAL		\$29,580



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 (1999)* 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 in disabled parking spaces, over driveways, overstaying time limited parking zones, and parking on footpaths and verges.

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

450

requests for vehicles parked illegally
responded to and investigated

163

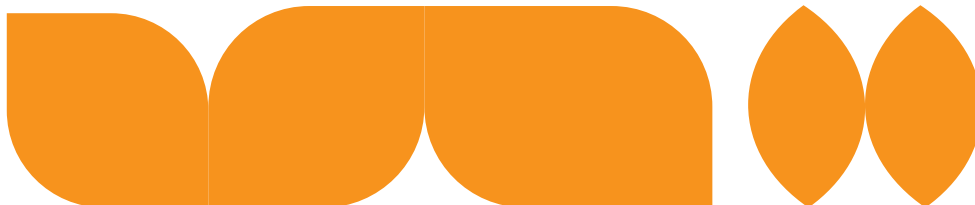
requests for parking patrols
responded to and investigated

5,573

parking expiations issued

504

written warnings issued



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.

Dog registrations

Small increase to dog registration fees from \$80 to \$85 for a non-standard dog

3,074

dogs registered
on DACO as at 30 June 2022
with 97% microchipped

21

expiations
issued for
unregistered
dogs

Cat registrations

No registration fee is applied

554

cats registered
on DACO as at 30 June 2022
with 98% microchipped

Responding to customer requests for dog wandering at large:

- **98** reports of dogs wandering at large made to council, **59** dogs found wandering (**39** returned to owner, **20** impounded, **16** returned to owner after being impounded), and **18** expiations issued for dog wandering at large;
- **17** nuisance barking complaints and **2** expiations issued for nuisance barking; and
- **16** dog harassing/attacking complaints and **3** expiations issued for dog attacks/harassment.

Responding to customer requests relating to cat complaints:

- Our officers deliver and manage cat trapping programs for un-owned cats within our community; and
- We received **13** cat complaints (**53** cats impounded with **38** of these then being adopted).





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 2021/2022 financial year, the Community Safety team delivered the following actions and objectives from council's current Dog and Cat Management Plan relating to responsible pet ownership, including:

- Provide educational information (from available sources) to the community on strategies to manage excessive barking;
- Preparing an information pack for dog owners to better manage excessive barking;
- Developing a campaign to reduce the number of dogs escaping from their yards through social medial posts, SMS messages and magazine articles;
- Promoting parks and reserves and associate dog controls on council's website;
- Developing a campaign about managing dogs in public places;
- Conducting an education campaign to communicate the need for dog owners to supply their own poo bags and pick up after their dog; and
- Implementation of compostable dog poo bags in parks and reserves.

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.

Issue	No. of complaints received	No. of expiations issued	No. of abatement notices issued
Noise nuisance	36	0	2
Smoke/dust/odour	25	4	0
Unsightly conditions	19	0	0
Litter/waste	413	9	0
Drag Out/ Development Issues	47	12	0

Bees and Wasps

Our community safety officers responded to **65** complaints relating to either bee or European wasp issues, with **7** European wasp nests located and destroyed.



City Maintenance

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, gutter and drain maintenance and repairs;
- Street sweeping, footpath blowing and sanitation;
- Street tree maintenance including pruning and watering; and
- 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 2021/2022, approximately **3,582** customer requests were received by council from members of the public.

Of these, **3,298** requests were closed off, with the remaining 8% relating to matters associated with typical residual working backlog, longer term investigations, and issues which require broader budgetary considerations.

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, and 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 2021/2022 the team responded to **156** requests for graffiti removal.



Active & Engaged

An empowered community which cares for the city and for each other, is involved in the many aspects of our community life and strives for positive change through contributions to decision making.





Payinthe Operations

Throughout 2021/2022, our beautiful Payinthe building continued to be well utilised by the community, with over 165,000 visitors coming through our doors.

Our spaces were regularly occupied for studying and working, and our regular programs were enjoyed by individuals and families. Many community groups and organisations utilised our community rooms through our online booking system for meetings, community programs and outreach services.

Our Payinthe After Five program has been a popular offering, allowing community members to use the library from 5pm – 8pm Monday to Friday (excluding public holidays) for passive use including quiet activities, study, reading and work. Library members are also able to borrow library items via the self serve facilities and make use of the free public WiFi available throughout the building.

Note - this visitor count is taken from the total door count of people entering the building via the library entrance.

Library Services

The pandemic was a continuing challenge for library services throughout 2021/2022 with operations and programs being constantly impacted by changing government restrictions.

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

We saw **129,556** library visitors, which led to **294,710** transactions of loans and returns. We also had **12,197** transactions through the Toy Library.

We delivered **190** programs to the community, comprising of **128** children's programs and **62** aimed at adults.

Youth Development

Youth Sponsorship

Our Youth Sponsorship Grant received **12** applications despite COVID-related limitations to travel and cancellation of local competitions.

School Holidays

Our school holidays programs as popular as ever. Despite COVID restrictions, we ran 4 children's workshops, 5 Out of the Square kids shows, and a successful Street Sportz Program connecting local children with local sporting clubs and organisations, as well as showcasing the newly upgraded skate park.

Youth Advantage

Our Youth Advantage Program, designed to support local youth impacted by COVID-19, facilitated 6 face-to-face training sessions preparing young people for work and life, with 46 attendees, and 7 online courses with 68 registrations.

Local Schools Art Walk

We connected several local schools with Prospect graffiti artist Seb Humphreys, who took 5 groups of students out for School Art Walks in September 2021. The tours took students down Prospect Road and meandered down the back streets and alley ways of Prospect to point out public artworks of significance. Over 130 students from our local primary and high schools attended.

Youth Parliament

In 2022, 6 local young people were sponsored to attend Youth Parliament and prepare a bill on a topic of their choice before presenting to dignitaries at Parliament House.

Eastern Region Youth Network

To continue to bring Prospect's youth the best programs, we attended quarterly meetings with the Eastern Region Youth Network, a network of youth services, agencies, organisations, and those interested in youth affairs in the eastern suburbs.

The aim of the network is to ensure young people in Adelaide's eastern region have access to appropriate services, and provides key youth stakeholders with the opportunity to:

- Identify current and emerging issues for young people
- Identify service gaps in the eastern region
- Create opportunities for collaboration
- Exchange information
- Lobby for appropriate services in the region

National Youth Survey

After we were approached by Mission Australia to help them with the National Youth Survey, we got over **100** students from Blackfriars School and Prescott College to complete the survey, providing a snapshot of how local young people are faring. The feedback received was helpful for youth programming and school faculty.

Our Volunteer Community

Organisations across South Australia are reporting a decline in volunteer participation, however council's programs remain strong. 40% of our volunteers temporarily paused their volunteering efforts, far less than the national average of 60%. It is important to recognise that many volunteers were not able to maintain their volunteer role, due to COVID-19 and related demands.

Volunteers help council to deliver a diverse range of services, and their voluntary role provides an avenue to remain connected to their local community.

The following table shows our volunteer participation across each quarter.

Active volunteers refer to those who have completed voluntary hours during the specified quarter, with inactive volunteers being those who, while inducted and experienced within their roles, have not completed hours during the quarter. Current vacancies indicate an active recruitment process is underway to fill volunteer roles within the organisation.



Volunteer Participation 2021/2022

	July-Sept 2021	Oct-Dec 2021	Jan-March 2022	April-June 2022
Active	78	72	78	69
Inactive	37	50	37	47
Total Number Registered	116	122	124	116
% of Total Volunteers Active	67%	59%	63%	59%
Total Number of Hours	1590	2429	2006	2122
% Total Hours Compared to Previous QTR	71%	129%	90%	106%
Average Hours per Active Volunteer, per Week	1.70	2.81	2.14	2.56
Number of Volunteer Opportunities	103	77	86	78
Referred On	14	15	14	12
New Volunteers	4	6	3	2
Archived	10	7	9	10
Current Vacancies	28	5	8	9



Eastern Health Authority

The Eastern Health Authority (EHA), operates as a regional subsidiary, providing environmental health services across a region of five councils including City of Prospect, City of Burnside, Campbelltown City Council, City of Norwood, Payneham and St Peters and Town of Walkerville.

Despite continuing disruption from COVID-19, EHA delivered its full range of functions within the region as well as providing immunisation services to residents of Adelaide Hills Council and City of Unley (including providing vaccinations to **10,402** high school students).

EHA also undertook **1,271** food safety inspections throughout the region, and **270** public health inspections in response to complaints received.

An annual report detailing the many activities conducted by EHA throughout the year is attached as an appendix.



Proud of our past, excited by our future

*With a great blend of old
and new, we are a city
which celebrates where it
has come from and takes
pride in creating its future.*



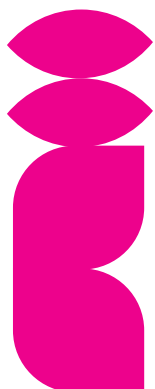
Development Assessment

2021/2022 was the first full financial year of development assessment being undertaken in the new state-wide planning system, with all development applications lodged and assessed through a single central portal.

City of Prospect has typically benchmarked its development application activity through its annual report, including trend analysis of the number of lodgements, value of approved developments, and activity within council's Urban Corridor Zones. At the time of preparing this report, information was not available to be accessed from the online planning portal to continue this trend analysis. Council administration is working with staff at the Department for Trade and Investment to see this data is made available for future reporting.

Anecdotally, it is evident that development applications have decreased in volume from the record levels seen during the early COVID-19 influenced period. In 2020/21 City of Prospect received 728 development applications, whereas approximately 480 applications were lodged in the 2021/2022 financial year. Over the last 10 years, council received an average of approximately 540 applications, so it is expected that new application numbers are depressed below their typical average due to the current economic climate.





City Planning

Heritage Incentive Scheme

Council received **14** applications as part of the 2021/2022 Heritage Grant Program, with nine properties being approved for funding in a range of Historical Conservation Policy areas or to Local Heritage Items.

The \$16,000 allocated saw restoration works undertaken to the value of \$75,713, 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.

It should be noted that the labour and material supply impacts of COVID-19 affected the ability of some grant recipients to undertake conservation works this year in a timely fashion. As a result of this, two conservation projects were withdrawn from this year's grant program after having already received an offer of a grant from council.

Planning and Design Code

In 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. Continuing changes through practice directions, ongoing system enhancements, policy amendments to the Planning and Design Code, and other activities continued during the 2021/2022 financial year (as expected from a significant, generational update to the planning system).

With a single state-wide code now existing instead of each council having a unique development plan, council's role in relation to planning policy has changed. Both councils and private property owners can write to the State Government requesting that a policy be changed, which the State Government may approve or refuse. If approved, the State Government will then determine whether it will control the process of amending the code or whether council will.

Where it was previously uncommon for persons other than council to undertake amendments to the Prospect Development Plan, these are now relatively common (primarily via State Government, but also potentially from private land owners).

Council's role in this process is as much about

advocacy, seeking to influence amendments to the code that we have not undertaken, as it is about actively seeking to amend the code ourselves. A snapshot of council's advocacy and direct planning policy work during this year is provided below.

Code Amendments and Studies

During the 2021/2022 financial year, council submitted a number of 'Minor or Operational' requests for amendments to the Planning and Design Code. These include simple matters, such as misspelled words within the code that contributed to confusion, as well as more substantial matters such as amendments to the number of identified representative buildings and significant trees in City of Prospect. These more substantial requests were submitted in September 2021 and August 2021 respectively, and at the conclusion of the financial year Council was yet to receive a response from the State Government in relation to these requests.

Local History

The Prospect Local History Collection was opened in 1986 as part of the SA 150 Jubilee celebrations. It is now located within the library, along with files located in a dedicated archive area.

The collection is being developed as a means of preserving various materials and records important to the history and cultural development of Prospect.

We had 63 research requests in 2021/2022 which were responded to by the Local History Officer or forwarded to members of the Prospect Local History Group.

We have also helped with research for the North Adelaide Football Club, and we assisted with City of Prospect's sesquicentenary commemorative book (which is currently still in production).

We continued with accessioning the local history collection in readiness for cataloguing, and digitising/scanning photographs from the collection for public access.







Inclusive & Diverse

*We will know we have achieved
through striving for greater
equality and a community which
celebrates and recognises all
aspects of what it means to be
inclusive and diverse.*





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 14 February 2022 and closed on Friday 1 April 2022. The award process is community driven as it is considered that the community themselves are best placed to know and appreciate who 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 2022.

This year's theme for National Volunteer Week was 'Better Together'. The following list shows those individuals, community groups and sporting clubs who received a 2022 Community Service Award.

Group	
Prospect Run Club	
Individual	
Pietta Brown	Marianne Nelson
Jolo Igross	Paul LePoidevin
John Carr	Sue Cooke
Zachary Bartholomew	Carolyn Bartholomew
Peter Watterson	Annas Aldasoqi
Pamela Glasson	Ian Teague
John McGuire	Donald Blunden
Dan O'Connell	



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 Australia Day 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; and
- Award for Active Citizenship.

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 strong nominations were received for three of the categories. Unfortunately, no nominations were received for Community Event of the Year 2022, likely due to the impacts of COVID-19.

City of Prospect Citizen of the Year 2022

Jim Ferguson

City of Prospect Young Citizens of the Year 2022

Inika Weber

City of Prospect Award for Active Citizenship 2021

Lewis Saint





Have Your Say

Council is committed to involving our communities in our decision-making processes, including the adoption of our Annual Business Plan, Investment Attraction and Growth Plan, and local open space upgrades.

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 in 2021/2022:

- Representation Review – Round 2
- Peppermint Gums Reserve Upgrade – Round 1
- Percy Street Reserve Upgrade – Round 1
- Broadview Oval Community and Sports Hub – Community Reference Group
- Disability Access and Inclusion Plan – Community Advisory Group
- Investment Attraction and Growth Plan 2021-2024
- Irish Harp Reserve Upgrade - Round 2
- Davies Terrace Streetscape Upgrade
- Draft Annual Business Plan 2022-2023
- By-Laws Review.

As part of the Annual Business Plan Draft Budget consultation process, we facilitated a Youth Consultation session aimed at 18 – 25 year olds, as well as a school student session at Payinthe on council's proposed budget for 2022/2023. Young students had to create a balanced budget and detail what projects they would fund and what they would cut to prevent a rate rise.





Youth Engagement

NAIDOC Week

Over **270** local school students converged at Payinthe in July 2021 to learn about Aboriginal and Torres Strait Islander history and culture as part of NAIDOC Week celebrations. Children were able to circulate through a dreamtime story telling session in the children's reading area, an interactive dance and sing along in Eliza Hall, and art workshop in Irish Harp Room.

Local Schools Art Exhibition

In recognition of City of Prospect's Sesquicentenary, our Youth Development Officer helped facilitate submissions by Blackfriars, Rosary and Prospect Primary School students as part of the Local Schools Art Exhibition. Students worked with community artists to contemplate where Prospect will be in 150 years and create artwork in response. The resulting **100** pieces of art were on display at Newmarch Gallery during the month of May.

Football3

One Culture Football were engaged to facilitate a Football3 soccer match for English as a Second Language (ESL) students at Blackfriars Priory School in November 2021 during student lunch break. **20** students participated to learn about conflict management and fair play, working together to set the match rules which promoted respect, honesty, and teamwork.

Circus Magic

We held a Lolly Jar Circus, Circus Magic Workshop in January 2022, a free activity funded by Commonwealth Government for young people with physical, intellectual, or social conditions. Participants were taught circus skills including plate spinning, tumbling and hula hoops.





Creative & Innovative

We attract investment and development opportunities to activate the local economy, create jobs and share prosperity in a city which welcomes and empowers thinkers, innovators and doers.





Newmarch Gallery

Since opening in 2019, Newmarch Gallery has steadily cemented itself as the leading Council owned Gallery in SA with **10** exhibitions scheduled each year that include the annual Local Schools Art Exhibition and the very popular Prospect Community Art Show, now part of the SALA Festival. Visitor numbers to exhibition openings has quadrupled since the Gallery moved to Prospect Road, and visitations during the month-long exhibitions have increased tenfold.

Applications to exhibit in the Gallery have increased from 26 in 2021 to **34** in 2022. Subscriber numbers to the Gallery mailing list is now totalling **1900+** subscribers, an increase from just 400 in 2019. Subscribers to the Gallery e-news receive regular updates that includes invitations to exhibition openings, art workshops, artist talks and other related CoP programs.

Newmarch Gallery actively seeks opportunities to leverage resources and has established partnerships with the Adelaide Film Festival, SALA, Dream Big Children's Festival, Adelaide Fringe, Feast Festival and the Art Gallery of SA.

Public Art

The following public art initiatives (capital and operational) were completed with support from the City Wide Public Art Roundtable (CWPAR) for 2021/2022:

- CoP's Public Art Coordinator and a member of the City Wide Public Art Roundtable (CWPAR) participated in the PTP Alliance selection panel for three bespoke public artworks now integrated into the Ovingham Overpass development. The public artworks for the Prospect side of the development include a large wall mural, artworks on Overpass pillars and a free standing sculpture. PTP Alliance have valued the Prospect works at \$93,000.
- A call for public art concepts undertaken for Devonport Terrace resulted in **11** applications, which were then shortlisted by staff and members of CWPAR. The selected artist team consisting of Sarah Boese, Monica Pritchard and Glen Duncan impressed the panel by linking their native butterfly sculpture designs with the native plantings along Devonport Terrace. The metal butterflies and caterpillars are currently being manufactured ready for installation before the close of 2023.
- A call for expressions of interest was advertised to the broader arts community for a public artwork to be integrated into the Irish Harp Reserve upgrade. Staff and members of the CWPAR shortlisted and then selected an artist team of Wes Maselli and Will Cheesman. The artwork based on an historical event, the landing of a plane in the reserve in 1917 by Robert Graham Carey, has been constructed and is being stored by the artists until the reserve is ready to receive the sculpture.
- The Quick Response Public Art Grants program continued with projects including: several Stobie Pole ceramic artworks in Audley Avenue by artist Anneke Hoffman, the refurbishment of the Barrie Robran and Ian McKay artworks outside the North Adelaide Football Club, and a rendition of Don Linder at the entrance to Don Lindner Walk all by artist Diana Waters.
- Repairs have been completed for the Pulse sculpture damaged during the demolition of Foodland on Prospect Road. The artwork is being stored at the Depot and will be reinstalled after the new Foodland is complete.



*Artist Exhibitions

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





Prospect Arts Action Network and City Wide Public Art Roundtable

The Prospect Arts Action Network (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 some exhibitions.

PAAN included 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 Fern 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.

Live Music

Street Busking Program

We ran a Street Busking Program from 25 November 2021 to February 2022, with **31** busking performances held in Vine Street Plaza.

This initiative aimed to support our creative community by providing performance opportunities and generating income for artists. City of Prospect encouraged performers from all backgrounds, ages, abilities and mediums to apply for a busking permit and showcase their craft on set days and times on Prospect Road during the summer months.

Club5082 Concerts

We ran **8** Club5082 shows on Friday nights, with **6** shows selling out and a total of **754** attendees. Some of our more popular shows included *New Orleans Blues Party with The Harmonics* and *The South Season Do Cash and Dylan*.

We also hosted **4** matinee shows through Out of The Square, running at 11am on a week day, with **214** attendees.



‡Continued partnership with Adelaide Central School of Art



Business and Innovation

Network Prospect

A key component of City of Prospect's strategy to help support the growth of our entrepreneurial, small and innovative business economy was the Network Prospect Business Events Program, designed to upskill local operators and provide important networking opportunities for business growth and local relationships. These events were held monthly prior to the impacts of COVID-19. During the 2021/2022 financial year **4** Network Prospect business events were hosted (both online and in-person) to upskill our small business community topics including smartphone photography, LinkedIn, smart strategies for business growth, and creating impactful videos for business.

Online Business Directory

The Business Directory was an important component of the Business Support Strategy as it provided an inclusive platform for Council to support and market our local and small businesses. With 370 businesses within City of Prospect listed, the Business Directory was relevant to local businesses who primarily service a customer base in the local area.

The strategic purpose of the Business Directory was its ability to help validate businesses through search engine optimisation support to our local businesses on search engines such as Google, where algorithms value and elevate business websites recognised on other reputable websites.

Village Heart Marketing Committee

Encouraging an inclusive and collaborative approach between Council, business and property owners, the Village Heart Marketing Committee is a monthly meeting platform opened to all stakeholders of the Prospect Village Heart Marketing Fund paid for by a separate rate applied to Prospect's Village Heart commercial properties. The committee explores opportunities to foster a collaborative Mainstreet to encourage visitation and economic prosperity for Prospect Road with flow-on effects to visitor, resident, business and investment attraction for the wider City of Prospect area.

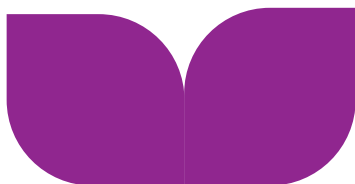
The committee and associated marketing campaigns, events and activities were managed by Council's Economic Development team.

Upskilling Strategic Investment Attraction

Council's objective has continued to, where possible, shift the rate burden from residential rate payers by generating increased commercial rates revenue from Main Road Corridor and Commercial Development. It has engaged in strategies to encourage new businesses to the area fuelling economic growth for the city.

In order to deliver on the investment attraction strategy Council employed an Investment Attraction Officer with commercial property market experience. This role brought expertise in commercial property market knowledge and negotiation skills, including leasing market knowledge, and investor connections to help deliver this outcome.

This role endeavours to bring together businesses, property owners, developers, investors and property industry stakeholders providing a knowledgeable connection point for investment opportunities and sends a clear and proactive message to the industry that City of Prospect encourages investment into our city.





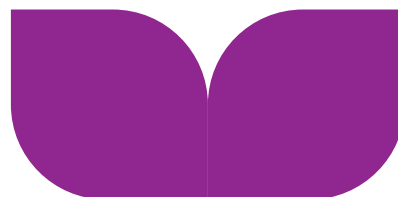
Smart City

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 2022). This is the ninth time that City of Prospect has won this award! Other top 21 Intelligent Communities included Philadelphia, Pennsylvania and Belfast, Northern Ireland. Prospect is one of four Australian cities on the list, alongside Adelaide, South Australia, and both Sunshine Coast and Townsville, Queensland.

ICF Names the Smart21 Communities of 2022

The Smart21 Communities of 2022:

- Adelaide, South Australia, Australia
- Alexandria Lakes Area, Minnesota, USA
- Belfast, Northern Ireland, UK
- Binh Duong Smart City, Vietnam
- Curitiba, Paraná, Brazil
- Durham Region, Ontario, Canada
- East Central Region, Minnesota, USA
- Elefsina, Attica, Greece
- Estevan, Saskatchewan, Canada
- Fredericton, New Brunswick, Canada
- Township of Langley, British Columbia, Canada
- City of Maple Ridge, British Columbia, Canada
- Markham, Ontario, Canada
- New Taipei City, Taiwan
- Philadelphia, Pennsylvania, USA
- **Prospect, South Australia, Australia**
- Rochester, New York, USA
- Seat Pleasant, Maryland, USA
- Sunshine Coast, Queensland, Australia
- Townsville, Queensland, Australia
- Whanganui, New Zealand





Responsible & Sustainable

Recognising that there is more to do, our non-negotiable is a sustainable natural and built environment and a community which looks forward responsibly and continues to contribute to a better quality of life.





Significant Tree Grants

Large trees and green corridors are synonymous with City of Prospect, and we recognise the importance of these trees in both the local landscape and environment. One way in which we support ratepayers in local restoration, conservation and maintenance of Prospect's majestic trees is through our Significant Tree Grant Program.

In its second year, City of Prospect's Significant Tree Grant Program received **12** applications seeking grant funding, with a total maintenance works value of \$70,951. Of these, **8** 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 \$21,886. These works supported by grant funding all related to maintenance pruning of each tree canopy, including the removal of deadwood and over-extended/overly end-weighted branches.

The outcome of these works not only stimulated the local economy and supported the long-term sustainability of the trees in question, but also futureproofed council assets that may otherwise be impacted by residents not taking advantage of the grants program.

In two cases in the 2021/2022 financial year alone, works carried out by grant recipients greatly reduced the risks of large trees overhanging council footpaths and reserves falling or breaking and causing extensive and costly damage.



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, **475** trees were purchased with **377** 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 Barker Inlet 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.

Footpath Reconstructions

As part of maintaining and renewing Council's transport assets, each and every year funding is allocated to reconstructing kerb and gutter, resealing roads and/or reconstructing road pavements. The works consist of the reconstruction of kerb and gutter in conjunction with road works where the existing kerb has either lifted due to tree roots to cause ponding issues or has exceeded its useful life and has deteriorated beyond the point of repair. Newly constructed kerb and gutter works improve stormwater management along a road by ensuring adequate flow of water to our underground drainage systems, and improves the amenity and integrity of a new road surface.

A total of **27,700m²** of our road network was resealed with new asphalt surface costing approximately \$735,000. This asphalt material contains 50% of recycled materials (in weight) through the use of reclaimed asphalt pavement (RAP) removed from existing roads, recycled soft plastic bags and ink toner cartridges. This is an important factor in Council reducing our carbon dioxide emissions on the environment with these essential upgrades by **38.5 tonnes!**

Additionally, several streets required road pavement reconstruction works for the entire asset of Le Hunte Avenue and at isolated locations across Le Cornu Street, Barker Road and Devonport Terrace pavement rehabilitation works were required, totalling an area of **4,700m²** valued at \$339,000.

Further to the kerb and gutter and road pavement reconstruction works along Le Hunte Avenue the upgrade also included the installation of new reinforced concrete boxed culvert stormwater drainage, **336m** in length with **8** new double side entry pits and **4** new water sensitive and infiltration rain gardens. These stormwater works and rain gardens had a total expenditure of approximately \$410,000, including survey, detailed design and all associated service relocations works.

New footpaths were constructed with brick paving covering a total area of **2,100m²**, with an expenditure of \$415,000.

A total of \$79,500 was spent on upgrading pedestrian kerb ramps with associated kerb and footpath upgrades along with the upgrade to kerb ramps as part of the annual allocation for the Pedestrian Kerb Ramp Program. Of this expenditure **40** new DDA compliant ramps were constructed providing safer and more accessible footpaths and crossing points across our City.

Bus Shelter Upgrades (DDA Compliance)

The following bus stops have been upgraded to the Bus Shelter and Bus Pad Road Design Standards:

- Hampstead Road Stop 16 West Broadview
- Hampstead Road Stop 17 West Broadview
- Galway Avenue Stop 15 East Broadview.





Vine Street Plaza Redevelopment

Located adjacent to Payinthe, the redevelopment of Vine Street Plaza was undertaken in two stages. Stage 1 consisted of upgrading Council's footpath connection and Prospect Road frontage and Stage 2 involved the plaza area surrounding Payinthe and connecting to Vine Street. The upgrade consisted of reusing the existing brick paver and introducing a new exposed aggregate paver and pattern to create a new look and feel to the space. The reconfiguration of the garden beds with new plantings and irrigation, and integrated seating has opened up the space to allow for event and community activation.

Retention of the large, beautiful Plane Trees has kept this area green and shady which complements the new stage area for informal play by children and potential use during events. The festoon lighting additions and discovery space elements and art features created and installed by artist Emma Comley have brought the plaza to life, making it a great asset for future Council and community use.

Broadview Oval Community and Sports Hub

In November 2021, Council endorsed the Community Reference Group (CRG) Terms of Reference, a new operational model for the facility and the Community Engagement Plan.

The CRG workshops commenced in January 2022 following an expression of interest to join the group. Feedback from the CRG enabled the Project Control Group and Council to understand matters that a broad section of our community believed important when designing the project.

Following feedback received from the CRG, the Broadview Football Club and Council, various iterations of the concept design were developed, with a final design endorsed by the Council in May 2022.

Since that time work has continued on the design development to enable both Development Approval to be sought and procurement of the works to occur later in 2022.

A fitting tribute for Robert Pridmore

A memorial tree and seat were included as part of the Prospect Gardens/Narnu Wirra upgrade, after our Assets and Infrastructure team were approached by Councillor Allen Harris and resident Gail Pridmore with a request.

Gail's late husband, Robert George Pridmore, was well-known to visitors of Prospect Gardens. After he proudly served in the Royal Australian Air Force, Robert decided to retire so his two daughters wouldn't have their high school years interrupted by relocations. The Pridmore family settled in Nailsworth in 1975.

With a bit more time on his hands, Robert walked the area almost daily with his dog, Mollie. Known for having a big heart and even bigger smile, Robert observed and cared for the local neighbourhood, in particular Prospect Gardens.

Working with the family to incorporate Robert's love of Prospect Gardens, the Assets and Infrastructure team incorporated a small path leading to a memorial bench dedicated to Robert, bordered by a garden bed, as part of the overall play space upgrade.

Through collaboration, this memorial is now available to be visited by Robert's family, friends and the wider community anytime, at the southern end of the reserve, near the Pridmore family home on Buchanan Street.





Barker Inlet Stormwater Management Plan

The Barker Inlet Central (BIC) Stormwater Management Plan (SMP) provides an overview of the existing stormwater management related issues and opportunities for the area governed by City of Prospect, City of Port Adelaide Enfield and City of Charles Sturt, in order to improve stormwater management and guide future decision making about how the respective Councils can manage flood risk and improve the quality of stormwater in the Barker Inlet Central region.

Recommendations for Flood Mitigation and Water Sensitive Urban Design (WSUD) that relate directly to City of Prospect have been documented within the SMP. This plan has identified an estimated \$26m of infrastructure related to flood mitigation and a further \$3m of WSUD treatments attributable to the Council in current dollars. The plan was informed by two rounds of consultation for feedback and input across the community, relevant authorities and key stakeholders. The SMP was adopted by Council at its meeting held in May 2022 and was critical to securing a \$3m total funding contribution for the Churchill Road Drainage Upgrade Stage 1 from the Federal (\$1.5m) and State Governments (\$1.5m) respectively. This project is a high priority recommendation of the SMP.

Following the Councils' adoption of this SMP it has been sent to Green Adelaide and the Stormwater Management Authority for consideration of approval and gazettal.



Prospect Road Village Heart Precinct Parking Study

The Village Heart Parking Study and Temporary 2P Parking Control Survey projects have been completed, and the outcomes presented to Council.

Council endorsed several recommended next steps, including:

- Undertaking a survey of council staff regarding travel and transport to inform further consideration of car parking around Payinthe
- Payinthe car park occupancy following completion of a high-density, mixed-used building at 132 Prospect Road
- Undertaking updated parking occupancy surveys on Pulsford Road, Myrtle Street and Flora Terrace to ensure accurate data
- Designing and consulting on car parking restrictions, with reference to several parking options including the restrictions recommended in the Village Heart Parking Study report and in line with the proposed Revised Parking Management Policy, namely:
 - Vine Street (directly adjacent Prospect Road)
 - Daphne Street
 - Rose Street (extend controls to include weekend business hours)
- Trialling the requirement of a Construction Management Plan for major development within the city.

Council staff are currently undertaking the work listed above, as endorsed by Council.

Upon completion of further car parking occupancy studies, staff will consult residents on possible changes to parking restrictions on these streets. This consultation is expected to take place in November 2022 and presented to Council for a decision in December 2022.

Outcomes from the studies and surveys are expected to be managed within existing operational budgets.





Open Space Renewal

Peppermint Gums Reserve Consultation

The facilities at Peppermint Gums Reserve are currently outdated, have reached the end of their useful life and no longer meet the needs of our community. Following initial public consultation in November 2021, a draft concept plan was developed for Peppermint Gums Reserve.

Percy Street Reserve Consultation

The facilities at Percy Street Reserve are currently outdated, have reached the end of their useful life and no longer meet the needs of our community. Following community consultation run in November 2021, feedback shaped the draft concept plan for Percy Street Reserve. Council endorsed to proceed with Round 2 consultation on the draft concept plan in 2022/23.

Irish Harp Reserve Consultation

As part of ongoing upgrade work, the concept plan for Irish Harp Reserve was presented to the Disability Access and Inclusion group at their May 2022 workshop. The workshop had positive outcomes with suggestions made by the group for Council to consider as part of the design development (next stage) of the project.

The concept design was completed and endorsed by the Council on 26 April 2022. Design development and construction of the new playground is planned to occur in 2022/23.

JW Rattley Reserve Playground Upgrade

JW Rattley Reserve was upgraded in June/ July 2020 with key features including new playground equipment, nature play elements, lawned area, picnic areas, access path, reflection garden; fence murals and general landscaping.

As a result of feedback received on the upgrade, a Stage 2 was supported by the Council which provided some additional elements to the park. Key components of the revised plan include a teepee hut, hopscotch, timber armchairs, balancing logs and boulders connecting the various play elements. These works were completed in February 2022.



Collaborative Projects



Ovingham Overpass Project

The Ovingham level crossing removal which is located on Torrens Road at Ovingham will lead to improved:

- Travel times for motorists
- Reliability for buses using Torrens Road
- Increased freight productivity
- Safety for all road users (motorists, cyclists and pedestrians) by removing a road-rail crossing point.

The South Australian State Government is delivering the project with the budget of \$196m as part of an alliance with McConnell Dowell Constructors (Aust) Pty Ltd, Mott MacDonald Australia Pty Ltd and Arup Pty Ltd.

In addition, the State Government has announced that Ovingham Railway Station will receive a \$10m upgrade towards upgrading the station platform, accessibility and ramps to the platform, lighting, CCTV and other infrastructure upgrades.

Council worked closely with the State Government on the public space and activation created beneath and surrounding the overpass. Council and community feedback highlighted the importance of landscaping, community safety and creating high quality public space around and under the new bridge. State Government have been working with both City of Prospect and City of Charles Sturt, SA Police, Kurna Elders and local schools to discuss public activation, safety, revegetation and the incorporation of cultural heritage.

The project includes extensive new public space under and around the bridge that will span the boundary of City of Prospect and City of Charles Sturt. The following features are planned to be incorporated into these areas:

- A futsal court
- A half basketball court
- Kurna cultural heritage artwork
- A nature play area
- Public artwork
- Landscaping and revegetation
- Pedestrian and cycle paths.

As part of this project, new landscaped areas will be created to offset the vegetation removed and enhance the amenity of the area. On project completion, the garden bed landscape surrounding the area will comprise more than **21,000** individual plants, which equates to more than **10,000m²** of new irrigated garden beds. The landscaping designs will balance the use of indigenous and non-indigenous species and include semi-mature trees.

Main North Road and Nottage Terrace Intersection Upgrade

The Department for Infrastructure and Transport (DIT) completed the intersection upgrade of Main North Road and Nottage Terrace in November 2021 and acquired a large portion of land on the western side of Main North Road to accommodate the upgrade. With road widening of the intersection now complete and as part of the State Government's election commitments, a pocket park on the corner of Da Costa Avenue and Main North Road, adjacent the intersection of Nottage Terrace and Main North Road, will be delivered returning open green space to the community.



Nottage Terrace and North East Road Intersection Upgrade

As an extension of the Main North Road and Nottage Terrace intersection, the Department for Infrastructure and Transport (DIT) have committed to upgrading the left turn capacity of the intersection from Nottage Terrace on to North East Road. The design of this intersection upgrade aims to balance factors including traffic performance, safety improvements, project cost and impacts.

The design features of this intersection upgrade include:

- Widening of Nottage Terrace (north side) to accommodate two left-turn lanes onto North East Road;
- Upgraded pedestrian crossings and traffic islands at the intersection, including new pedestrian crossing lights and ramps, road re-surfacing and new line marking;
- A new eastbound bike lane on Nottage Terrace through the intersection; and
- New and upgraded traffic signals, road lighting and drainage.

DIT have been undertaking consultation of the project with the local community since the beginning of 2022 with strong community feedback on the proposed removal of on-street parking along the north side of Nottage Terrace. City of Prospect have been liaising with DIT on landscaping outcomes along the north west corner of the intersection adjacent to the acquired land which will likely provide some greening and tree canopy to this area.

Fitzroy Terrace Bicycle and Pedestrian Actuated Crossing

The Department for Infrastructure and Transport (DIT) have been upgrading the existing crossing on Fitzroy Terrace by installing a signalised Bicycle and Pedestrian Actuated (push button) Crossing (BPAC). With construction having commenced in Feb 2022, a delay was incurred to the project to undertake additional consultation with the community and Council to resolve some identified concerns to ensure a positive outcome.

Changes to the design as a result of community consultation and Council feedback, following project being put on hold in mid-late February 2022, include:

- Re-positioning the new light pole on the Fitzroy Terrace service road to reduce the impact on street trees;
- Paving the Shared Use Path instead of using bitumen; and
- Re-instating the verges and installing new plants and shrub screenings of the Fitzroy Terrace service road to maintain the existing look and feel of the local amenity.

This upgrade will improve safety and connectivity for people walking and riding on the Prospect Bikeway between Braund Road and the Adelaide Park Lands.



Building Upgrades

Prospect Pentaque Club

A \$25,000 budget was allocated for the replacement of the Prospect Petanque Club pergola structure.

The existing pergola structure was removed and replaced with a new Colourbond pergola, including downpipes, posts and rails in a classic cream colour. New gutters and roofing sheeting installed in manor red to match the existing roof. New high-level lighting was also installed and rewired adding much improved night time operating conditions.

Prospect Broadview Bowling Clubs

The Prospect Broadview Bowling Club had a full roof replacement undertaken with \$100,000 budget allocated for the works.

The old porous and cracked red terracotta tiles were replaced with Colorbond orb roofing in manor red, hip rafters strengthened, all guttering and downpipes replaced with new in classic cream to match the existing colour as well as new ridge caps and flashings supplied.

The scope of the works also included replacement of timber scotia, placing new roof battens and provision of a new blanket foil insulation.





Environmental Sustainability

Waste Processing

Waste management continues to be a key focus of Council. City of Prospect collected **9,088** tonnes of waste as part of its kerbside collection. **54%** of this waste, namely compostable waste, recyclables and E-waste, was diverted from landfill.

Council made **2957** individual hard waste collections.



	2022	2021	Trend
Tonnes recycling waste diverted from landfill	1,757	1,730	↑
Tonnes food and organic waste diverted from landfill	3,231	3,143	↑
Tonnes general waste collected	4,100	4,151	arrow-down
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
- Several 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 City of Prospect's events team.

National Recycling Week - Schools Day

Over **260** students from Prospect, Nailsworth, Rosary School and Good Start Early Learning attended the Eliza Hall in November to attend the Professor Planet live show. The show was delivered in partnership with KESAB, through magic, comedy and special effects children learned which items can be recycled and what they can be recycled into.

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:

- Renewed our Climate Change Sector Agreement 2020-2025
- Finalised our Action Plan 2020-2024
- Completed a Street Tree Species Guide
- Completed a Creating More Spaces for Trees study, which prompted further research and collaboration on this subject
- Analysed canopy LIDAR data to understand current status and provide a consistent regional benchmark
- Developed a Water Smart Campaign and capacity building program, in partnership with Green Adelaide and Water Sensitive SA
- Launched two new public outreach channels, an e-newsletter and LinkedIn profile, and continued to update our website
- Released six interactive Urban Heat Mapping Factsheets
- Hosted regional community workshops, such as Water Smart Solutions and Speed Dating for Trees
- Developed a draft Monitoring, Evaluation and Reporting Plan (understood to be the first of its kind in South Australia for climate adaptation)
- Continued advocacy to the State Government Planning Reform, contributing to an increase in the minimum number of trees per new property included in the Planning and Design Code Phase 3
- Continued advocacy, submissions and inspiration provided for the Green Adelaide Regional Plan 2021-2026 and Annual Business Plan 2021/2022.



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

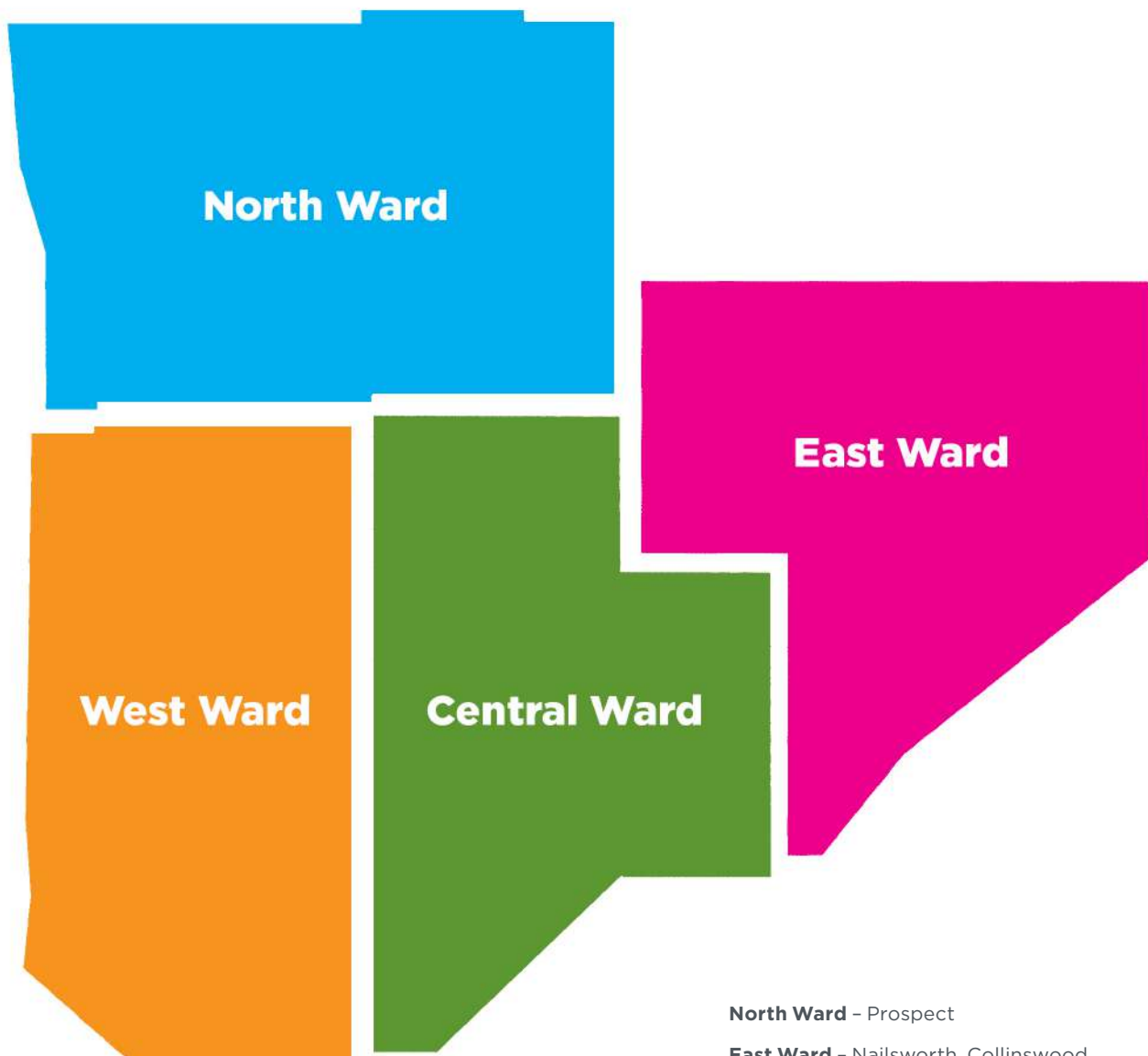
0419 324 397
allen.harris@prospect.sa.gov.au



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 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 1:1,698. The average for these Councils (based on the Ratio figures below) is 1:1,837.

Council	Electors	Councillors	Ratio
Burnside	32,398	13	1:2,492
Gawler	19,414	11	1:1,764
Holdfast Bay	28,895	13	1:2,222
Norwood, Payneham and St Peters	26,261	14	1:1,875
Prospect	15,289	9	1:1,698
Unley	28,044	13	1:2,157
Walkerville	5,890	9	1:654

The representation review spanned two financial years, commencing in early 2021 (April 2021) and endorsing the final Ward Boundaries and Elector Representation figures at its meeting on the 28 September 2021. The Representation Review report was endorsed by the Electoral Commission on the 16 December 2021. A gazette notice was published as per the legislative requirements on the same day. These changes will take effect from the 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 the processes Council undertook during the representation review is set out below:



First Public Consultation - Options paper

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; and
- 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 was conducted in the second half of the calendar year for a three week period.



Council Member Allowances



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

In determining this allowance, the Remuneration Tribunal must have regard to the following;

- the role of members of council as members of the councils governing body and as representatives of their area;
- the size, population and revenue of the council, and any relevant economic, social, demographic and regional factors in the area;
- the ratio of members to ratepayers; (as a new requirement effective September 2021)
- the fact that an allowance under this section is not intended to amount to a salary for a member;
- the fact that an allowance under this section should reflect the nature of a members office;
- the provisions of this act providing for the reimbursement of expenses of members.

City of Prospect has been classified by the independent Remuneration Tribunal as a Group Two Council (there are six groups all together), with the following allowance figures for the 2021/2022 financial year;

Elected Member Allowances - Group 2 from 1 July 2021 to 9 November 2021

Mayoral Allowance	\$72,400 (4 x the annual allowance for councillors of that council)
Deputy Mayor Allowance	\$22,625 (1.25 x the annual allowance for councillors of that council)
Elected Member	\$18,100

Elected Member Allowances - Group 2 from 9 November 2021 to 30 June 2022 (CPI)⁷

Mayoral Allowance	\$74,212 (4 X the annual allowance for councillors of that council)
Deputy Mayor Allowance	\$23,191 (1.25 x the annual allowance for councillors of that council)
Elected Member	\$18,553





Council Member Reimbursements/ Benefits

The Act provides that a Council member is entitled to receive from the council reimbursement of expenses incurred as a result of performance / discharging official functions and duties and as approved by Council either specifically or via a policy. Additionally, a council may provide facilities and other forms of support to its members to assist their performance in discharging official functions and duties.

City of Prospect has “Council Member Allowances and Benefits Policy” which was reviewed in May 2022, which provides for the following facilities and support which are deemed 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; and
- General Administrative Support.

In addition to the above, Council has resolved via its Council Member Allowances and Benefits Policy to make available to the Principal Member (and to any acting Principal Member appointed during the Principal Member's absence) the following additional facilities and support to assist them in performing and discharging their official functions and duties:

- Access to Office facilities as required;
- Support of Executive Assistant;
- Internet service at place of residence – not exceeding \$100 per month; and a
- Corporate credit card issued with a monthly limit set at \$2,000 and financial delegation for individual transactions. This facility is subject to the conditions within the Credit Card Policy.

The policy can be found on Council's Website at the following link: [City of Prospect Council Member Allowances and Benefits Policy](#)

Council Member Register of Allowances/ Benefits

City of Prospect maintains a register of allowances that details the amount and benefit paid over the course of the financial year. Elected Members can claim reimbursement of further costs according to City of Prospect Council Member Allowances and Benefits Policy.

Elected Members may receive an additional allowance for chairing prescribed committees or sitting fees if they represent Council on external boards. These sitting fees are determined by the independent Remuneration Tribunal providing an allowance of \$170 per meeting limited to an aggregate amount of allowance of \$1,020 per annum.

Name	Total Council Member Allowance Paid
Mayor O'Loughlin*	\$73,759
Cr Nguyen	\$18,440
Cr Pearce	\$22,965
Cr Barnett	\$18,440
Cr Larwood (Deputy Mayor)	\$23,050
Cr Groote	\$18,440
Cr De Backer	\$18,440
Cr Harris	\$18,440
Cr Rypp	\$18,440

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





Council Member Conferences, Education and Development

City of Prospect is committed to providing training and development for Elected Members as 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.

City of Prospect's Council Member Conferences Education and Development Policy provides the requisite details regarding the administration and management of such opportunities, in accordance with legislative requirements.

In 2021/2022, Elected Members attended various and numerous informal gatherings and workshops where they were provided briefings on topics. Agendas for these sessions can be found on City of Prospect's website, with further details provided below.

Training and development opportunities were undertaken by the following members;



Name	Date	Details
Mayor D O'Loughlin	13 October 2021	Mayors Forum # 3 - Leadership
	19 October 2021	Indigenous Cultural Awareness Training for Elected Members (Southern Cultural Immersions Cultural Awareness)
	28 - 29 October 2021	LGA Best Practice Showcase and AGM
	8 November 2021	Ombudsman, OPI and ICAC the changes explained sector briefing (Local Government Association of SA)
	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government
	7 - 8 April 2022	Council Best Practice Showcase and Local Government Association of SA Ordinary General Meeting (OGM)
	19 - 22 June 2022	Australian Local Government Association National General Assembly
Cr A De Backer	19 October 2021	Indigenous Cultural Awareness Training for Elected Members (Southern Cultural Immersions Cultural Awareness)
	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government
	19 - 22 June 2022	Australian Local Government Association National General Assembly
Cr A Harris	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government
Cr T Nguyen	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government
Cr R Pearce	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government
	19 - 22 June 2022	Australian Local Government Association National General Assembly
Cr K Barnett	19 October 2021	Indigenous Cultural Awareness Training for Elected Members (Southern Cultural Immersions Cultural Awareness)
	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government
Cr S Rypp	19 October 2021	Indigenous Cultural Awareness Training for Elected Members (Southern Cultural Immersions Cultural Awareness)
	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government
Cr M Groote	19 October 2021	Indigenous Cultural Awareness Training for Elected Members (Southern Cultural Immersions Cultural Awareness)
	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government
Cr M Larwood	19 October 2021	Indigenous Cultural Awareness Training for Elected Members (Southern Cultural Immersions Cultural Awareness)
	7 December 2021	Social Media Obligations and the Law - Use and Misuse in Local Government

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.

Meetings attended by Council Members 1 July 2021 to 30 June 2022

Name	Council (inc special council meetings)	Councillor Information & Workshop Sessions	Audit Committee	Strategic Planning & Development Policy Committee	Council Assessment Panel (CAP)	CEO Performance Review Committee
Total Meetings	14	23	7	1	12	4
Mayor David O'Loughlin*	13	23	7	1		4
Cr Kristina Barnett	14	22		1		
Cr Matt Larwood (Deputy Mayor)	12	19				2
Cr Mark Groote	14	17				4
Cr Alison De Backer	11	20				4
Cr Allen Harris	12	19				
Cr Thuy Nguyen	7	16		1		
Cr Robin Pearce	13	20		1	10	
Cr Steven Rypp	14	19	5			1

Note: The above figures are indicative of attendance at specific meetings. Where blank, members are not on the committee and therefore not documented.





Council Assessment Panel Independent Members Allowances for the period July 2021 to June 2022

Sitting fees per meeting		Allowances paid 2021-2022	
Presiding Member	\$550	Mr Don Donaldson	\$6,600
Independent Member	\$475	Mr Robert Ggetti	\$4,750
Independent Member	\$475	Mr Ruan Perera	\$5,700
Independent Member	\$475	Mr W Gormly	\$3,756.82
Deputy Independent Member	\$475	Mr Julian Rutt	\$1,900
Independent Member	\$475	Mr David Cooke	\$475

Audit Committee Independent Member Allowances

Sitting fees per meeting		Allowances paid 2021-2022	
Presiding Member	\$500	Ms Corinne Garrett	\$4,000
Member	\$400	Mr Peter Fairlie-Jones	\$3,200
Member	\$400	Mr Peter Scargill	\$2,800



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), whereby the Council as a collective and united elected body, make decisions on behalf of Council for the benefit of City of Prospect residents, ratepayers, visitors and wider Adelaide community.

The Chief Executive Officer and their administration then undertake/perform these decisions. The Council has a number of committees that assist Council in its decision making including;



Executive Leadership

Chief Executive Officer

Nigel McBride

(Acting from 1 July 2021 to 9 July 2021)

Alison Hancock

(Acting from 10 July 2021 to 10 October 2021)

Chris White

(Acting from 11 October 2021 – 30 June 2022)

City of Prospect had three Chief Executive Officers for the 2021/2022 financial year, with Chris White commencing October 2021.

The functions of the Chief Executive Officer are legislated and include;

(a) ensuring that policies and lawful decisions of the council are implemented in a timely and efficient manner

(b) to undertake responsibility for the day-to-day operations and affairs of the council

(c) to provide advice and reports to the council on the exercise and performance of its powers and functions under this or any other Act

(d) to co-ordinate proposals for consideration by the council for developing objectives, policies and programs for the area

(e) to provide information to the council to assist the council to assess performance against its strategic management plans

(f) to ensure that timely and accurate information about council policies and programs is regularly provided to the council's community, and to ensure that appropriate and prompt responses are given to specific requests for information made to the council

(g) to ensure that the assets and resources of the council are properly managed and maintained

(h) to ensure that records required under this or another Act are properly kept and maintained

(i) to give effect to the principles of human resource management prescribed by this Act and to apply proper management practices

(j) to exercise, perform or discharge other powers, functions or duties conferred on the chief executive officer by or under this or other Acts, and to perform other functions lawfully directed by the council.

Director Corporate Services

Ginny Moon

(from 1 July 2021 – 30 June 2022)

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 and Safety, Financial Services and Procurement, and Rates Administration.



Director Community and Planning

Nathan Cunningham

(from 1 July 2021 to April 2022);

Scott McLuskey

(Acting from April 2022 to 30 June 2022)

The Director of Community and 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.

Director Infrastructure and Environment

Vincent Cammell

(Acting from April 2022 to 30 June 2022)

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.

Director Business and Innovation

The portfolios of this position were assigned to the Chief Executive Officer for the financial year.

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.



Extract of public Salary Register, accurate as at November 2021

Position Title	Class.	Status	Total Package
Chief Executive Officer	Contract	Full-Time	\$275,000
Director Community and Planning	Contract	Full-Time	\$190,068
Director Infrastructure and Environment	Contract	Full-Time	\$189,947
Director Corporate Services	Contract	Full-Time	\$189,124





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 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.

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.

Employee turnover during 2021/2022 was 37% with employees leaving the organisation to pursue other promotional or career opportunities. Council continues to develop strategies to attract and retain quality employees.

As at 30 June 2022, Council employed 100 people with a full-time equivalent (FTE) of 85.13.

The following tables summarise the age profile and length of service of employees with City of Prospect as at 30 June 2022.

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

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

Age of Workforce	Male	Female	Total
20-29	5	5	10
30-39	7	10	17
40-49	7	17	24
50-59	13	24	37
60+	8	4	12
Total Employees	40	60	100

Length of Service	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
0 to 5	34	33	32	30	47
5 to 10	26	25	26	22	16
10 to 15	19	18	20	24	21
15 to 20	7	4	4	9	10
20+	6	7	8	9	6
Total	92	87	90	94	100



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 2021/2022 was adopted by Council on 29 June 2021 along with Council's Annual Business Plan. It took into account:

- Valuations set by the Valuer-General
- Community Plan to 2040
- 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 2021/2022, the total revenue raised from rates increased by 2.9%. This increase was made up of average residential rate increases of 1.9% plus growth of 1.0%. Local residential property valuations increased by an average of 2.93% from the previous year.

Land Use and 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 \$1,263 to \$1,287 for the 2021/2022 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	\$7.43
Sanitation	\$0.18
Community Arts, Events and Gallery	\$3.34
Library	\$3.16
Community Wellbeing and Development	\$4.99
Street Trees, Nature Strips, Parks and Landscapes	\$2.44
Stormwater Drainage	\$0.40
Business and Innovation	\$1.50
Street Lighting	\$1.21
Public Health and Safety	\$1.53
Streets and Footpaths	\$35.49
Traffic Management	\$1.27
City Planning and Development	\$3.18
Fleet and Depot Operations	\$6.96
Governance and Administration	\$9.07
Information Technology	\$5.21
Rates Administration	\$2.94
Financial Management (includes NRM Levy)	\$1.95
Reserves and Loans	\$2.36
Sports, Recreation and Playgrounds	\$4.38
Communication	\$1.01





Mandatory Rebates

During the 2021/2022 financial year, 138 properties were granted mandatory rebates as follows:

No. of Rebates	Reason	Value of Rebate
1	Cemeteries	\$9,247.74
109	Community Services	\$147,960.46
9	Education	\$165,349.61
19	Religious	\$150,355.50
Total 138		\$472,913.31

Discretionary Rebates

Five applications for discretionary rebates were approved by Council during the 2021/2022 financial year.

No. of Rebates	Reason	Value of Rebate
5	Community Services	\$30,649.18
Total 10		\$30,649.18

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 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. Each business was billed a fixed contribution of \$150.00 for the 2021/2022 financial year, with a rebate available to ensure that this is only paid once per business per year. The fund collects \$19,800 for administration support, marketing and promotion.

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

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Valuation of the City (Million)	\$4,962	\$5,205	\$5,629	\$5,981	\$6,280	\$6,498	\$6,550
Minimum Rate	\$1,090	\$1,118	\$1,160	\$1,200	\$1,239	\$1,263	\$1,287
Residential Rate in (dollar)	0.322342	0.319577	0.303805	0.306640	0.298080	0.303550	0.302250
Non-residential Rate in (dollar)	0.683288	0.654307	0.637904	0.631026	0.592218	0.616450	0.628350
Average Residential Rate	\$1,683	\$1,732	\$1,780	\$1,839	\$1,899	\$1,935	\$1,972
Vacant Land Rate Residential	0.402927	0.399471	0.379756	0.383300	0.372600	0.379438	0.377813
Vacant Land Rate (Non-residential)	0.854110	0.817884	0.797380	0.788783	0.740273	0.770563	0.785438





Policy and 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, and
- 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.

Council By-Laws

The *Local Government Act 1999* gives Council the power to make by-laws. By-laws are delegated legislation to control and regulate activities within the Council's boundaries to ensure good governance over matters of municipal concern, providing convenience and safety for the community.

Various Acts such as the *Dog and Cat Management Act 1995* (SA) also provide specific powers to enable Councils to regulate the keeping of dogs and cats. Council's current by-laws are due to expire on 1 January 2023, and therefore in May 2022, it commenced reviewing its bylaws to ensure that they do not lapse. This project is due to complete in the 2022/23 financial year.

- 1 - Permits and Penalties
- 2 - Moveable Signs
- 3 - Local Government Land
- 4 - Roads
- 5 - Dogs
- 6 - Waste Management

List of Codes of Conduct / Practice

During 2021/2022 Council maintained the following Codes of Conduct / Practice as required under various clauses of the Act including;

- Code of Conduct for Members
- Access to Meetings and Documents – Code of Practice
- Code of Conduct for Employees
- Procedures at Meetings – Code of Practice

These documents may be found on the Council's website.



Information Statement

List of Registers

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

- Register of Interests (Members)
- Register of Allowances and Benefits (Members)
- Register of Remuneration, Salaries and Benefits (Employees)
- Register of Interests (Employees)
- Register of Community Land
- Register of Public Roads
- Register of By-Laws
- Register of Building Upgrade Agreements
- Register of Gifts and Benefits (Code of Conduct for Employees) Schedule 2A--Local Government (General) Regulations 2013
- Confidential Orders

Legal Costs

As a result of the 2021 Local Government Reforms, Councils must include a statement on the total amount of legal costs incurred by the Council for the relevant financial year.

As per the Financial Statements included further in this report, the legal costs incurred across the organisation equated to \$364,000.

Credit Card Expenditure

Expenditure using credit cards incurred by the Council for the relevant financial year equated to \$179,680.41.

Auditor's Remuneration

The remuneration payable to the auditor for work performed during 2021/2022 was \$29,000 for the annual Financial Statements. There was no other remuneration payable.

The *Freedom of Information Act 1991* (SA) (the FOI Act) gives members of the community the right to request access to documents held by Council demonstrating accountability and transparency of government as expected by the community.

Council has an Information Statement document available on the website in compliance with Section 9(1a) of the FOI Act, which provides the details of how the community can access information from the premise that all documents are considered publicly accessible.

Freedom of Information Requests

During the 2021-2022 financial year, Council received a total of 4 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 2020/21 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.



Date of Council Meeting	Subject / Item of Business	Actions / Exclusion (Sections of Act)
28 June 2022	16.1 LGFA Loan Approval and Use of Common Seal	(d)(i)(ii) Report, attachments & minutes
28 June 2022	16.2 East Waste New Member Council Proposal and Charter	(d)(i)(ii) Report, attachments & minutes
10 May 2022	9.1 North Adelaide Football Club Securities	(d)(i)(ii) Report, attachments & minutes
26 April 2022	16.1 North Adelaide Football Club Securities	(d)(i)(ii) Report, attachments & minutes
26 April 2022	16.2 Local Government Rates Oversight Scheme - ESCOSA Draft Framework & Approach	(j)(i)(ii) Report, attachments & minutes
26 April 2022	16.3 CEO Update on Organisational Restructure	(a) Report
22 March 2022	16.1 Request for Approval - Contractor Services Capital Works Program	(d)(i)(ii) and (k) Report, attachments & minutes
22 March 2022	16.2 Chief Executive Officers Probationary Review	(a) Report & attachments
22 February 2022	16.1 Enterprise Bargaining and Wages Budget	(a) Report & attachments
25 January 2022	16.1 CEO Update on Restructure and Probationary KPIs	(a) Report & attachments
14 December 2021	16.1 Prospect Citizen of the Year Awards 2022	(o) Report, attachments & minutes
14 December 2021	16.2 External Auditor Tender	(d)(i)(ii) and (k) Report, attachments & minutes
14 December 2021	16.3 Commitment of Organic Tonnes - Proposed Finalisation of existing Contract Matter	(h) Report, attachments & minutes
28 September 2021	16.1 Sale of Land for Recovery of Unpaid Rates	(e) Report
28 September 2021	16.2 East Waste Recycling Contract - Commitment of Recycling Tonnes for Market Testing	(b)(i)(ii) Report, attachments & minutes
28 September 2021	16.3 Strategic Car Parking Outcomes	(b)(i)(ii) Report, attachments and minutes
28 September 2021	16.1 Sale of Land for Recovery of unpaid rates	(e) and (h) Report
24 August 2021	16.1 Acting Chief Executive Officer Extension of Contract	(a) Discussion
27 July 2021	16.1 Minutes from Recent Meetings of the CEO Performance Development Review Committee and General Update to Council on Recruitment and Selection	(a) Discussion
24 April 2021	5.1 North Adelaide Football Club Prudential Report	(d)(i)(ii) Report, attachments & minutes



During 2021/2022, no Confidential Orders were re-made and none were revoked.

Report on Internal Review of Council Decisions

During 2021/2022, Council received 0 applications for review of a decision in accordance with Section 270 of the *Local Government Act 1999*.

Key Performance Indicators

Council staff achieved approximately 55% completion of all budgeted projects for 2021/2022. The main reasons were many of the projects were multiyear projects and as a result of resource implications (material/labour), Council approved retimed projects during the 2021/2022 financial year.

Multi-year Projects

- Broadview Oval Community and Sports Hub
- Broadview Oval Toilet Replacement
- Devonport Terrace Upgrade
- Islington Station Shared Path
- Major Events

Projects which have been retimed or delayed

- Asset Systems and Data Management
- Assisted Document Registration
- Churchill Road Reconstruction and Drainage Upgrade

- Financial Reporting
- Fleet Management - Capital Acquisitions
- Footpath Construction - Miscellaneous
- GIS Upgrade
- Heritage Incentive Scheme
- Heritage Street Signs
- Integrated Transport Strategy Development
- Irish Harp Reserve
- Kerb and Gutter Constructions
- Livingstone Avenue Reconstruction and Drainage Upgrade
- Major Events
- Open Space Strategy : Irish Harp Reserve
- Open Space Strategy : Renewal Design/ Consultation
- Project Management
- Prospect Mens Shed Expansion
- Prospect Tennis Club Courts Renewal
- Public Art
- Road Design and Reconstruction
- Sharepoint Implementation
- Telephone System
- Village Heart Marketing Fund

The key financial indicators are reported in Council's Audited Financial Statements (see Note 15) and are summarised as follows:

Key Financial Indicator	Adopted Target Range	Ratio Achieved 2021/2022	Target Achieved 2020/2021	Ratio Achieved 2020/2021
Operating Surplus Ratio	(1%) - 5%	(4.3%)	Not Achieved	(3.0%)
Net Financial Liabilities Ratio	10% - 90%	44%	Achieved	59%
Asset Renewal Funding Ratio	90% - 120%	55%	Not Achieved due to retimed projects	162%

For further analysis on the ratios, please refer to the 17 October 2022 Audit Committee Agenda.

Council will continue to work towards a sustainable 10 Year Long Term Financial Plan.

Financial Management



For 2021/2022, Council has either achieved or exceeded two of its four Key Financial Indicators. The focus of 2021/2022 budget was on the continuation of the replacing and renewing of existing infrastructure assets.

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 2021/2022, Council has continued to keep its overall rate increase at a 'modest' level, with the average residential rate increase for 2021/2022 being 1.9% plus Growth.

Council presented an operating deficit for the 2021/2022 year of approximately \$1,173k. This deficit represents 4.33% of the total adopted Operating Income for 2021/2022. In 2021/2022 approximately \$4.2m was spent on capital expenditure. \$3.2m 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 four 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 reclassification of approximately \$1.3m of landscaping expenses from capital to operating expenditure. Excluding the reclassification of landscaping expenses, 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 \$606k for the 2022/2023 year in June 2022.

2022/2023 Draft Annual Business Plan and Budget Consultation

Various forms of community consultation were provided regarding the Annual Business Plan 2022/2023. In seeking feedback from the community, the following opportunities were offered:

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

The results of the consultation were reported to Council on 28 June 2022.



Rates and 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. There were no valuation objections received by Council via the Valuer-General in respect of 2021/2022 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 \$22.4m to \$23.1m in 2021/2022. 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 2022/2023 was presented and discussed as part of activities for the 2022/2023 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 91% residential, 8% non-residential and the remaining 1% as vacant land.

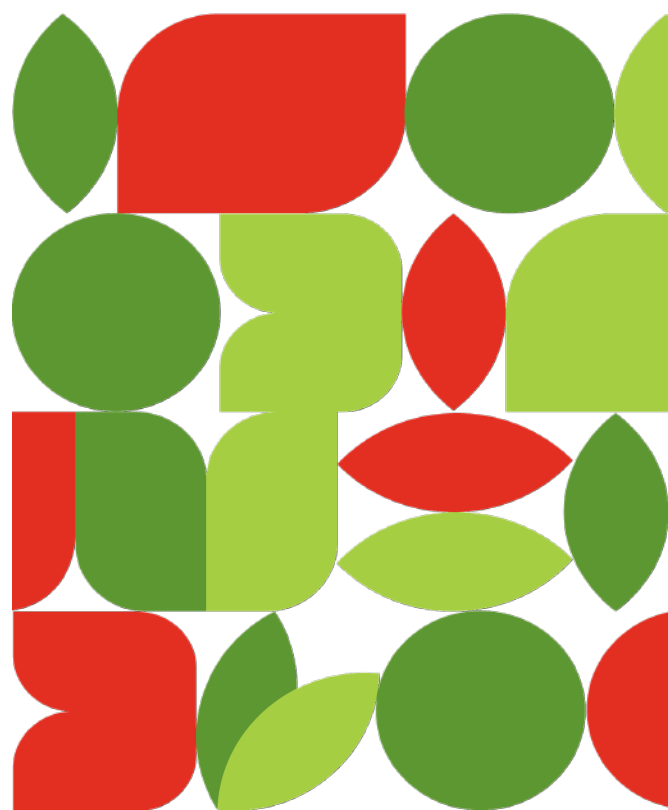


Appendices



Appendix 1

City of Prospect Financial Statement



City of Prospect

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2022



General Purpose Financial Statements

for the year ended 30 June 2022

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General Purpose Financial Statements

for the year ended 30 June 2022

Certification of Financial Statements

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

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2022 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.



Chris White
Chief Executive Officer

25/10/2022



David O'Loughlin
Mayor

25/10/2022

Statement of Comprehensive Income

for the year ended 30 June 2022

\$ '000	Notes	2022	2021
Income			
Rates	2a	23,109	22,462
Statutory Charges	2b	1,134	904
User Charges	2c	401	296
Grants, Subsidies and Contributions	2g	2,035	1,625
Investment Income	2d	136	45
Reimbursements	2e	80	62
Other income	2f	146	151
Net Gain - Equity Accounted Council Businesses	19(a)	3	27
Total Income		27,044	25,572
Expenses			
Employee costs	3a	9,507	9,410
Materials, Contracts and Other Expenses	3b	12,135	10,315
Depreciation, Amortisation and Impairment	3c	5,869	5,869
Finance Costs	3d	676	754
Net loss - Equity Accounted Council Businesses	19(a)	30	—
Total Expenses		28,217	26,348
Operating Surplus / (Deficit)		(1,173)	(776)
Asset Disposal & Fair Value Adjustments	4	(1,110)	877
Amounts Received Specifically for New or Upgraded Assets	2g	2,369	1,772
Net Surplus / (Deficit)		86	1,873
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus - I,PP&E	9a	12,297	33,789
Total Amounts which will not be reclassified subsequently to operating result		12,297	33,789
Total Other Comprehensive Income		12,297	33,789
Total Comprehensive Income		12,383	35,662

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

Statement of Financial Position

as at 30 June 2022

\$ '000	Notes	2022	2021
ASSETS			
Current assets			
Cash & Cash Equivalent Assets	5a	5,010	2,808
Trade & Other Receivables	5b	1,586	1,837
Inventories		3	3
<u>Subtotal</u>		<u>6,599</u>	<u>4,648</u>
Total current assets		6,599	4,648
Non-current assets			
Financial Assets	6a	974	1,164
Equity Accounted Investments in Council Businesses	6b	139	166
Other Non-Current Assets	6c	522	3,267
Infrastructure, Property, Plant & Equipment	7a(i)	235,935	223,999
Total non-current assets		237,570	228,596
TOTAL ASSETS		244,169	233,244
LIABILITIES			
Current Liabilities			
Trade & Other Payables	8a	4,025	3,342
Borrowings	8b	1,498	1,728
Provisions	8c	1,633	2,039
<u>Subtotal</u>		<u>7,156</u>	<u>7,109</u>
Total Current Liabilities		7,156	7,109
Non-Current Liabilities			
Borrowings	8b	12,087	13,585
Provisions	8c	118	125
Total Non-Current Liabilities		12,205	13,710
TOTAL LIABILITIES		19,361	20,819
<u>Net Assets</u>		<u>224,808</u>	<u>212,425</u>
EQUITY			
Accumulated surplus		78,724	80,381
Asset revaluation reserves	9a	141,429	129,132
Other reserves	9b	4,655	2,912
Total Council Equity		224,808	212,425
<u>Total Equity</u>		<u>224,808</u>	<u>212,425</u>

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 2022

\$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2022					
Balance at the end of previous reporting period		80,381	129,132	2,912	212,425
Adjustments (Correction of Prior Period Errors)		—	—	—	—
Restated opening balance		80,381	129,132	2,912	212,425
Net Surplus / (Deficit) for Year		86	—	—	86
Other Comprehensive Income					
- Gain (Loss) on Revaluation of I,PP&E	7a	—	12,297	—	12,297
Share of OCI - Equity Accounted Council Businesses		—	—	—	—
Other Movements (enter details here)		—	—	—	—
Other comprehensive income		—	12,297	—	12,297
Total comprehensive income		86	12,297	—	12,383
Transfers between Reserves		(1,743)	—	1,743	—
Balance at the end of period		78,724	141,429	4,655	224,808
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

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 2022

\$ '000	Notes	2022	2021
Cash flows from operating activities			
<u>Receipts</u>			
Rates Receipts		23,290	22,775
Statutory Charges		1,134	904
User Charges		401	296
Grants, Subsidies and Contributions (operating purpose)		1,066	1,625
Investment Receipts		136	45
Reimbursements		80	62
Other Receipts		193	(162)
<u>Payments</u>			
Finance Payments		(676)	(754)
Payments to Employees		(9,323)	(9,650)
Payments for Materials, Contracts & Other Expenses		(12,027)	(8,860)
Net cash provided by (or used in) Operating Activities	11b	<u>4,274</u>	<u>6,281</u>
Cash flows from investing activities			
<u>Receipts</u>			
Amounts Received Specifically for New/Upgraded Assets		3,338	803
Sale of Replaced Assets		280	2,890
Repayments of Loans by Community Groups		191	31
Distributions Received from Equity Accounted Council Businesses		30	—
<u>Payments</u>			
Expenditure on Renewal/Replacement of Assets		(3,163)	(3,770)
Expenditure on New/Upgraded Assets		(990)	(2,756)
Capital contributed to Equity Accounted Council Businesses		(30)	—
Net cash provided (or used in) investing activities		<u>(344)</u>	<u>(2,802)</u>
Cash flows from financing activities			
<u>Payments</u>			
Repayments of Borrowings		(1,354)	(1,303)
Repayment of Finance Lease Liabilities		(68)	(65)
Net Cash provided by (or used in) Financing Activities		<u>(1,422)</u>	<u>(1,368)</u>
Net Increase (Decrease) in Cash Held		<u>2,508</u>	<u>2,111</u>
plus: Cash & Cash Equivalents at beginning of period		2,502	391
Cash and cash equivalents held at end of period	11a	<u>5,010</u>	<u>2,502</u>
Additional Information:			
Total Cash, Cash Equivalents & Investments		<u>5,010</u>	<u>2,502</u>

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

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

Contents of the Notes accompanying the General Purpose Financial Statements

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

Note 1. Summary of Significant Accounting Policies

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

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

(1) Basis of Preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis using the historical cost convention 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 dd MMMM yyyy

1.2 Critical Accounting Estimates

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

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

1.3 Rounding

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

1.4 Impact of COVID-19 Global Pandemic

The COVID-19 pandemic had some impact the 2021-2022 financial statements but less than the prior financial year, which may impact on the comparability of some line items and amounts reported in this financial report.

Supply chain shortages and increasing cost pressures have been experienced throughout FY22, council has worked to reduce discretionary expenditure in the short term to help mitigate the effect of these cost pressures. It is expected that further financial impacts will flow into the 2022/2023 financial year but these has been largely taken into account during the development of the 2022/2023 budget.

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.

(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

Payinthi, 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 (8.33% Ownership Interest; 14% Voting Power). Council joined this organisation on 1 October 2017.
2. Eastern Health Authority Inc (12.36% Ownership Interest; 20% Voting Power)

(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

continued on next page ...

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

Note 1. Summary of Significant Accounting Policies (continued)

(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
2021-2022	\$956,847	\$796,661	\$160,186

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.

(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.

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

Note 1. Summary of Significant Accounting Policies (continued)

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

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

Note 1. Summary of Significant Accounting Policies (continued)

Open Channel	80 years
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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 and forming part of the Financial Statements for the year ended 30 June 2022

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

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

New accounting standards and UIG Interpretations

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

Amendments to AASB 16 Covid-19 Related Rent Concessions

In 2020, the AASB issued AASB 2020-4, Amendments to AASs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, in 2021 the AASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021. This amendment had no impact on the financial statements.

Standards issued by the AASB not yet effective

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

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

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

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

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

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

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

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

(15) Comparative Figures

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

Note 1. Summary of Significant Accounting Policies (continued)

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

Note 2. Income

\$ '000	2022	2021
(a) Rates		
General Rates		
General Rates	22,969	22,292
Less: Mandatory Rebates	(500)	(467)
Less: Discretionary Rebates, Remissions & Write Offs	(1)	–
Less: Remissions - COVID-19 Financial Support Package	–	–
Total General Rates	22,468	21,825
Other Rates (Including Service Charges)		
Landscape Levy	617	600
Village Heart Separate Rate	20	15
Total Other Rates (Including Service Charges)	637	615
Other Charges		
Penalties for Late Payment	56	28
Legal & Other Costs Recovered	23	28
Other	–	2
Total Other Charges	79	58
Less: Discretionary Rebates, Remissions & Write Offs	(75)	(36)
Total Rates	23,109	22,462
(b) Statutory Charges		
Parking Fines / Expiation Fees	745	489
Animal Registration Fees & Fines	142	91
Town Planning Fees	141	183
Development Act Fees	68	102
Rate Searches	38	39
Total Statutory Charges	1,134	904
(c) User Charges		
Payinthe Lease Income	122	85
Rents & Fees	82	23
Hall & Equipment Hire	60	21
Prospect Magazine - Income	25	25
Function and Event Charges	24	31
Services to Aged & Disabled	23	26
Gallery Income	22	–
Council Land Usage	21	62
Library Services	18	13
Network Prospect Events Digital Marketing - Income	2	1
Other	2	9
Total User Charges	401	296

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

Note 2. Income (continued)

\$ '000	2022	2021
(d) Investment Income		
Interest on Investments		
- Local Government Finance Authority	38	25
- Loans to Community Groups	98	20
<u>Total Investment Income</u>	<u>136</u>	<u>45</u>

(e) Reimbursements

Insurance Reimbursements	26	12
Training Reimbursements	18	–
Development Assessment - Reimbursement of Advertising Fee	23	–
Fuel Tax Credit Reimbursement	7	15
Private Works	4	11
Joint Undertakings (General Inspection)	2	–
Connected Cities Reimbursement	–	1
SA Water - Farrant & Alexander St - Stormwater	–	21
Other	–	2
<u>Total Reimbursements</u>	<u>80</u>	<u>62</u>

(f) Other income

Donations or Resources Contributed Received	41	4
Insurance Special Distribution	32	81
Refund - Electricity Network Charges	21	13
Waste Management Other Income	16	15
Newmarch Gallery Art Sales Commission	16	–
Open Space Development Fund Contribution	7	–
Sponsorship	5	5
Risk Management WHS Award	–	20
Other	8	13
<u>Total Other income</u>	<u>146</u>	<u>151</u>

(g) Grants, Subsidies, Contributions

Amounts Received Specifically for New or Upgraded Assets

- Broadview Oval Community and Sports Hub	1,500	–
- Local Roads and Community Infrastructure Grants	544	803
- Open Space Grant Program	325	219
- Churchill Road Stage 3 Upgrade	–	750
<u>Total Amounts Received Specifically for New or Upgraded Assets</u>	<u>2,369</u>	<u>1,772</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 2. Income (continued)

\$ '000	2022	2021
Other Grants, Subsidies and Contributions		
- General Purpose Grant	629	216
- Commonwealth Home Support Programme (CHSP)	616	606
- Local Road Grant	429	82
- Roads to Recovery	204	204
- Record Library Materials Grant	76	89
- Public Library Services Grant	72	72
- ARTS SA - Library Operating Grant	9	—
- NAIDOC Week Grant	—	1
Individually Significant Item - Additional Grants Commission Payment (refer below)	—	355
Total Other Grants, Subsidies and Contributions	2,035	1,625
Total Grants, Subsidies, Contributions	4,404	3,397

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

(i) Sources of grants

Commonwealth Government	2,422	1,463
State Government	1,982	1,932
Other	—	2
Total	4,404	3,397

(ii) Individually Significant Items

Grant Commission (FAG) Grant Recognised as Income	606	355
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2022

75% of FY23 General Purpose Grant \$381,413 brought forward

75% of FY23 Local Roads Grant \$224,798 brought forward

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

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

Note 3. Expenses

\$ '000	Notes	2022	2021
(a) Employee costs			
Salaries and Wages		7,916	8,233
Superannuation - Defined Contribution Plan Contributions	18	721	614
Workers' Compensation Insurance		210	201
Personal Accident & Sickness Insurance		131	123
Employee Leave Expense		413	108
Superannuation - Defined Benefit Plan Contributions	18	116	131
Total Operating Employee Costs		9,507	9,410
Total Number of Employees (full time equivalent at end of reporting period)		88	88
(b) Materials, Contracts and Other Expenses			
(i) Prescribed Expenses			
Auditor's Remuneration			
- Auditing the Financial Reports		31	28
Elected Members' Expenses		276	267
Bad and Doubtful Debts		3	28
Operating Lease Rentals - Non-Cancellable Leases	17		
- Minimum Lease Payments		30	39
Subtotal - Prescribed Expenses		340	362
(ii) Other Materials, Contracts and Expenses			
Contractors		8,799	9,058
Waste Services		2,184	2,225
Consultants		664	921
Information Technology - Computing		532	559
Levies Paid to Government - NRM levy		609	599
Materials		625	1,176
Hired Temporary Staff		475	285
Electricity & Gas		430	411
Legal Expenses		364	132
Insurance		308	280
Water		335	332
Courses & Conferences		88	107
Communications		84	96
Telephone		79	73
Bank Charges		67	55
Subscriptions		62	96
Fuel		68	61
Postage		67	62
Rates & Taxes (including FBT)		50	47
Motor Vehicle Registration		19	28
Dog and Cat Management Board		32	25
Meals & Entertainment		21	30
Sundry		29	36
Stationery and Office Consumables		20	15
Professional Services		17	-
Levies - Other		13	13
Travel & Accommodation		9	6

continued on next page ...

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

Note 3. Expenses (continued)

\$ '000	Notes	2022	2021
Refunds		2	2
Irrigation		2	5
Less: Capitalised and Distributed Costs		(4,282)	(6,819)
Contributions & Donations		23	37
Subtotal - Other Material, Contracts & Expenses		11,795	9,953
Total Materials, Contracts and Other Expenses		12,135	10,315

(c) Depreciation, Amortisation and Impairment

(i) Depreciation and Amortisation

Buildings & Other Structures	1,556	1,571
Infrastructure		
- Stormwater Drainage	552	546
- Roads	1,572	1,867
- Footpaths	872	513
- Traffic Control Devices	87	86
Right-of-use Assets	72	72
Plant & Equipment	288	340
Furniture & Fittings	116	120
Library Books	115	247
Artworks	26	20
Open Space	613	487
Subtotal	5,869	5,869
Total Depreciation, Amortisation and Impairment	5,869	5,869

(d) Finance Costs

Interest on Loans	653	729
Interest of Lease Liabilities	23	25
Total Finance Costs	676	754

Note 4. Asset Disposal & Fair Value Adjustments

\$ '000	2022	2021
Infrastructure, Property, Plant & Equipment		
(i) Assets Renewed or Directly Replaced		
Proceeds from Disposal	280	2,890
Less: Carrying Amount of Assets Sold	(1,390)	(2,013)
Gain (Loss) on Disposal	(1,110)	877
Net Gain (Loss) on Disposal or Revaluation of Assets	(1,110)	877

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 5. Current Assets

\$ '000	2022	2021
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(a) Cash & Cash Equivalent Assets

Cash on Hand at Bank	1,959	3
Short Term Deposits & Bills, etc.	3,051	2,805
Total Cash & Cash Equivalent Assets	5,010	2,808

(b) Trade & Other Receivables

Rates - General & Other	281	468
Council Rates Postponement Scheme	57	51
Accrued Revenues	2	115
Debtors - General	553	433
GST Recoupment	296	350
Prepayments	207	229
Loans to Community Organisations	190	191
Subtotal	1,586	1,837
Total Trade & Other Receivables	1,586	1,837

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

Note 6. Non-Current Assets

\$ '000	2022	2021
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(a) Financial Assets

Receivables

Loans to Community Organisations

	974	1,164
Subtotal	974	1,164

Total Receivables

	974	1,164
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Total Financial Assets

	974	1,164
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\$ '000	Notes	2022	2021
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(b) Equity Accounted Investments in Council Businesses

Eastern Health Authority (EHA)

19(a)i	68	65
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Eastern Waste Management Authority INC (East Waste)

19i	71	101
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Total Equity Accounted Investments in Council Businesses

	139	166
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(c) Other Non-Current Assets

Other

Capital Works-in-Progress

	522	3,267
Total Other	522	3,267

Total Other Non-Current Assets

	522	3,267
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Notes to and forming part of the Financial Statements for the year ended 30 June 2022

Note 7. Infrastructure, Property, Plant & Equipment

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

\$ '000	Fair Value Level	as at 30/06/21				Asset movements during the reporting period					as at 30/06/22			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	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	26,046	19,487	(18,706)	26,827	—	442	(33)	(1,551)	—	26,374	19,487	(20,176)	25,685
Buildings & Other Structures Infrastructure	3	401	1	(334)	68	—	—	—	(5)	—	401	1	(339)	63
- Stormwater Drainage	3	47,106	1,533	(26,012)	22,627	—	502	(14)	(552)	1,899	51,855	2,035	(29,428)	24,462
- Roads	3	106,393	8,871	(44,944)	70,320	—	3,149	(627)	(1,572)	6,883	116,390	11,472	(54,872)	72,990
- Footpaths	3	43,814	4,736	(15,936)	32,614	—	1,025	(524)	(872)	3,515	47,905	5,759	(12,744)	40,920
- Traffic Control Devices		—	2,436	(1,098)	1,338	24	—	—	(87)	—	—	2,461	(1,185)	1,276
Right-of-Use Assets		718	—	(145)	573	—	—	—	(72)	—	718	—	(217)	501
Plant & Equipment		—	3,786	(2,399)	1,387	83	—	(191)	(288)	—	—	3,529	(2,538)	991
Furniture & Fittings		—	711	(449)	262	—	30	—	(116)	—	(1)	742	(565)	176
Library Books		—	1,090	(965)	125	—	105	—	(115)	—	—	1,195	(1,080)	115
Artworks		—	467	(58)	409	—	—	—	(26)	—	(1)	467	(83)	383
Open Space		—	10,580	(4,837)	5,743	1,537	—	—	(613)	—	—	12,118	(5,451)	6,667
Total Infrastructure, Property, Plant & Equipment		286,184	53,698	(115,883)	223,999	1,644	5,253	(1,389)	(5,869)	12,297	305,347	59,266	(128,678)	235,935
Comparatives		228,071	50,290	(85,758)	192,603	2,197	1,745	(462)	(5,869)	33,789	286,184	53,698	(115,883)	223,999

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

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

continued on next page ...

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

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

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

Roads, Kerb and Gutter, Footpaths

30 June 2022 a desktop revaluation was completed, transport assets unit rates by the June 2022 Road& Bridges Construction Index for SA for Transport being 10.9%.

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

Note 8. Liabilities

\$ '000	2022 Current	2022 Non Current	2021 Current	2021 Non Current
(a) Trade and Other Payables				
Goods & Services	2,557	—	2,858	—
Accrued Expenses - Employee Entitlements	690	—	93	—
Accrued Expenses - Other	150	—	248	—
Other	628	—	143	—
Total Trade and Other Payables	4,025	—	3,342	—

\$ '000	Notes	2022 Current	2022 Non Current	2021 Current	2021 Non Current
(b) Borrowings					
Bank Overdraft		—	—	306	—
Loans		1,428	11,635	1,354	13,063
Lease Liabilities	17b	70	452	68	522
Total Borrowings		1,498	12,087	1,728	13,585

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

(c) Provisions

Employee Entitlements (including oncosts) - Long Service Leave	1,000	118	1,106	125
Employee Entitlements (including oncosts) - Annual Leave	633	—	933	—
Total Provisions	1,633	118	2,039	125

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 9. Reserves

	as at 30/06/21				as at 30/06/22
\$ '000	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset Revaluation Reserve					
Land	11,466	–	–	–	11,466
Buildings & Other Structures	755	–	–	–	755
Infrastructure					
- Stormwater Drainage	9,561	1,899	–	–	11,460
- Roads	41,057	6,883	–	–	47,940
- Footpaths	18,908	3,515	–	–	22,423
Land and Buildings	47,191	–	–	–	47,191
JV's / Associates - Other Comprehensive Income	194	–	–	–	194
Total Asset Revaluation Reserve	129,132	12,297	–	–	141,429
Comparatives	95,343	33,789	–	–	129,132

	as at 30/06/21				as at 30/06/22
\$ '000	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other Reserves					
Car Park Development Reserve	447	–	–	–	447
Carry Forward Reserve	2,022	3,764	(2,022)	–	3,764
Development Reserve	443	1	–	–	444
Total Other Reserves	2,912	3,765	(2,022)	–	4,655
Comparatives	2,765	2,023	(1,876)	–	2,912

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 2021-2022 Budget. This surplus will be included in the 2022-2023 Budget through Budget Review 1 and will be used to finalise the incomplete projects of 2021-2022.

Development Reserve

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

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

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	2022	2021
---------	-------	------	------

(a) Reconciliation of Cash

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

Total Cash & Equivalent Assets	5	5,010	2,808
Less: Short-Term Borrowings	8	—	(306)
Balances per Statement of Cash Flows		5,010	2,502

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

Net Surplus/(Deficit)	86	1,873
Non-Cash Items in Income Statements		
Depreciation, Amortisation & Impairment	5,869	5,869
Equity Movements in Equity Accounted Investments (Increase)/Decrease	27	(27)
Grants for capital acquisitions treated as Investing Activity	(3,339)	(1,772)
Net (Gain) Loss on Disposals	1,110	(877)
	3,753	5,066
Add (Less): Changes in Net Current Assets		
Net (Increase)/Decrease in Receivables	251	(25)
Net (Increase)/Decrease in Inventories	—	(3)
Net Increase/(Decrease) in Trade & Other Payables	683	1,148
Net Increase/(Decrease) in Other Provisions	(413)	95
Net Cash provided by (or used in) operations	4,274	6,281

(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 and forming part of the Financial Statements

for the year ended 30 June 2022

Note 12(a). Functions

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

\$ '000	2022	INCOME 2021	2022	EXPENSES 2021	OPERATING SURPLUS (DEFICIT)		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
					2022	2021	2022	2021	2022	2021
Functions/Activities										
City Growth & Development	989	868	2,039	3,662	(1,050)	(2,794)	—	696	1,635	534
City Works & Presentation	355	1,910	8,787	9,587	(8,432)	(7,677)	633	82	235,937	190,983
City Corporate	24,949	22,765	13,399	10,780	11,550	11,985	705	847	6,599	9,197
City Strategy, Community & Culture	751	29	3,990	868	(3,239)	(839)	697	—	—	—
Other	—	—	—	—	—	—	—	—	(2)	32,530
Total Functions/Activities	27,044	25,572	28,215	24,897	(1,171)	675	2,035	1,625	244,169	233,244

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

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

Note 12(b). Components of Functions

The activities relating to Council functions are as follows:

CITY STRATEGY, COMMUNITY & CULTURE

- Community Development (includes Community and Youth Services, Home Assist)
- Recreation and Sports
- Library
- Community Transport
- Community Arts
- Customer Service & Administration Services

CITY WORKS & PRESENTATION

- Environmental Sustainability
- Waste Management (Domestic, Green and Recycling)
- 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

CITY CORPORATE

- Governance
- Rates Administration
- Employee Relations and Training
- Financial Management
- Information Management
- Elected Members
- Human Resources
- Procurement
- Information Technology

CITY GROWTH & DEVELOPMENT

- Business & Economic Initiatives
- Marketing
- City Planning
- Development Assessment
- Heritage
- Environmental Health
- Community Safety (includes Parking and Dog Control & General Inspections)

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

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 0.1% and 1.05% (2021 0.1% and 0.45%).

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% (2021: 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 and forming part of the Financial Statements for the year ended 30 June 2022

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%** (2021: **3.4%** and **7.0%**).

Carrying Amount:

Approximates fair value.

\$ '000	Due < 1 year	Due > 1 year & ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
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Financial Assets and Liabilities

2022

Financial Assets

Cash & Cash Equivalents	—	—	—	—	5,010
Receivables	2,206	—	—	2,206	2,351
Total Financial Assets	2,206	—	—	2,206	7,361

Financial Liabilities

Payables	497	—	—	497	2,707
Current Borrowings	2,386	—	—	2,386	1,428
Non-Current Borrowings	—	7,079	7,025	14,104	11,635
Leases	—	—	—	—	522
Total Financial Liabilities	2,883	7,079	7,025	16,987	16,292

2021

Financial Assets

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	1,660
Non-Current Borrowings	—	7,320	8,804	16,124	13,063
Leases	—	—	—	—	590

continued on next page ...

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 13. Financial Instruments (continued)

Total Financial Liabilities	5,333	7,320	8,804	21,457	18,419
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The following interest rates were applicable to Council's Borrowings at balance date:

\$ '000	2022		2021	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Overdraft	0.00%	—	0.00%	306
Fixed Interest Rates	4.31%	13,585	4.75%	15,313
		13,585		15,619

Net Fair Value

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

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

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.

Expected Credit Losses (ECL)

Council uses an allowance matrix to measure expected credit losses for receivables from individual customers, which comprise a large number of small balances. As rates and annual charges are secured over subject land no allowance for such receivables is made. The following table provides information about Council's ECLs from receivables (excluding secured rates and charges, GST and other amounts held in trust). Impairment analysis is performed each reporting date. ECLS are based on credit history adjusted for forward looking estimates and economic conditions.

Set out below is the movement in the allowance for expected credit losses:

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 14. Capital Expenditure and Investment Property Commitments

\$ '000	2022	2021
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(a) Capital Commitments

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

Infrastructure	897	1,140
	897	1,140

These expenditures are payable:

Not later than one year	897	1,140
	897	1,140

(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	29	–
IT Helpdesk & Support	–	56
Waste Management Services	1,759	1,459
	1,788	1,515

These expenditures are payable:

Not later than one year	1,788	1,515
	1,788	1,515

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

Note 15. Financial Indicators

\$ '000	Amounts 2022	Indicator 2022	Indicators 2021	Indicators 2020
<p>Financial Indicators overview</p> <p><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></p>				
1. Operating Surplus Ratio				
Operating Surplus	(1,173)	(4.3)%	(3.0)%	0.0%
Total Operating Income	27,044			
Operating Surplus				
<p><i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i></p>				
2. Net Financial Liabilities Ratio				
Net Financial Liabilities	11,791	44%	59%	73%
Total Operating Income	27,044			
<p><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></p>				
Adjusted Operating Surplus Ratio				
Operating Surplus	(1,779)	(6.6)%	(3.0)%	0.3%
Total Operating Income	27,044			
Adjustments to Ratios				
<p><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></p> <p><i>If other Individually Significant Items are used to adjust the Adjusted Ratios below, details should also be disclosed here. NB: These adjustments should also be disclosed in Note 2(g)(ii) and/or Note 3(b)(vi).</i></p>				
3. Asset Renewal Funding Ratio				
Asset Renewals	2,883	55%	162%	169%
Infrastructure & Asset Management Plan required expenditure	5,285			
Net asset renewals expenditure				
<p><i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i></p>				

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

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 2021/22 result

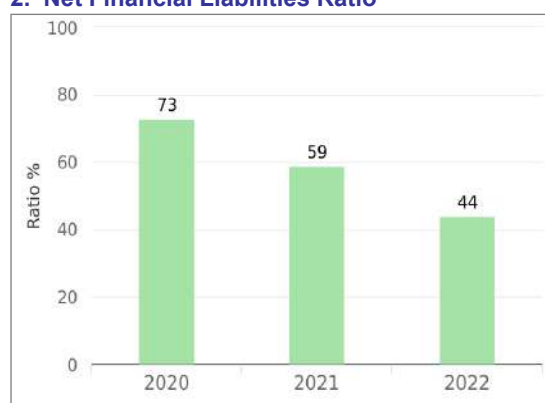
2021/22 ratio (4.3)%

Favourable to the anticipated strategic deficit of -6.3% for 2021-22.

The construct of Payinthe and significant increase in depreciation expense in Roads and Stormwater assets following asset revaluation in 2020-21.

This ratio is anticipated to improve in 2022-23 and return to a positive position by 2024-25.

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 2021/22 result

2021/22 ratio 44%

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 2021/22 result

2021/22 ratio (6.6)%

Favourable to the anticipated strategic deficit of -7.1% for 2021-22.

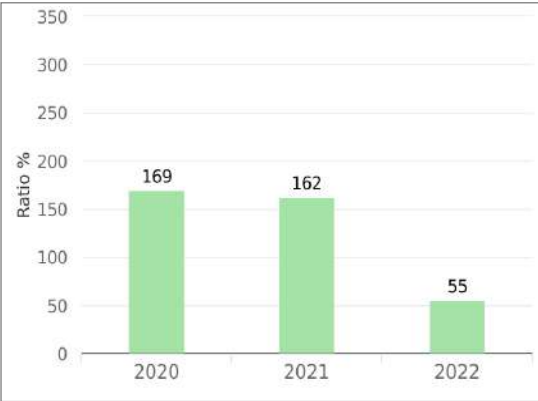
The construct of Payinthe and significant increase in depreciation expense in Roads and Stormwater assets following asset revaluation in 2020-21.

This ratio is anticipated to improve in 2022-23 and return to a positive position by 2024-25.

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

Note 15. Financial Indicators (continued)

3. Asset Renewal Funding Ratio

 <table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2020</td><td>169</td></tr><tr><td>2021</td><td>162</td></tr><tr><td>2022</td><td>55</td></tr></table>	Year	Ratio %	2020	169	2021	162	2022	55	Purpose of asset renewal funding ratio	
	Year	Ratio %								
2020	169									
2021	162									
2022	55									
This indicator aims to determine if assets are being renewed and replaced in an optimal way										
<table><tr><th colspan="2">Commentary on 2021/22 result</th></tr><tr><td>2021/22 ratio</td><td>55%</td></tr><tr><td colspan="2">The Asset Renewal Funding Ratio fell short of Council's ratio target of 90% - 120%.</td></tr><tr><td colspan="2">This is primarily projects not being fully complete due to supply chain issues caused by the COVID pandemic.</td></tr></table>		Commentary on 2021/22 result		2021/22 ratio	55%	The Asset Renewal Funding Ratio fell short of Council's ratio target of 90% - 120%.		This is primarily projects not being fully complete due to supply chain issues caused by the COVID pandemic.		
Commentary on 2021/22 result										
2021/22 ratio	55%									
The Asset Renewal Funding Ratio fell short of Council's ratio target of 90% - 120%.										
This is primarily projects not being fully complete due to supply chain issues caused by the COVID pandemic.										

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

Note 16. Uniform Presentation of Finances

\$ '000	2022	2021
<p>The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.</p> <p>All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.</p> <p>The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.</p>		
Income	27,044	25,572
less Expenses	(28,217)	(26,348)
Operating Surplus / (Deficit)	(1,173)	(776)
Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	(3,163)	(3,770)
add back Depreciation, Amortisation and Impairment	5,869	5,869
add back Proceeds from Sale of Replaced Assets	280	2,890
	2,986	4,989
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets (including Investment Property & Real Estate Developments)	(990)	(2,756)
add back Amounts Received Specifically for New and Upgraded Assets	3,338	803
	2,348	(1,953)
Net Lending / (Borrowing) for Financial Year	4,161	2,260

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

Note 17. Leases

(i) Council as a lessee

Terms and conditions of leases

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
2022		
Opening balance	574	574
Depreciation charge	(72)	(72)
Balance at 30 June	502	502
2021		
Opening balance	646	646
Depreciation charge	(72)	(72)
Balance at 30 June	574	574

(b) Lease liabilities

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

\$ '000	2022	2021
Balance at 1 July	596	656
Accretion of interest	22	25
Payments	(87)	(85)
Balance at 30 June	531	596
Classified as:		
Current	70	68
Non Current	461	528

The Group had total cash outflows for leases of \$89,099

The following are the amounts recognised in profit or loss:

Depreciation expense of Right-of-Use Assets	72	72
Interest expense on lease liabilities	22	25
Total amount recognised in profit or loss	94	97

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

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 (10.0% in 2021/22; 9.50% in 2020/21). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The 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. The next actuarial review is scheduled to be completed as at 30 June 2023 and any employer contribution rate change recommended by the actuary is likely to be effective from 1 July 2024.

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

Note 19. Interests in Other Entities

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

\$ '000	Council's Share of Net Income		Council's Share of Net Assets	
	2022	2021	2022	2021
Council's Share of Net Income				
Joint Ventures	(27)	27	139	166
Total Council's Share of Net Income	(27)	27	139	166

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

(a) Carrying Amounts

\$ '000	Principal Activity	2022	2021
Eastern Waste Management Authority (East Waste)	Waste Collection & Disposal	71	22
Eastern Health Authority (EHA)	Health Services	68	65
Total Carrying Amounts - Joint Ventures & Associates		139	87

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	
	2022	2021	2022	2021	2022	2021
Eastern Waste Management Authority (East Waste)	8.33%	8.25%	8.33%	8.25%	14.29%	14.29%
Eastern Health Authority (EHA)	12.36%	11.56%	12.36%	11.56%	20.00%	20.00%

Notes to and forming part of the Financial Statements

for the year ended 30 June 2022

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)	
	2022	2021	2022	2021
Opening Balance	100	78	65	60
Share in Operating Result	(30)	22	3	5
Council's Equity Share in the Joint Venture or Associate	70	100	68	65

(d) Summarised Financial Information of the Equity Accounted Business

Statement of Financial Position

Cash and Cash Equivalents	2,001	3,168	640	783
Trade and Other Receivables	935	661	231	189
Non-Current Assets	8,542	8,098	1,214	1,301
Total Assets	11,478	11,927	2,085	2,273
Current Trade and Other Payables	1,436	1,609	133	164
Current Borrowings	778	654	141	177
Current Provisions	1,940	1,925	289	308
Non-Current Borrowings	6,410	6,423	961	1,037
Non-Current Provisions	114	97	10	22
Total Liabilities	10,678	10,708	1,534	1,708
Net Assets	800	1,219	551	565

Statement of Comprehensive Income

Council Contributions	16,579	16,707	1,828	1,822
Statutory Charges	—	—	111	151
User Charges	—	—	228	236
Grants, Subsidies & Contributions	81	—	226	257
Investment Income	10	12	4	5
Other Income	932	917	4	4
Total Income	17,602	17,636	2,401	2,475
Employee Costs	6,386	6,089	1,765	1,636
Materials, Contracts & Other Expenses	9,303	9,149	536	509
Depreciation, Amortisation and Impairment	2,043	1,986	48	191
Finance Costs	246	262	—	48
Total Expenses	17,978	17,486	2,349	2,384
Other Revenue / Expense Items	7	105	—	—
Operating Result	(369)	255	52	91

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

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

Carrying Amounts of Assets and Liabilities

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 Statement of Financial Position, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. Land under roads

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

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

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	2022	2021
The compensation paid to Key Management Personnel comprises:		
Allowances	152	223
Employee Costs	693	889
Termination Benefits	228	138
Total	1,073	1,250

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	32	34
Total	32	34



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 2022, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of City of Prospect.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, *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.

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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



Luke Williams CA, CPA Registered Company Auditor
Partner

31st October 2022



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 2021 to 30 June 2022 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 2021 to 30 June 2022.

Basis for opinion

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

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Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Council to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2021 to 30 June 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 CONSULTANTSA handwritten signature in blue ink, appearing to read 'Luke Williams', is enclosed within a thin blue rectangular border.

Luke Williams CA, CPA Registered Company Auditor
Partner

31st October 2022

City of Prospect

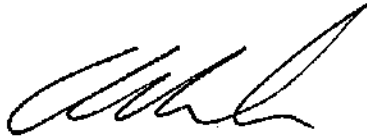
General Purpose Financial Statements

for the year ended 30 June 2022

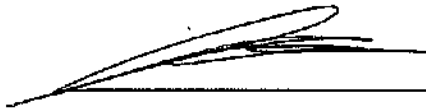
Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Prospect for the year ended 30 June 2022, 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



Corrine Garrett
Presiding Member, Audit Committee

25/10/22



CITY OF PROSPECT

GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2022

Statement by Auditor

I confirm that, for the audit of the financial statements of City of Prospect for the year ended 30 June 2022, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (Including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

A handwritten signature in blue ink, appearing to read 'Luke Williams', written over a light blue horizontal line.

Luke Williams CA, CPA Registered Company Auditor

Partner

31st October 2022

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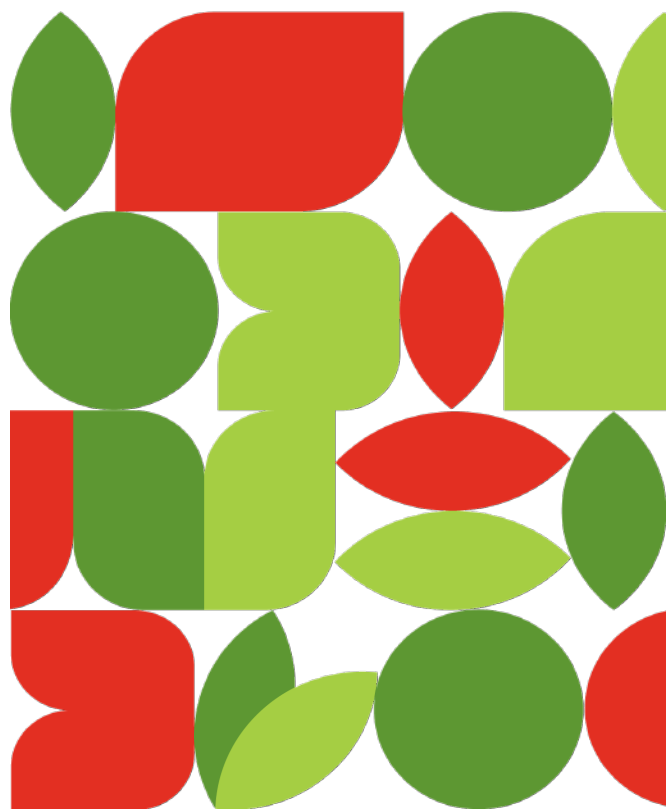
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Appendix 2

Eastern Health Authority Annual Report



Annual Report



2021/22

Message from the Chairperson



A Food Safety Rating Scheme (the Scheme) was launched by SA Health in 2016. The Eastern Health Authority (EHA) commenced an internal trial of the Scheme in 2017 and formally participated from 1 July 2021.

A Food Safety Rating Scheme (the Scheme) was launched by SA Health in 2016. The Eastern Health Authority (EHA) commenced an internal trial of the Scheme in 2017 and formally participated from 1 July 2021. Food service businesses and bakeries within EHA's Constituent Councils who sell food directly to consumers for 'immediate' consumption are captured within the Scheme.

Within the first year of participating in the Scheme, just over half of the captured food inspected businesses were issued with a star rating. These results are promising as it suggests that some food businesses have an increased awareness of food hygiene requirements and improving compliance with the minimum food safety standards.

The food star rating assessment form continues to be used for non-captured businesses. A score and star rating are communicated to these respective food businesses for information only, in aim to continually educate and improve the food safety culture.

EHA's food auditing service continues to expand across the state. Despite the challenges with COVID-19, the flexibility and professional service provided by EHA's food auditors enabled these food businesses that provide food to the vulnerable population to have their food safety programs assessed for adequacy and compliance.

EHA continues with its busy schedule all within a year when businesses were reopened and tested as the economy re-emerged from the restrictions of the pandemic.

Within the first year of participating in the Scheme, just over half of the captured food inspected businesses were issued with a star rating. These results are promising as it suggests that some food businesses have an increased awareness of food hygiene requirements and improving compliance with the minimum food safety standards.

Cr Peter Cornish
Chairperson

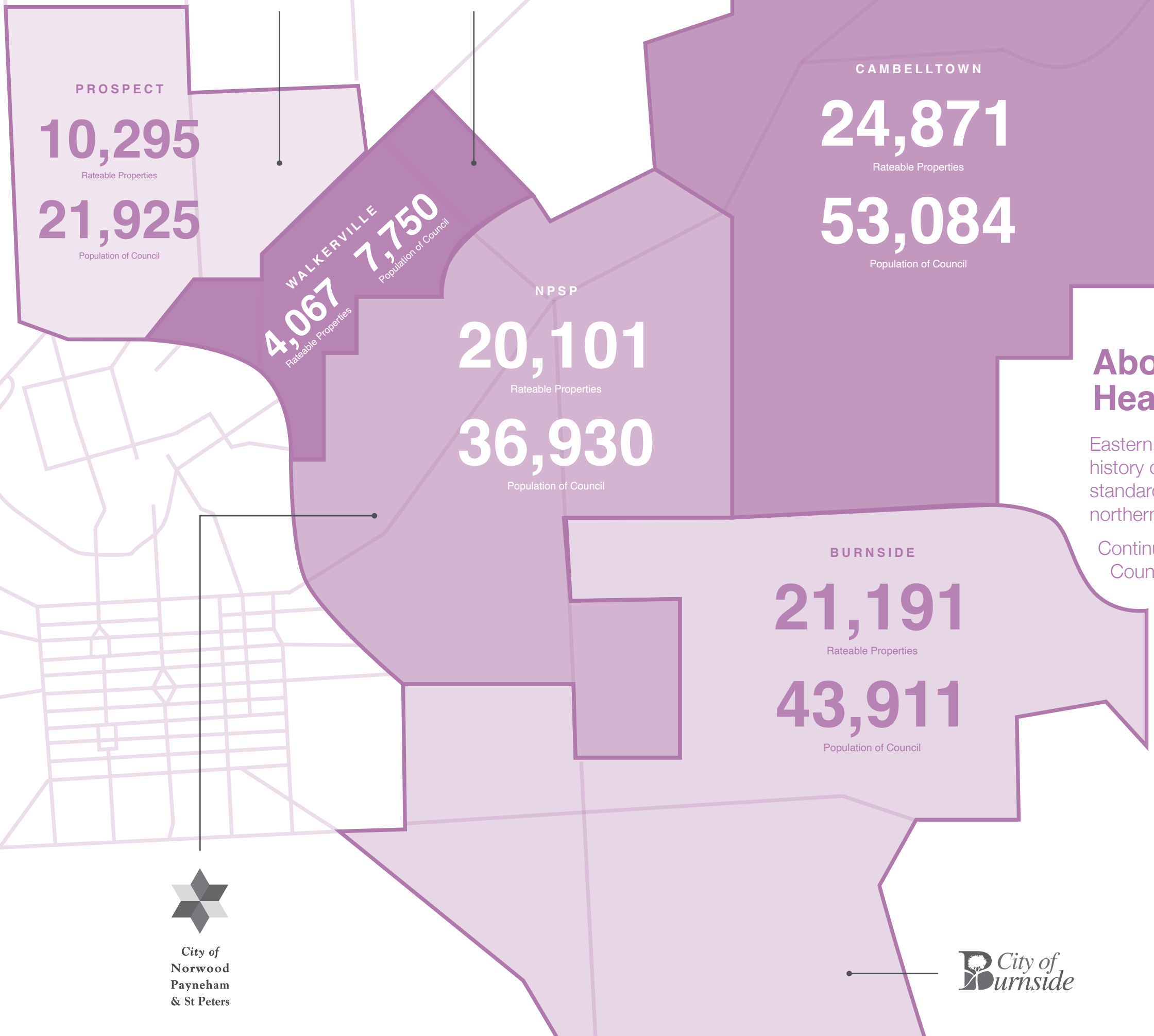
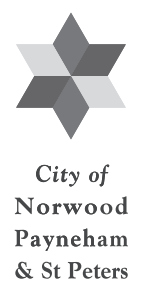


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TOWN OF WALKERVILLE



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.

Continuing in the tradition of the East Torrens Council Board, which operated from 1899, the present day regional subsidiary protects the health and wellbeing of about 160,000 residents plus visitors. EHA is an excellent example of council shared service delivery.

TOTAL
80,525
Rateable Properties
163,600
Population of Council

Chief Executive Officer's Report



COVID-19 continued to present additional challenges in delivering a number of Eastern Health Authority's (EHA's) health protection services in 2021/2022. Despite these challenges, EHA has continued to deliver its services to the community with a minimum of disruption.

COVID-19 continued to present additional challenges in delivering a number of Eastern Health Authority's (EHA's) health protection services in 2021/2022. Despite these challenges, EHA has continued to deliver its services to the community with a minimum of disruption.

Immunisation is one of the most successful and cost effective public health protection initiatives. The importance of effective immunisation programs continues to be reinforced during the ongoing pandemic. Our public clinics and worksite immunisation programs continue to be extremely popular, with 10,686 vaccines provided during the year at our various clinic sites.

In late 2021, EHA was successful in being awarded service contracts to provide immunisation services (public clinics and school programs) to Adelaide Hills Council and the City of Unley. The delivery of the services commenced in January 2022. EHA now delivers public immunisations clinics at six venues and the School Immunisation Program to 26 high schools.

While staff absences and reduced student attendance impacted the 2021 School Immunisation Program, the delivery of 10,402 vaccines to high school students was seamless. The ability to manage and deliver the program with minimal disruption was a fantastic effort by all staff involved.

Access to safe and suitable food is one of the most important aspects to a healthy community. One of our most important areas of core business is monitoring food safety standards to ensure this occurs. EHA is responsible for monitoring around 1,300 food businesses' and 1,271 food safety inspections were conducted at these businesses during the year.

You may be surprised to know that unlike most of Australia, South Australia currently has no requirements for food businesses to be licensed, to have appropriately trained food safety supervisors, or for food businesses to maintain any records in relation to their operations. With

In the message they expressed immense gratitude for the time spent at EHA and stated that they were incredibly proud of the work we do to protect the health of thousands of South Australians.

this in mind, it is pleasing to see that new national Food Safety Standards will apply to South Australian food businesses, introducing three food safety management tools: food safety supervisor; food handler training and evidence to food service and retail businesses. These new standards will be introduced in November 2022, with a 12 month implementation period. Let us hope a registration system being introduced in South Australia is not far away.

Many community complaints can have multiple legislative considerations. Our staff continue to work closely with our Constituent Council regulatory service, planning and building officers to investigate and resolve these matters where possible. In many circumstances this positive collaboration is effective in resolving the concerns and providing a positive customer experience.

EHA continues to convene the Eastern Hoarding and Squalor group, a forum for EHO's and government and non-government key stakeholders. Discussions centre on the provision of an integrated approach to assisting complex hoarding and squalor issues where possible.

The review of EHA's Charter continued during the year. The process was paused for an extended period while

membership issues were considered. With this matter now resolved, it is expected that Constituent Councils will consider a revised Charter in late 2022.

With the upcoming November 2022 Local Government elections in mind, I would like to thank the current Board Members for their commitment to Eastern Health Authority during their 4 year term. EHA's Board has a genuine interest in, and supports, the important public health protection work that we undertake on behalf of their respective councils. This interest and support is very much appreciated by me and other EHA staff members.

One of our valued staff members who recently moved interstate, sent a farewell message to her colleagues at EHA. In the message they expressed immense gratitude for the time spent at EHA and stated that they were incredibly proud of the work we do to protect the health of thousands of South Australians. It was lovely to see such a message and I know this attitude is reflective of the staff of EHA, who are a professional and committed group. My deep gratitude to all staff for their work during the last year and making this a great organisation to be part of.

Michael Livori
Chief Executive Officer

Governance

EHA is a body corporate, governed by a Board of Management comprised of two elected members from each Constituent Council.



Board of Management 2022

The Board met seven times during the year to consider EHA's business.

City / Town	Member	Total 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	Cr J Nenke	● ● ● ● ● ○
	Cr N Coleman	● ● ● ○ ○ ○ ○
	Cr ML Bishop	● ○ ○ ○ ○ ○ ○

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.

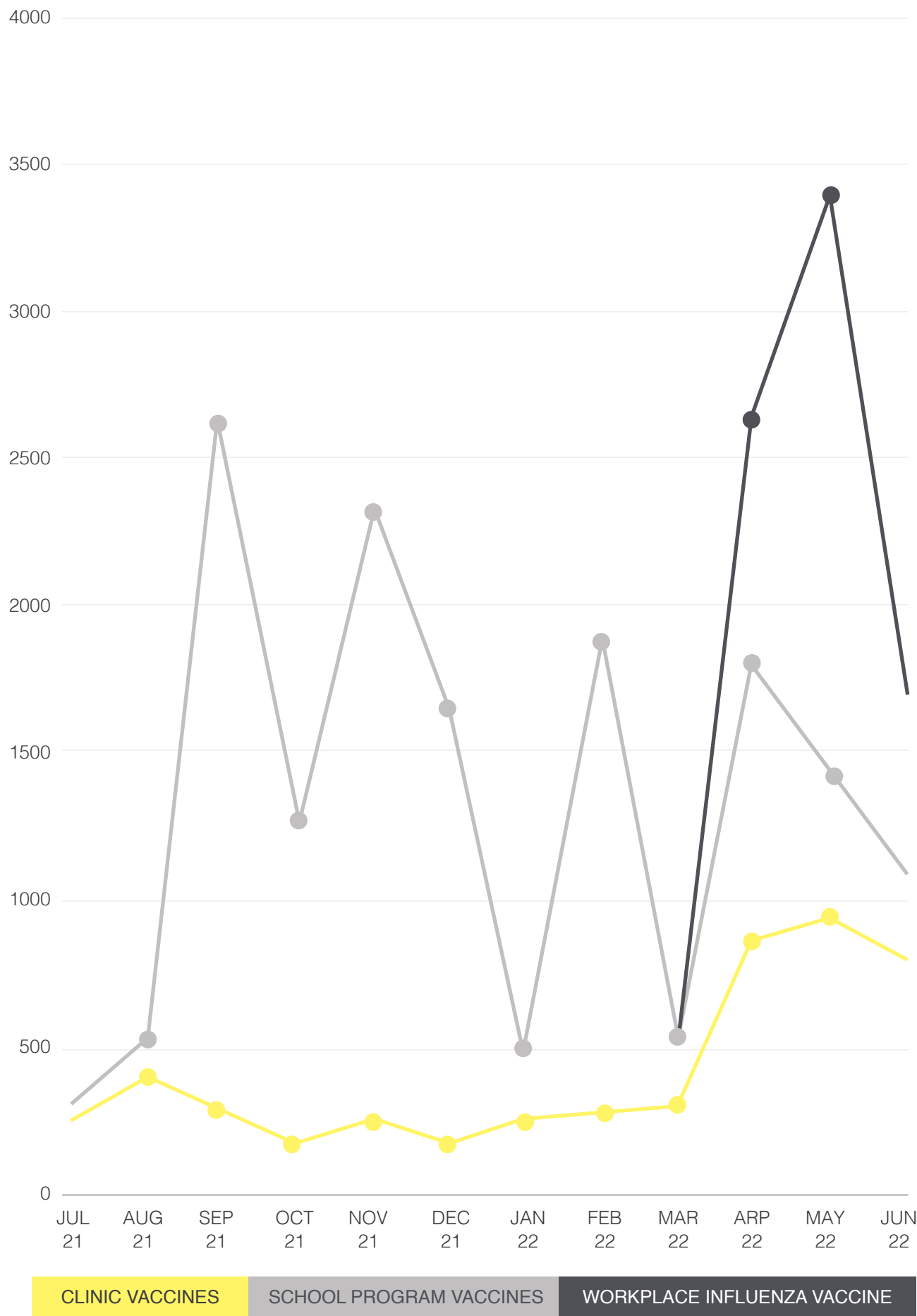


Immunisation

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.



Combined demand for all immunisation services over the last year.



Public Immunisation Clinics

4,086 clients

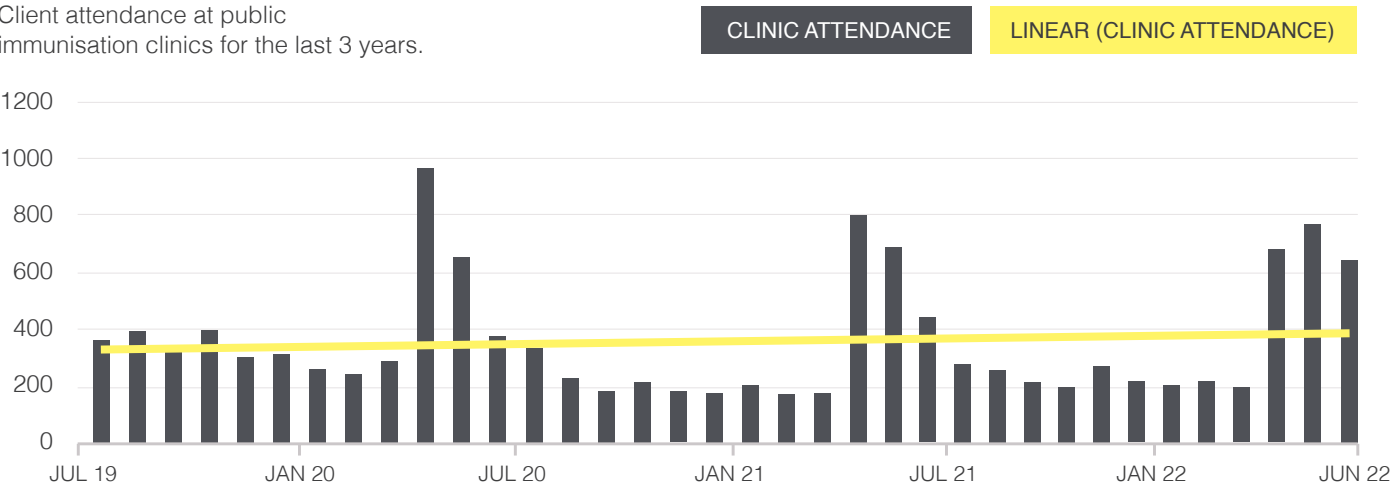
311 INCREASE (8.24%)
from last year

were provided with

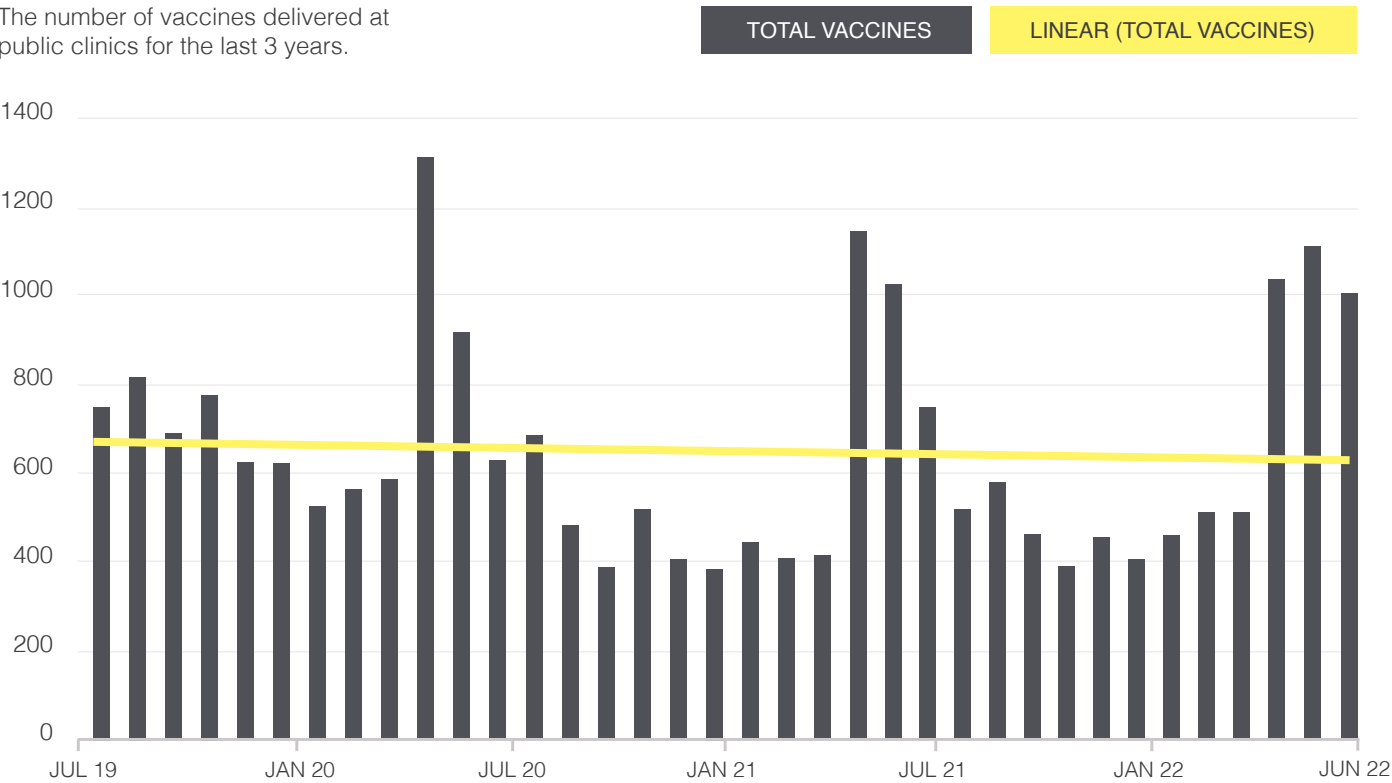
7,410 vaccinations

341 INCREASE (4.82%)
from last year

Client attendance at public immunisation clinics for the last 3 years.



The number of vaccines delivered 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 attended (clinic venue by %)						
		Burnside	Campbelltown	NPSP	Prospect	Walkerville	Adelaide Hills	Unley
Burnside	1,031	30%	6%	58%	1%	0%	1%	4%
Campbelltown	923	5%	29%	62%	1%	0%	0%	3%
NPSP	1,029	4%	6%	86%	1%	0%	0%	3%
Prospect	277	5%	5%	61%	23%	0%	0%	6%
Walkerville	171	4%	3%	86%	6%	0%	0%	2%
Adelaide Hills	184	3%	3%	16%	0%	0%	77%	2%
Unley	264	6%	2%	25%	1%	0%	1%	65%
Other	207	8%	5%	57%	5%	0%	5%	20%
Total number of clients	4,086							

School Immunisation Program 2021

During 2021, EHA completed 63 year level, high school immunisation visits to deliver the annual School Immunisation Program (SIP). A total of 10,402 vaccines were administered to both Year 8 and 10 students.

The minor decrease in the of 95 (-1%) vaccines administered when compared to the same period in 2020 is in part due to the COVID-19 vaccines being made available for students 12+ ages. Early in the year COVID-19 vaccines were required to have a 7-day interval between any other vaccine being administered. As a result,numerous students were unable to have their second schedule vaccination.

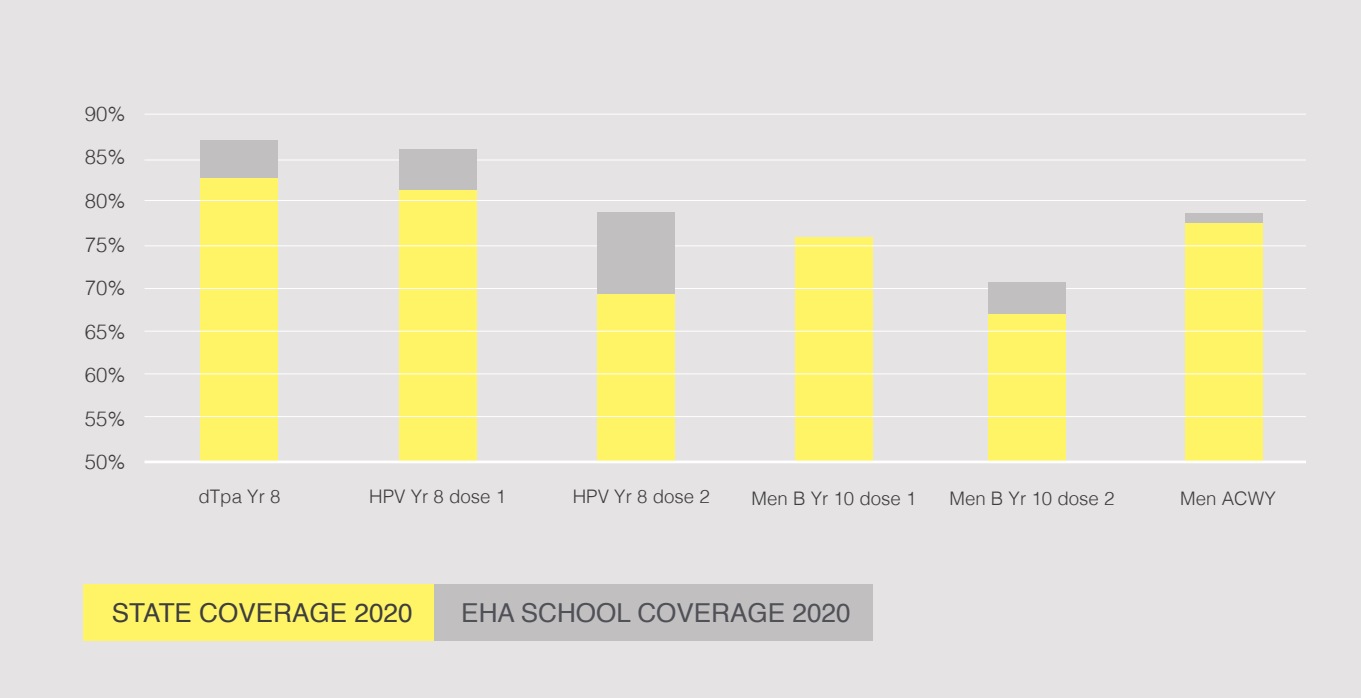
These students were able to attend one of the many EHA public immunisation clinic's to catch up on the missed vaccine. EHA effectively communicated the required COVID-19 interval and potential impact it may cause to their child's school vaccination visit to parents and guardians via SMS messages.

SA Health compiles data in relation to student immunisations each year to measure the success of the SIP program:

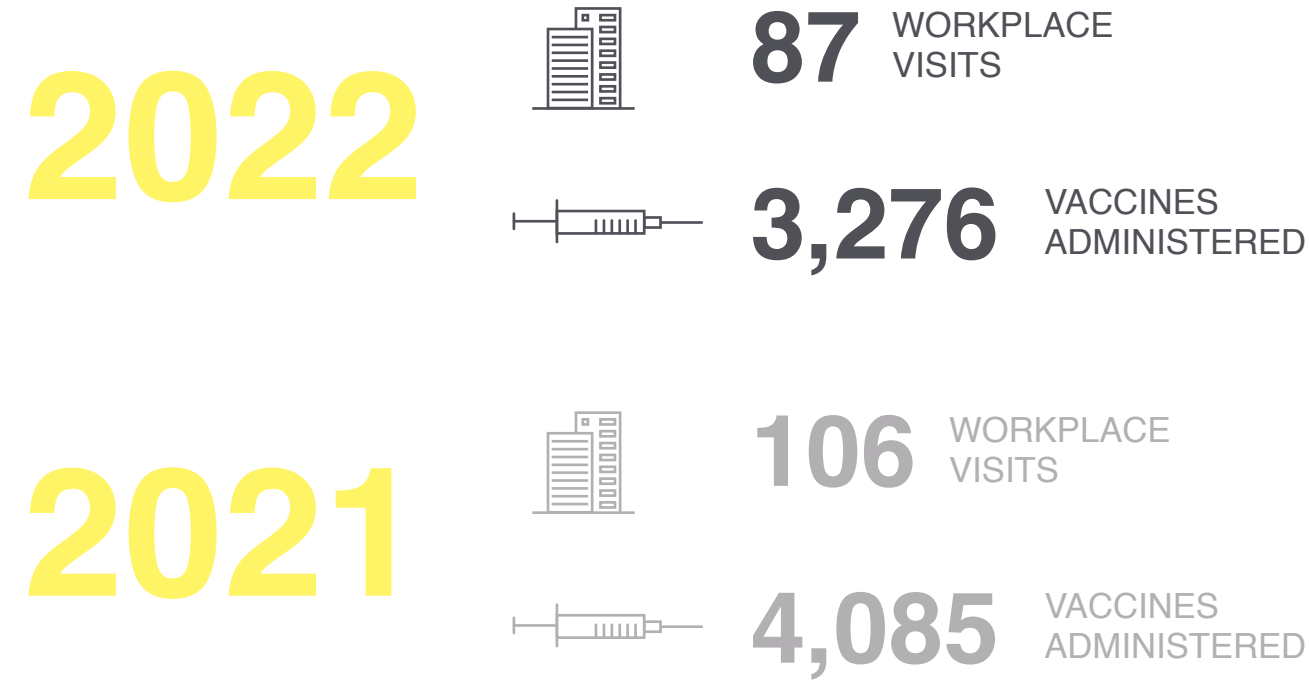
School Vaccinations for calendar year to date – January to December 2021.

Council	Human Papillomavirus	Diphtheria Tetanus and Pertussis (dTpa)	Meningococcal (Men B)	Meningococcal ACYW (Men ACWY)	Total
Burnside	1,166	650	1,075	629	3,520
Campbelltown	807	519	918	452	2,696
NPSP	1,034	474	1,064	590	3,162
Prospect	191	107	201	107	606
Walkerville	121	74	131	92	418
Total	3,319	1,824	3,389	1,870	10,402

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](https://www.neha.org.uk/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

213

2019-20

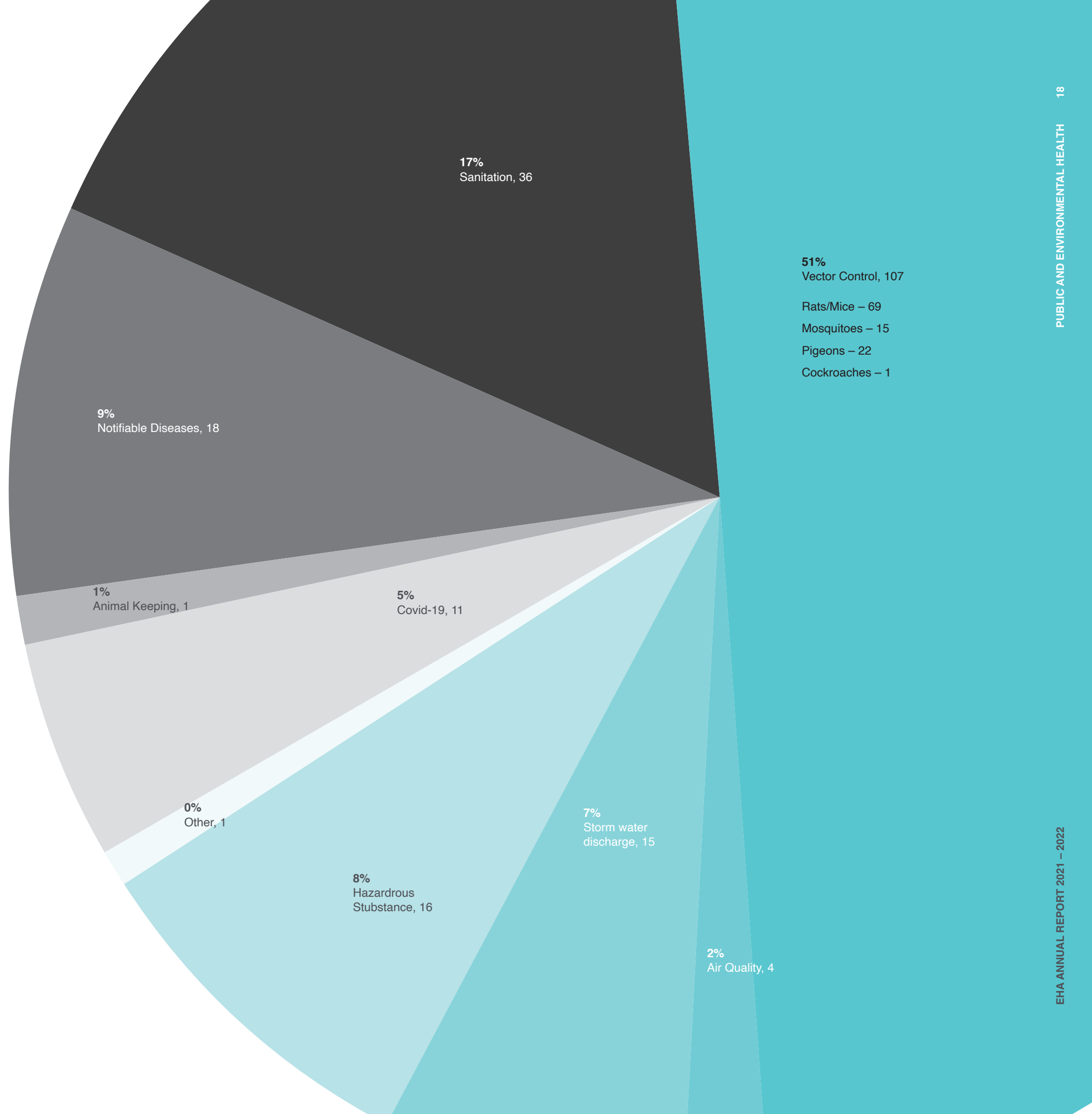
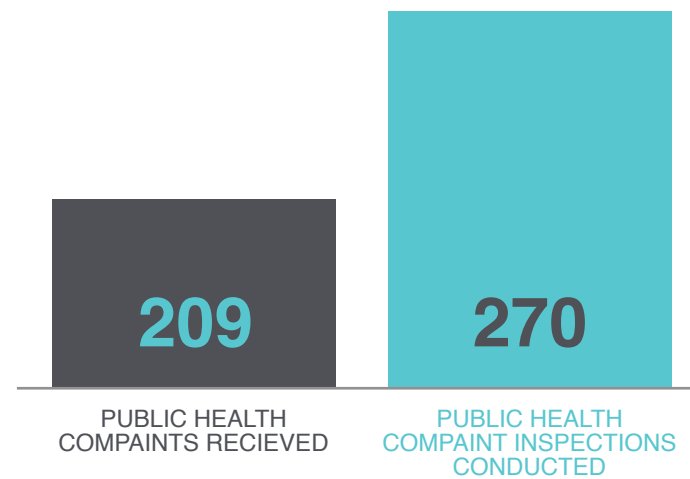
224

2020-21

209

2021-22

1.29 Inspections per complaint



Vector Complaints



Squalor



Hoarding



2.25 Inspections per complaint



	2020-21	2021-22
Campylobacter	248	261 ▲
Salmonella	38	43 ▲
Legionellosis	2	1 ▼
Cryptosporidiosis	4	5 ▲
Hepatitis A	0	0
Rotovirus	15	49 ▲
COVID-19	11	38,738 ▲

16

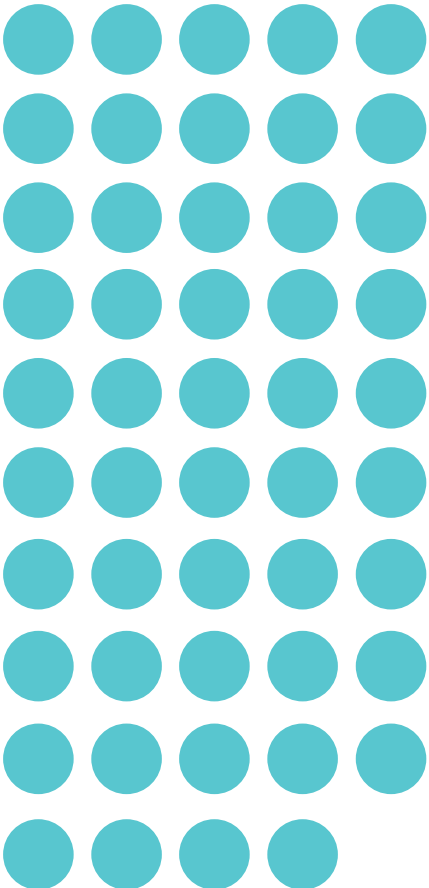
Hazardous substance complaints significant increase from 5 (2020-21)

15

Stormwater discharge complaints investigated comparable to 14 investigations received the previous year

11

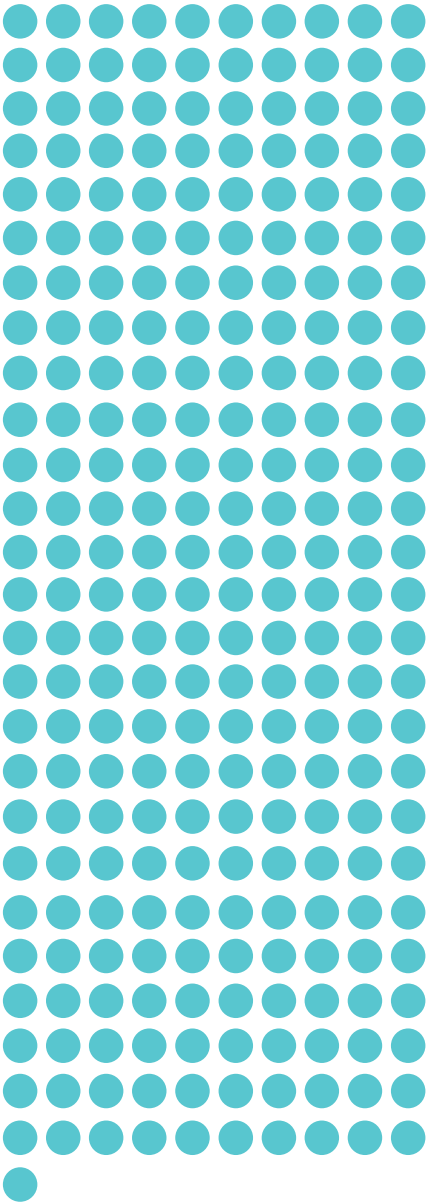
COVID-19 Social Distancing complaints a decrease from 15 complaints in 2020-21



49

Rotavirus notifications

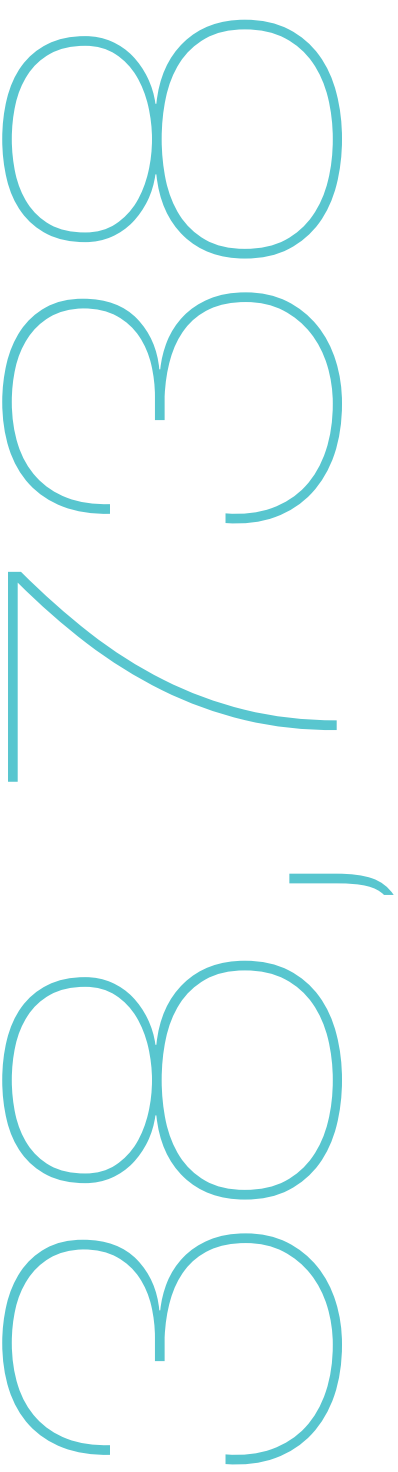
34 more compared to 2020-21



261

Salmonella notifications

5% increase compared to 2020-21



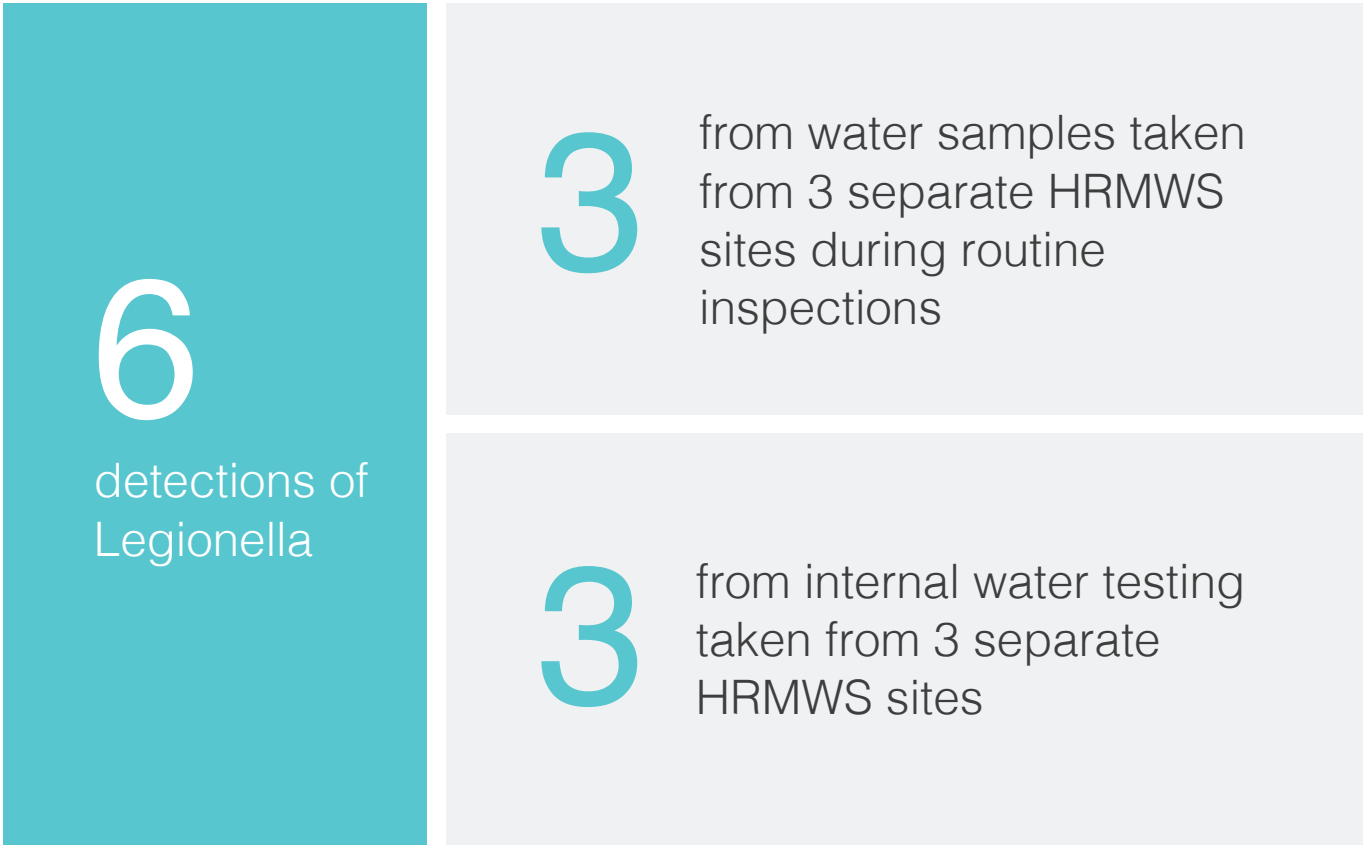
COVID-19 notifications

This significant number is a result of the State COVID-19 social distancing restrictions easing from December 2021.

Monitoring and Surveillance

Cooling Towers and Warm Water Systems (HRMWS)

19 Cooling Towers at 12 sites		8 Warm Water Systems at 4 sites	
Routine inspections	19	Routine inspections	8
Follow-up inspection	0	Follow-up inspection	0



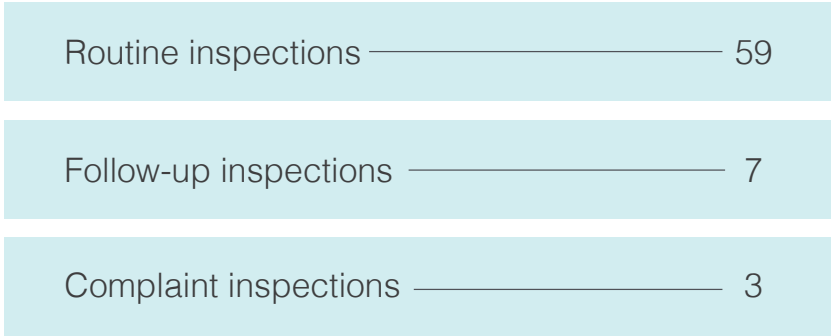
Waste Control Systems

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.



Public Swimming Pools and Spas

41 swimming pool and spa's at 27 sites

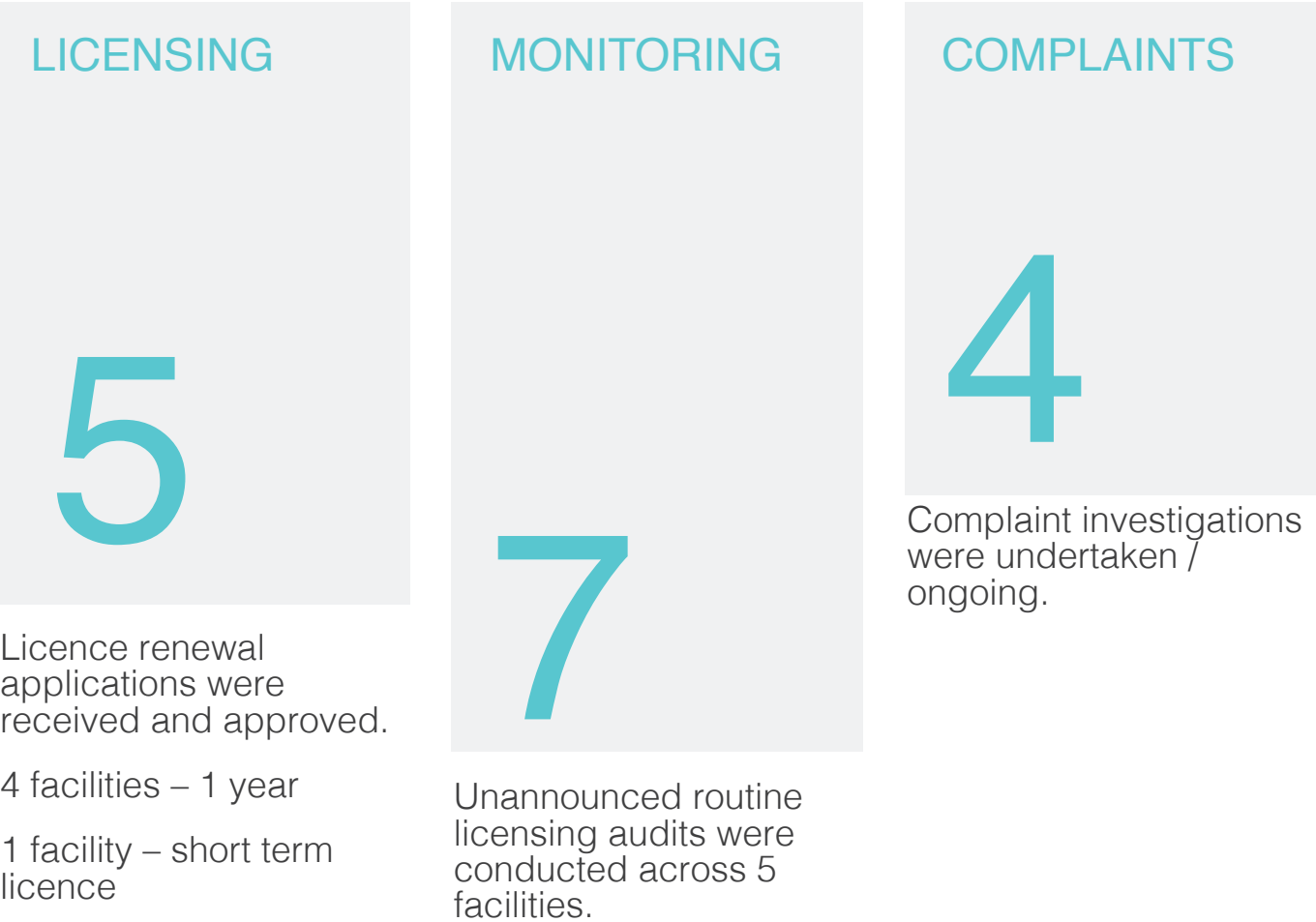


Personal Care and Body Art (PCBA)

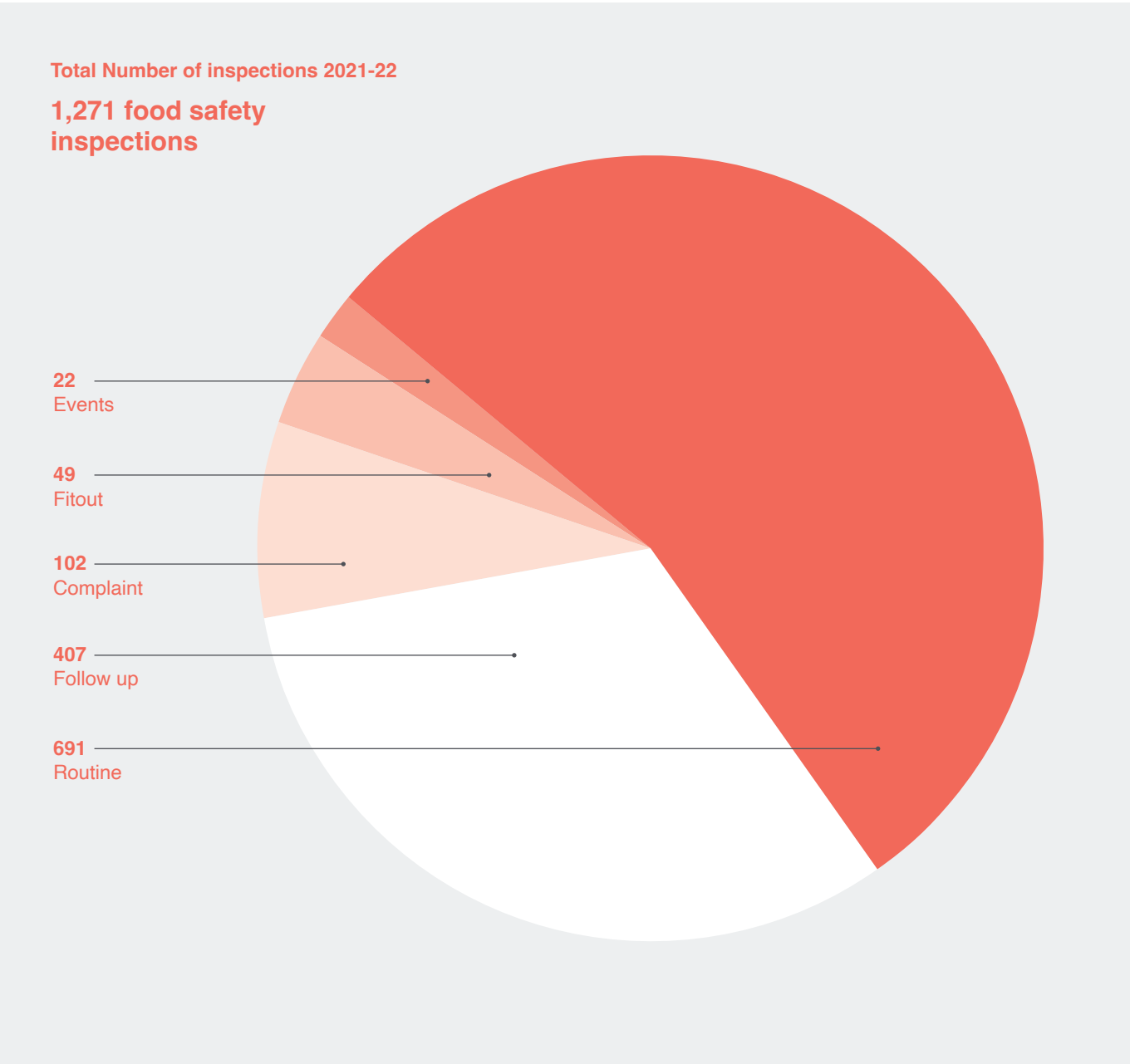
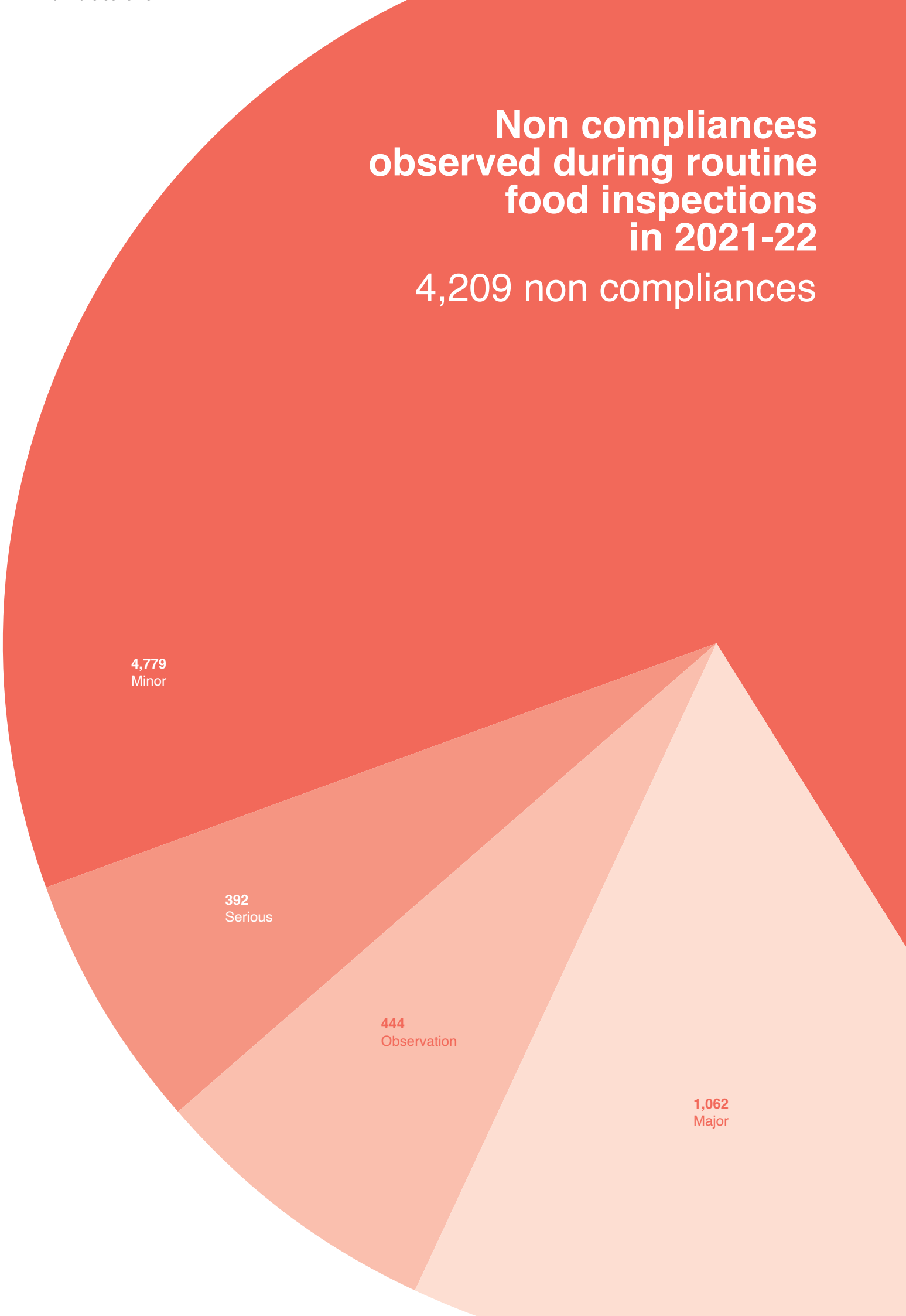
All 10 tattoo premises involving high risk skin penetration practice were assessed. One follow-up inspection was required.

One complaint was received and investigated at a beauty premises. No further action taken.

Health Care and Community Services



Food Safety Inspections



Participation of the
SA Health Food Star
Rating Scheme (FSRS)
commenced on
1 July 2022.

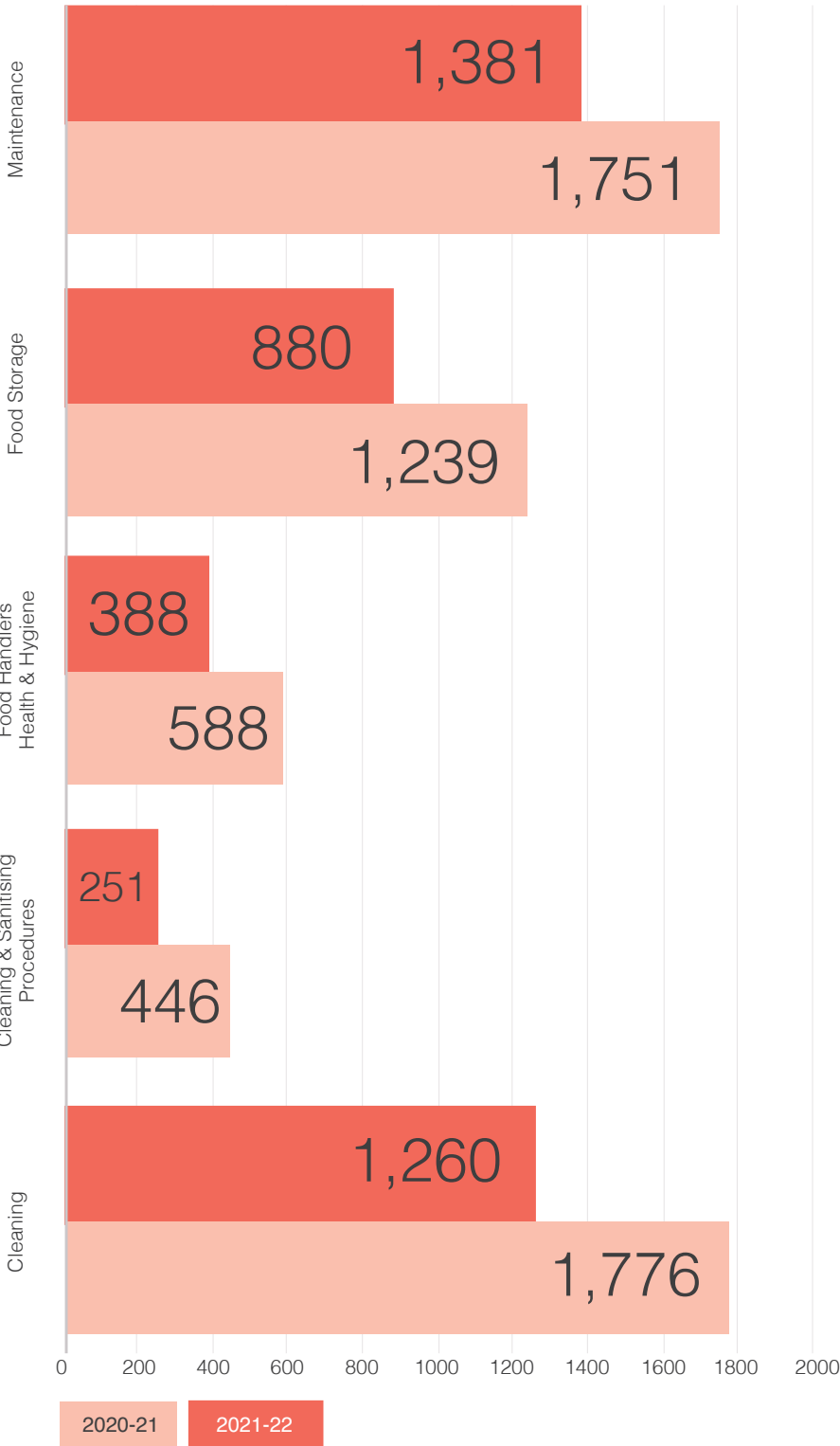
A total of
561
businesses are captured
within the scheme.

**425 captured FSRS
inspections**

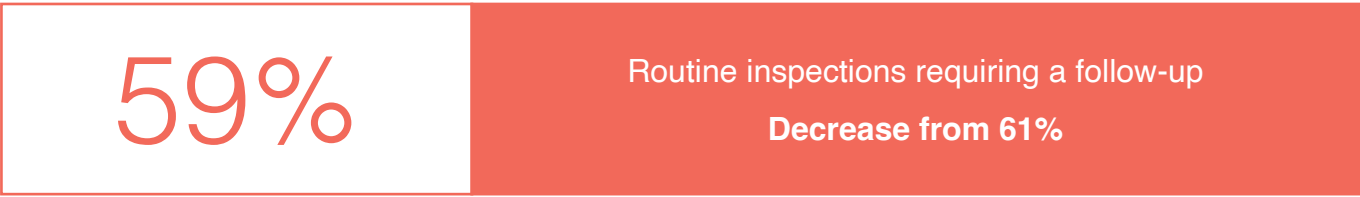


The average non-compliances observed per routine inspections decreased by **36%.**

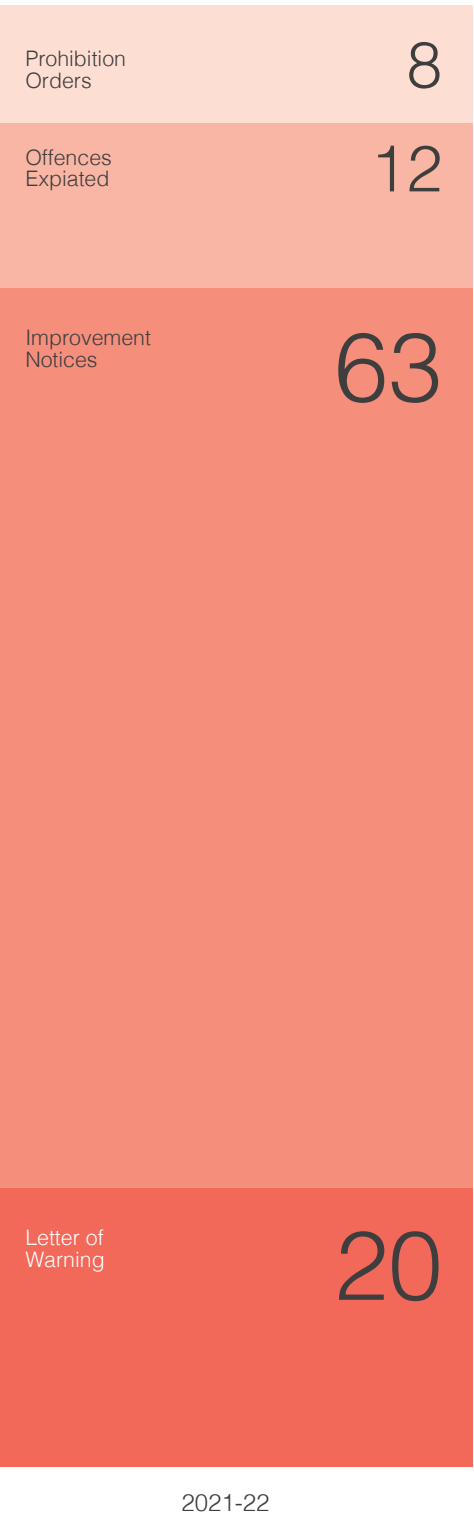
Two year comparison of the types of food safety non-compliances observed during routine inspections during 2021-22.



Food Safety Enforcement



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.

Number of businesses requiring legal action per risk rating.

	P1	P2	P3
Warning Letter	18	2	0
Improvement Notices	55	7	1
Offences Expiated	11	1	0
Prohibition Orders	6	1	1

Improvement Notices

63

Improvement Notices issued to 51 food businesses

12

Businesses issued with multiple Improvement Notices

7.2%

of routine inspections resulted in the issue of an Improvement Notice.

Expiations

12

businesses were expiated under the Food Act 2001.

1.74%

of routine inspections resulted in the issue of an Expiation Notice.

Food Safety Audits

Scheduled food safety audits of food businesses serving food to vulnerable populations

143 Scheduled Audits
19% increase

74

10 increase
Within EHA

69

13 increase
outside of
EHA's area

4

follow-up
audits

Food Safety Complaints

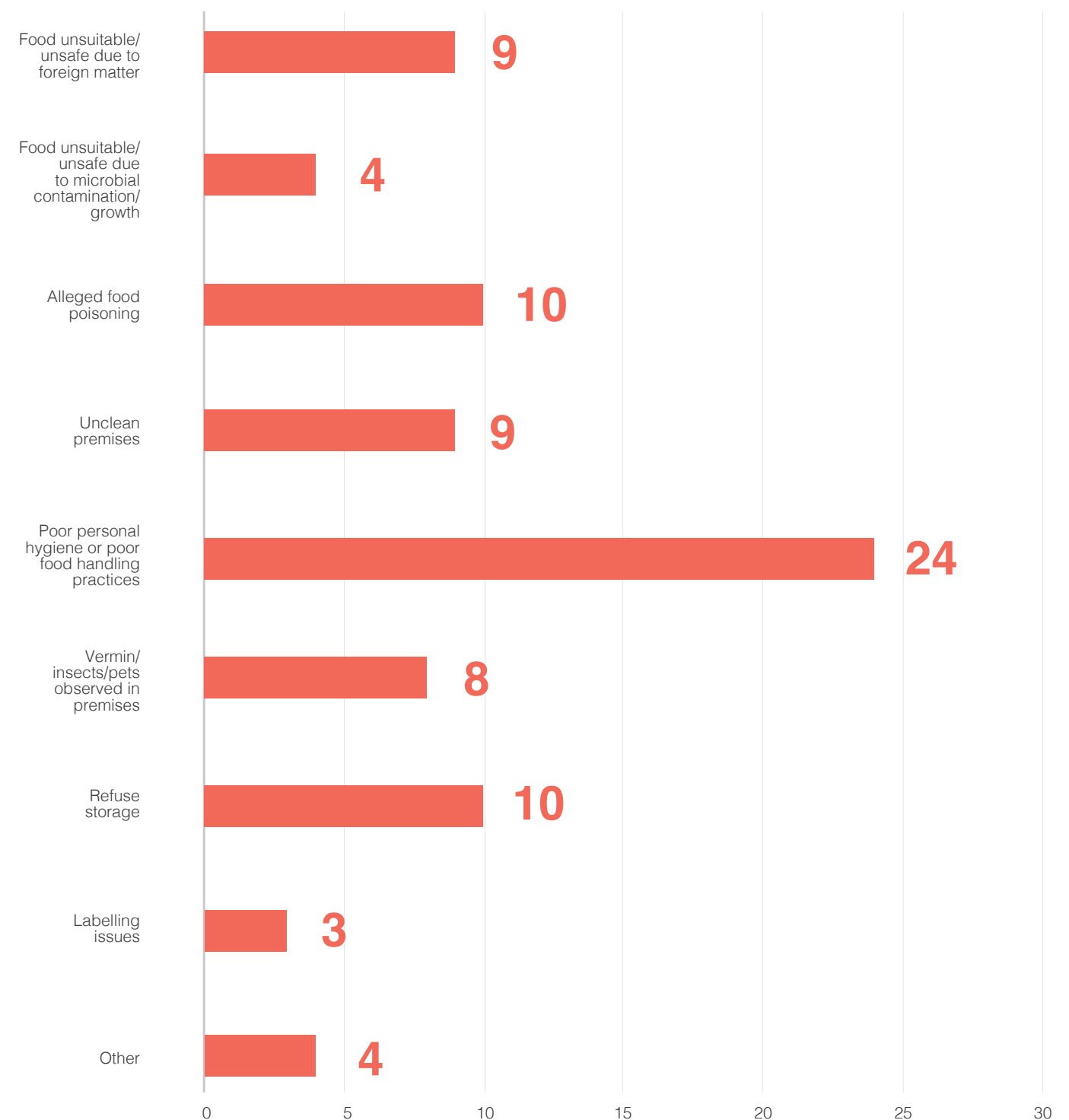
82

Food related
complaints

52%

Relating to alleged food poisoning and poor personal hygiene and food handling practices.

Types of Food Complaints received in 2022.



Six food safety training session held and **65 participants attended.**

Summary

Financial Statement
for the year ending
30 June 2022

	2021	2022
INCOME		
Council Contributions	1,821,865	1,828,263
Statutory charges	150,625	111,391
User charges	235,151	295,541
Grants, subsidies and contributions	256,514	226,108
Investment income	4,901	4,320
Other income	4,5498	3,585
TOTAL INCOME	2,474,605	2,469,208
EXPENSES		
Employee Costs	1,635,933	1,750,609
Materials, contracts & other expenses	509,065	516,677
Depreciation, amortisation & impairment	190,797	168,844
Finance costs	48,445	44,752
TOTAL INCOME	2,384,240	2,482,882
OPERATING SURPLUS (DEFICIT)		
Asset disposal & fair value adjustments		
NET SURPLUS/(DEFICIT)	90,365	(13,674)
Other Comprehensive Income		
TOTAL COMPREHENSIVE INCOME	90,365	(13,674)
CURRENT ASSETS		
Cash and cash equivalents	782,896	640,883
Trade and Other Receivables	188,901	231,080
TOTAL CURRENT ASSETS	971,797	871,963
NON-CURRENT ASSETS		
Property, Plant & Equipment	1,300,714	1,214,249
TOTAL NON-CURRENT ASSETS	1,300,714	1,214,249
TOTAL ASSETS	2,272,511	2,086,212
CURRENT LIABILITIES		
Trade & Other Payables	163,940	133,225
Borrowings	177,021	140,794
Provisions	307,903	289,466
Liabilities relating to Non-current Assets held for Sale		
TOTAL CURRENT LIABILITIES	648,864	563,485
NON-CURRENT LIABILITIES		
Borrowings	1,036,687	961,297
Provisions	21,716	9,860
TOTAL NON-CURRENT LIABILITIES	1,058,403	971,157
TOTAL LIABILITIES	1,707,267	1,534,642
NET ASSETS	565,244	551,570
EQUITY		
Accumulated Surplus	565,244	551,570
TOTAL EQUITY	565,244	551,570

The General Purpose Financial Reports for the year ended 30 June 2022

General Purpose Financial Reports for the year ended 30 June 2022

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EASTERN HEALTH AUTHORITY

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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 2022 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Council's accounting and other records.

Michael Livori
CHIEF EXECUTIVE OFFICER

Cr Peter Cornish
CHAIRPERSON
EHA BOARD OF MANAGEMENT

Date: 31 August 2022

Eastern Health Authority
Statement of Comprehensive Income
for the year ended 30 June 2022

	Notes	2022 \$	2021 \$
INCOME			
Council Contributions	2	1,828,263	1,821,865
Statutory charges	2	111,391	150,625
User charges	2	295,541	236,151
Grants, subsidies and contributions	2	226,108	256,514
Investment income	2	4,320	4,901
Other income	2	3,585	4,549
Total Income		2,469,208	2,474,605
EXPENSES			
Employee costs	3	1,750,609	1,635,933
Materials, contracts & other expenses	3	516,677	509,065
Depreciation, amortisation & impairment	3	168,844	190,797
Finance costs	3	46,752	48,445
Total Expenses		2,482,882	2,384,240
OPERATING SURPLUS / (DEFICIT)		(13,674)	90,365
Other Comprehensive Income			
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		(13,674)	90,365

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

Eastern Health Authority
Statement of Financial Position
as at 30 June 2022

	Notes	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	640,883	782,896
Trade & other receivables	4	231,080	188,901
Total Current Assets		871,963	971,797
Non-current Assets			
Infrastructure, property, plant & equipment	5	1,214,249	1,300,714
Total Non-current Assets		1,214,249	1,300,714
Total Assets		2,086,212	2,272,511
LIABILITIES			
Current Liabilities			
Trade & other payables	6	133,225	163,940
Borrowings	6	140,794	177,021
Provisions	6	289,466	307,903
Total Current Liabilities		563,485	648,864
Non-current Liabilities			
Borrowings	6	961,297	1,036,687
Provisions	6	9,860	21,716
Total Non-current Liabilities		971,157	1,058,403
Total Liabilities		1,534,642	1,707,267
NET ASSETS		551,570	565,244
EQUITY			
Accumulated Surplus		551,570	565,244
TOTAL EQUITY		551,570	565,244

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 2022

		Acc'd Surplus	TOTAL EQUITY
2022	Notes	\$	\$
Balance at end of previous reporting period		565,244	565,244
Net Surplus / (Deficit) for Year		(13,674)	(13,674)
Balance at end of period	9	551,570	551,570
		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	9	565,244	565,244

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 2022

		2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES	Notes		
Receipts:			
Council Contributions		1,828,263	1,821,865
Statutory Charges		111,391	150,625
User charges		227,946	227,736
Investment receipts		4,044	5,757
Grants utilised for operating purposes		226,108	256,514
Other revenues		3,585	4,549
Payments:			
Employee costs		(1,764,556)	(1,637,628)
Materials, contracts & other expenses		(536,431)	(525,832)
Finance payments		(48,367)	(49,988)
Net Cash provided by (or used in) Operating Activities		51,983	253,598
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments:			
Expenditure on renewal/replacement of assets		(82,379)	-
Net Cash provided by (or used in) Investing Activities		(82,379)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments:			
Repayments of borrowings		(74,132)	(70,732)
Repayment of principal portion of lease liabilities		(37,485)	(121,280)
Net Cash provided by (or used in) Financing Activities		(111,617)	(192,012)
Net Increase (Decrease) in cash held		(142,013)	61,586
Cash & cash equivalents at beginning of period	7	782,896	721,310
Cash & cash equivalents at end of period	7	640,883	782,896

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 2022

Note 1 - Significant Accounting Policies

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

1 Basis of Preparation

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 Eastern Health Authority's (EHA) accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

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

1.5 Covid-19

The COVID-19 pandemic has impacted the 2021/22 financial statements. The financial impacts are a direct result of either EHA response to the pandemic or due to mandatory shutdowns as directed by the Australian Government and the advice from the Australian Government Department of Health and SA Health.

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 Rd, St Peters SA. These consolidated financial statements include the EHA's direct operations and all entities through which EHA controls resources to carry on its functions. In the process of reporting on the EHA 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 EHA 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 EHA to acquire or construct a recognisable non-financial asset that is to be controlled by EHA. In this case, EHA 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 2022

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.

4.2 Other Financial Instruments

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

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments also form part of Note 8.

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 EHA 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 EHA, 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. Depreciation periods for infrastructure assets have been estimated based on the best information available to EHA, 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.

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 EHA 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.

Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022
Note 1 - Significant Accounting Policies

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.

6.2 Payments Received in Advance & Deposits

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

7 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.

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.

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 EHA 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. EHA does not make payment for untaken sick leave.

Superannuation:

The Authority makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Authority's involvement with the schemes are reported in Note 11.

9 Leases

EHA 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:

EHA 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.

Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022
Note 1 - Significant Accounting Policies

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 6.5 - Impairment of non-financial assets above.

ii) Lease liabilities

At the commencement date of the lease, the EHA 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 assets

EHA applies the short-term lease recognition exemption to its short-term leases of motor vehicles (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.

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

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

Amendments to AASB 16 Covid-19 Related Rent Concessions:

In 2020, the AASB issued AASB 2020-4, Amendments to AASBs - Covid-19-Related Rent Concessions. The amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, in 2021 the AASB extended the period of application of the practical expedient to 30 June 2022. The amendment applies to annual reporting periods beginning on or after 1 April 2021. This amendment had no impact on the consolidated financial statements of the Group.

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

Note 2 - INCOME

	Notes	2022 \$	2021 \$
COUNCIL CONTRIBUTIONS			
City of Burnside		448,572	438,131
Campbelltown City Council		478,298	452,548
City of Norwood, Payneham & St Peters		571,786	586,308
City of Prospect		225,897	210,656
Town of Walkerville		103,710	103,032
Public Health Plan/Service Review (equal constituent share)		-	31,190
		1,828,263	1,821,865
STATUTORY CHARGES			
Inspection Fees: Food		91,848	91,852
Inspection Fees: Legionella		8,524	10,665
SRF Licences		2,145	3,255
Fines & expiation fees		8,874	44,853
		111,391	150,625
USER CHARGES			
Immunisation: Clinic Vaccines		68,441	62,086
Immunisation: Service Provision		69,000	-
Immunisation: Worksite Vaccines		73,044	96,879
Immunisation: Clinic Service Fee		1,050	-
Food Auditing		84,006	77,186
		295,541	236,151
INVESTMENT INCOME			
Interest on investments:			
Local Government Finance Authority		4,320	4,901
		4,320	4,901
OTHER INCOME			
Motor Vehicle Reimbursements		2,992	3,705
Sundry		593	844
		3,585	4,549
GRANTS, SUBSIDIES, CONTRIBUTIONS			
Immunisation: School Programme		182,701	180,024
Immunisation: AIR		18,240	21,860
Immunisation: PHN Project		25,167	54,630
		226,108	256,514

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

Note 3 - EXPENSE

	Notes	2022 \$	2021 \$
EMPLOYEE COSTS			
Salaries and Wages		1,510,095	1,434,514
Employee leave expense		18,047	35,942
Superannuation - defined contribution plan contributions	11	144,032	128,218
Superannuation - defined benefit plan contributions	11	16,909	16,100
Workers' Compensation Insurance		16,451	17,050
Other - Agency staff and Consultant Medical Officer		45,075	4,109
Total Operating Employee Costs		1,750,609	1,635,933
Total Number of Employees			
		18	18
<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		8,300	8,000
Bad and Doubtful Debts		4,251	-
Governance expenses		10,437	4,158
Lease Expenses	10	15,783	3,769
Subtotal - Prescribed Expenses		38,771	15,927
<u>Other Materials, Contracts & Expenses</u>			
Accounting		5,127	8,848
Contractors		23,154	26,065
Energy		8,868	9,066
Fringe benefits tax		14,272	14,272
Human resources		15,657	7,573
Income protection		25,692	18,355
Insurance		30,085	29,245
IT licencing & support		147,883	119,736
Legal Expenses		13,560	28,646
Motor vehicle expenses		19,895	15,399
Parts, accessories & consumables		94,211	143,529
Printing & stationery		17,660	21,155
Staff training		13,410	6,924
Sundry		22,327	24,150
Telephone		17,758	14,414
Work health & safety consultancy		8,347	5,761
Subtotal - Other Materials, Contracts & Expenses		477,906	493,138
		516,677	509,065

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

Note 3 - EXPENSE con't

	2022	2021
	Notes	\$
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Buildings & Other Structures	23,642	23,642
Office Equipment, Furniture & Fittings	14,247	15,877
Right of Use Assets	130,955	151,278
	<u>168,844</u>	<u>190,797</u>
FINANCE COSTS		
Interest on Loans	5,532	6,332
Interest on Leases	41,220	42,113
	<u>46,752</u>	<u>48,445</u>

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

Note 4 - CURRENT ASSETS

	2022	2021
	Notes	\$
CASH & EQUIVALENT ASSETS		
Cash on Hand and at Bank	159,713	405,770
Deposits at Call	481,170	377,126
	<u>640,883</u>	<u>782,896</u>
TRADE & OTHER RECEIVABLES		
Accrued Revenues	369	93
Debtors - general	230,711	163,116
Prepayments	-	25,692
	<u>231,080</u>	<u>188,901</u>

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

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

	2021 \$				2022 \$			
	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Buuildings & Other Structures	-	472,846	(235,612)	237,234	-	472,846	(259,254)	213,592
Office Equipment, Furniture & Fittings	-	264,186	(235,983)	28,203	-	264,185	(250,229)	18,501
Right of Use Assets	-	1,333,000	(297,723)	1,035,277	-	1,325,000	(342,844)	982,156
Total IPP&E	-	2,070,032	(769,318)	1,300,714	-	2,062,031	(852,327)	1,214,249
Comparatives	-	2,070,032	(578,521)	1,491,511	-	2,070,032	(769,318)	1,300,714

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 2022

Note 5 -PROPERTY, PLANT & EQUIPMENT

2021 \$	Carrying Amounts Movement During the Year \$					2022 \$
Carrying Amount	Additions		Disposals	Dep'n	Carrying Amount	
	New / Upgrade	Renewals				
237,234	-	-	-	(23,642)	213,592	
28,203	-	4,545	-	(14,247)	18,501	
1,035,277	-	77,834	-	(130,955)	982,156	
1,300,714	-	82,379	-	(168,844)	1,214,249	
1,491,511	-	-	-	(190,797)	1,300,714	
Comparatives						

Buildings & Other Structures
Office Equipment, Furniture & Fittings
Right of Use Assets

Total IPP&E

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 2022

Note 6 - LIABILITIES

		2022		2021	
		\$		\$	
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current
Goods & Services		75,708	-	122,323	-
Accrued expenses - employee entitlements		54,921	-	38,575	-
Accrued expenses - other		836	-	2,451	-
GST Payable		1,760	-	591	-
		<u>133,225</u>	<u>-</u>	<u>163,940</u>	<u>-</u>
BORROWINGS					
Loans		38,391	-	74,132	38,391
Leases Liabilities	10	102,403	961,297	102,889	998,296
		<u>140,794</u>	<u>961,297</u>	<u>177,021</u>	<u>1,036,687</u>
PROVISIONS					
LSL Employee entitlements (including oncosts)		165,971	9,860	167,217	21,716
AL Employee entitlements (including oncosts)		123,495	-	140,686	-
		<u>289,466</u>	<u>9,860</u>	<u>307,903</u>	<u>21,716</u>

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

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:

		2022	2021
	Notes	\$	\$
Total cash & equivalent assets	4	640,883	782,896
Balances per Cash Flow Statement		<u>640,883</u>	<u>782,896</u>

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

Net Surplus (Deficit)	(13,674)	90,365
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	168,844	190,797
Net increase (decrease) in unpaid employee benefits	(13,947)	(1,695)
	<u>141,223</u>	<u>279,467</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(42,179)	(33,251)
Net increase (decrease) in trade & other payables	(47,061)	7,382
Net Cash provided by (or used in) operations	<u>51,983</u>	<u>253,598</u>

(c) Financing Arrangements

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

Corporate Credit Cards	5,000	5,000
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Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

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 **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 0.30% (2021: 0.30%).

Carrying amount: approximates fair value due to the short term to maturity.

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. Although Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.

Carrying amount: approximates fair value (after deduction of any allowance).

Receivables - other levels of government

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

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

Carrying amount: approximates fair value.

Liabilities - Interest Bearing Borrowings

Accounting Policy: initially recognised at fair value and subsequently at amortised cost, interest is charged as an expense using the effective interest rate

Carrying amount: approximates fair value.

Liabilities - Finance Leases

Accounting Policy: accounted for in accordance with AASB 16 as stated in Note 10

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

Note 8 - FINANCIAL INSTRUMENTS (con't)

Liquidity Analysis

	2022	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets		\$	\$	\$	\$	\$
Cash & Equivalents		640,883	-	-	640,883	640,883
Receivables		233,141	-	-	233,141	231,080
Total		874,024	-	-	874,024	871,963
Financial Liabilities						
Payables		77,861	-	-	77,861	77,468
Current Borrowings		38,391	-	-	38,391	38,391
Lease Liabilities		102,403	347,325	613,972	1,063,700	1,063,700
Total		218,655	347,325	613,972	1,179,952	1,179,559

	2021	Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets		\$	\$	\$	\$	\$
Cash & Equivalents		782,896	-	-	782,896	782,896
Receivables		163,209	-	-	163,209	163,209
Total		946,105	-	-	946,105	946,105
Financial Liabilities						
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

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

	30 June 2022		30 June 2021	
	Weighted Average Interest Rate	Carrying Value	Weighted Average Interest Rate	Carrying Value
	%	\$	%	\$
Fixed Interest Rates	4.75	38,391	4.75	122,523
		38,391		122,523

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

Note 8 - FINANCIAL INSTRUMENTS (con't)

Net Fair Value

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

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 EHA is the carrying amount, net of any impairment. All EHA 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 EHA'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 EHA'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 EHA 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. EHA 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 2022

Note 9 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the EHA 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 the EHA's finances

	2022	2021
	\$	\$
Income	2,469,208	2,474,605
Expenses	(2,482,882)	(2,384,240)
Operating Surplus / (Deficit)	(13,674)	90,365
 Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(82,379)	-
Add back Depreciation, Amortisation and Impairment	168,844	190,797
	86,465	190,797
 Net Lending / (Borrowing) for Financial Year	72,791	281,162

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

Note 10 - OPERATING LEASES

Authority as a Lessee

Right of Use Asset

(include description of assets which are leased)

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

Carrying Value	Building & Structures	Motor Vehicles	Office Equipment	Total
At 1 July 2021	1,008,000	27,277	-	1,035,277
Additions	-	77,834	-	77,834
Depreciation Charge	(96,000)	(34,955)	-	(130,955)
At 30 June 2022	912,000	70,156	-	982,156

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

	2022	2021
Opening Balance 1 July 2021	1,101,185	1,222,465
Additions	77,834	-
Payments	(115,349)	(121,280)
Closing Balance 30 June 2022	1,063,670	1,101,185
Current	102,403	102,889
Non Current	961,267	998,296

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
Interest expense on lease liabilities	41,220	42,113
Expenses relating to short term leases	15,783	3,769
Total amount recognised in profit and loss	57,003	197,160

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

Note 11 – SUPERANNUATION

EHA makes employer superannuation contributions in respect of its employees to Hostplus Super (formerly Statewide Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (9.50% in 2020-21; 10.0% in 2021-22). No further liability accrues to the EHA 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. EHA 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 2020-21) of "superannuation" salary.

In addition, EHA 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), EHA 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 2022. 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 EHA's contribution rates at some future time.

Contributions to Other Superannuation Schemes

EHA 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 EHA.

Eastern Health Authority
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022
Note 12 - CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no contingencies, assets or liabilities not recognised in the financial statements for the year ended 30 June 2022.

Note 13 - EVENTS OCCURRING AFTER REPORTING DATE

There are no events subsequent to 30 June 2022 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 2022
Note 14 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the 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:

	2022	2021
	\$	\$
Salaries, allowances & other short term benefits	190,215	180,314
TOTAL	190,215	180,314

Amounts received from Related Parties during the financial year:

	2022	2021
	\$	\$
City of Burnside	448,572	438,131
Campbelltown City Authority	478,298	452,548
City of Norwood, Payneham & St Peters	571,786	586,308
City of Prospect	225,897	210,656
Town of Walkerville	103,710	103,032
Public Health Plan/Service Review (equal constituent share)	-	31,190
TOTAL	1,828,263	1,821,865

Amounts paid to Related Parties during the financial year:

	2022	2021
	\$	\$
City of Norwood, Payneham & St Peters	110,754	108,739
TOTAL	110,754	108,739

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 2022**

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 2022, 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

Madeleine Vezis
PRESIDING MEMBER
AUDIT COMMITTEE

Date: 22 August 2022



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2022, 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: 12 July 2022



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2022, 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: 18 July 2022



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2022, 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: 14. 07. 2022.



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2022, 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 White
CHIEF EXECUTIVE OFFICER
CITY OF PROSPECT

Date: 14 July 2022



EASTERN HEALTH AUTHORITY

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

CERTIFICATION OF AUDITOR INDEPENDENCE

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Eastern Health Authority for the year ended 30 June 2022, 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*.

Scott Reardon
ACTING CHIEF EXECUTIVE OFFICER
CORPORATION OF THE TOWN OF WALKERVILLE

Date: 12/07/2022


Bentleys SA Audit Partnership

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Adelaide SA 5001

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admin@adel.bentleys.com.au
bentleys.com.au

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 2022, 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

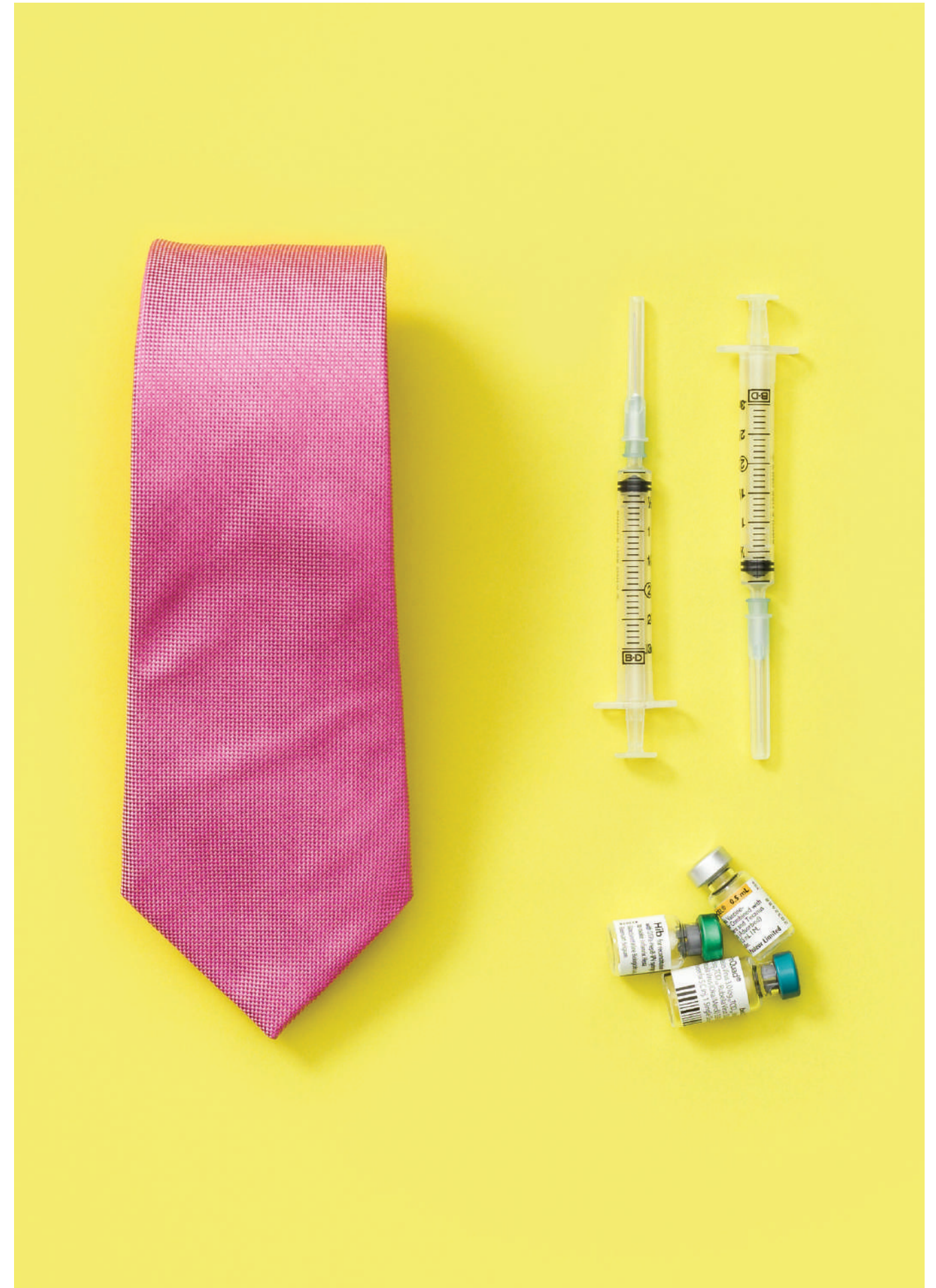
David Francis
Partner

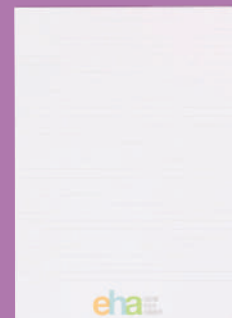
Dated at Adelaide this 31st day of August 2022



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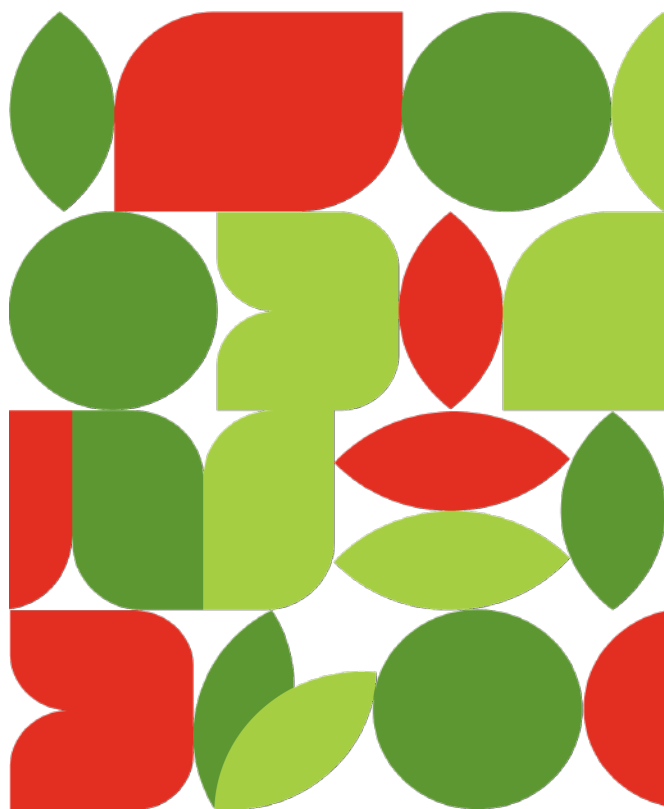
- ▶ Advisors
- ▶ Accountants
- ▶ Auditors





Appendix 3

East Waste Annual Report



EastWaste

**ANNUAL
REPORT
2021-2022**





EAST WASTE IS A LEADER IN THE BEHAVIOUR CHANGE AND EDUCATION SPACE IN SOUTH AUSTRALIA AND HAS ESTABLISHED ON-GOING PARTNERSHIPS WITH A NUMBER OF ORGANISATIONS TO ENSURE THAT WE ARE DRIVING CHANGE THROUGH THE COMMUNITIES THAT WE SERVE.

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



Social Activities

8366 4193

FOOD SCRAPS

WHICH BIN
FEED 'EM TO
THE GREEN BIN



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t.

00 FOR AMBULANCE



DEFIBRILLATOR

131jahn.org.au/130



Dairy Products
(Cheese & Yoghurt)



Garden
Clippings



Hoses,
Pipe
Garden Tools

NO Bricks, Rocks,
Dirt or Building
Materials

NO Bricks, Rocks,
Dirt or Building
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EastWaste

Chairperson's Report

I am happy to have contributed to and commend my third Annual report for East Waste. My appointment as the independent chairperson in February 2020 coincided with the onset of the COVID-19 pandemic and I would never have imagined that industries, communities, and the world would still be feeling the impacts of the Pandemic more than 2 and a half years later.

Notwithstanding, I am really proud of how East Waste has been able to continue to provide services to our Member Councils and their communities and adapt to the ever changing environment.

East Waste's Audit and Risk Committee have played an integral role in ensuring that East Waste has been well positioned to continue operating as a Leader in the Waste industry.

The advice and guidance that they continue to provide to the Board in all areas of the organisation including risk, financials and governance cannot be underestimated and is a significant contributing factor to why East Waste has been able to continue to operate successfully, despite some of the unprecedented challenges faced throughout the year.

I would like to take this opportunity to thank all Committee members for their ongoing support and contribution, including Cr Mike Stock who ceased as a committee member in November

2021 and Emma Hinchey who commenced as the Chair of the Committee in February 2022.

During the past year, we completed a successful review of the East Waste Charter as well as a review of several of our key contracts and Policies to ensure that we are continuing to meet the requirements of our Member Councils. In reviewing the Charter, we took a collaborative approach and engaged with all Member Councils to seek their views and assess their needs for the future.

The Charter provides the key framework for how East Waste operates and by successfully engaging with the Member Councils, we were able to ensure that we continue to meet the needs of our members, whilst also ensuring good governance.

East Waste is a leader in the behaviour change and education space in South Australia and has established on-going partnerships with a number of organisations to ensure that we are



Chairperson's Report



driving change through the communities that we serve. The one constant in the Waste industry is change.

To help ensure that East Waste are always ahead of the game, we have developed key partnerships with Green Industries, The Fight Food Waste Cooperative and KESAB. These relationships enable East Waste to continue to be an advocate for change and help us provide the Communities we serve with accurate and timely information.

The key partnerships will also help East Waste to achieve the stretch targets set in our 2030 Strategic Plan.

With ever increasing financial pressures, including unprecedented volatility with fuel prices, the East Waste Board has had to make several difficult decisions throughout the year. Their support, guidance and extensive knowledge is key to ensuring that East Waste continues to operate effectively and efficiently, whilst providing a high level and necessary service to our community. Throughout the year, we saw a couple of changes to our Board and

I would like to take this opportunity to thank all Board Members for their contributions, and welcome our newest Board Member, Cr Jenny Turnbull who commenced in January 2022.

In closing, I would like to say that I enjoy my role as the Chair of East Waste. Having been involved in the waste industry for more than 25 years, I appreciate the ever-changing environment and am looking forward to being actively involved in East Waste as we continue to lead, evolve and grow.



● **Fraser Bell**
Independent Chairperson



FOOD SCRAPS? WHICH BIN?

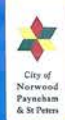
FEED 'EM TO
THE GREEN BIN



WHICH BIN
SA.GOV.AU



EastWaste



EastWaste

In 2021-2022 East Waste...



113,332 TOTAL TONNAGES
COLLECTED



8,500,000⁺ ANNUAL BIN
COLLECTIONS



2,960 HARD WASTE TONNES
CONVERTED TO FUEL



56% OF MATERIAL DIVERTED
FROM LANDFILL



45 COLLECTION VEHICLES



7,004 BIN REPAIRS UNDERTAKEN
BY THE MOBILE TEAM



6,538 BIN DELIVERIES
UNDERTAKEN



80,860 ENQUIRIES RECEIVED
& RESOLVED

General Manager's Report

Prior to writing this report I took a moment to reflect on everything that has occurred over the last twelve months and it would be fair to say that East Waste faced a number of challenges throughout the year. However, I couldn't be more grateful for how we have responded to the challenges and continued to grow as an organisation.

I would like to take this opportunity to recognise all the East Waste Staff Members for their contributions and commitment to ensuring that East Waste continued to provide a good level of service to our Member Councils and their ratepayers.

Through effective management and industry leading initiatives East Waste has continued to provide reliable services to the residents of our Member Councils despite the ongoing impacts of the COVID pandemic. In a time where other organisations in the industry are having difficulty providing the agreed services, East Waste has been able to meet and exceed expectation whilst also providing additional support to some of our Member Councils to ensure their residents are not negatively impacted. Furthermore, the WHS measures that East Waste have implemented have helped to support and protect our staff and their families.

We took the opportunity of the cyclic review requirements of the East Waste Charter to undertake a detailed engagement with Member Councils and understand their views and needs going forward. As the key document underpinning our activities and processes it is important that it provides the appropriate confidence and governance rigour to our Member Councils, whilst providing suitable flexibility for the Organisation to adapt to the changing waste environment. East Waste was able to achieve this in several ways, including strengthening the independent voice on the Audit & Risk Management Committee.

East Waste has been at the forefront of waste education for several years and this year was no exception. Throughout the year we have continued to be proactive in the education and behaviour change space with our lead educator attending numerous community events, running



General Manager's Report



promotional activities through member Councils and via Social Media. This combined with the education and behaviour change programs delivered through schools will continue to ensure that East Waste is more than a logistics company and is actively assisting the greater community to achieve better environmental outcomes.

East Waste successfully conducted a kerbside Waste Audit which incorporated all of our member councils waste streams. The data gathered from this Audit is still being finalised however, the outcomes will help to provide direction and guide future promotions and education in our communities as we look to improve waste diversion rates and ultimately reduce the amount of waste going to landfill.

Coupled with the above audit, our successful partnership with the Fight Food Waste CRC and the University of Adelaide has advanced our knowledge around the Community's food waste behaviours and with the results released in early 2023, will become a building block for revised education and engagement going forward. This partnership highlights the value and critical need to link and engage with like-minded Organisations to ultimately achieve the

stretch targets listed within the East Waste 2030 Strategic Plan.

In closing I would like again recognise our Staff's efforts and commitment to East Waste. We have many exceptional, passionate and committed staff. I would also like to extend a thank you to our Audit and Risk Management Committee, particularly independents Emma Hinchey and Sandra Di Blasio, and our Board who have continued to help guide East Waste through some of the challenges faced over the 2021/2022 financial year. The Committee's feedback has been valuable and helped ensure we continue to grow and add value to our member Councils and the broader community.



● **Rob Gregory**
General Manager



EastWaste

Kerbside Tonnages Collected



Member Council	Recyclables	Organics	Waste
Adelaide Hills Council	3,531	4,796	7,596
City of Burnside	3,983	6,138	7,503
Campbelltown City Council	4,132	7,002	10,269
City of Mitcham ¹	5,663	10,749	11,746
City of Norwood Payneham & St Peters	3,449	5,062	6,958
City of Prospect	1,757	3,231	4,100
Town of Walkerville	641	1,095	1,271

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 seven 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 13 formal meetings over the 2021-2022 financial year. The table below details Board Member attendance.

BOARD MEMBER	MEETINGS
Mr Fraser Bell (Chair)	13/13
Cr Linda Green (Adelaide Hills Council)	10/13
Mr Vincent Cammell (City of Prospect) *Ceased 27 June 2022	8/13
Cr Julian Carbone (City of Burnside) *Ceased 31 December 2021	4/5
Mr Paul Di Iulio (Campbelltown City Council)	12/13
Mayor Heather Holmes-Ross (City of Mitcham)	10/13
Cr Mike Stock (City of Norwood, Payneham & St Peters)	10/13
Cr Rob Ashby (Corporation of the Town of Walkerville)	11/13
Cr Jenny Turnbull (City of Burnside) *Appointed 1 January 2022	5/8

DEPUTY DIRECTOR ATTENDANCE	MEETINGS
Mr John McArthur (Adelaide Hills Council)	3/3



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 2021-2022 financial year. The table below details Audit Committee Member attendance.

AUDIT & RISK MANAGEMENT COMMITTEE MEMBER	MEETINGS
Mr Fraser Bell (Independent Board Chair)*Ceased as Chair of the Committee 15 February 2022	4/5
Cr Mike Stock (City of Norwood, Payneham & St Peters) *Ceased 25 November 2021	2/2
Cr Linda Green (Adelaide Hills Council)	4/5
Ms Emma Hinchey (Independent Member) *Appointed Chair 15 February 2022	5/5
Ms Sandra Di Blasio (Independent Member)	4/5

The Audited Financial Statements for the year ending 30 June 2022 are provided on the following pages.



EastWaste

FINANCIAL
STATEMENTS
2021-2022



Financial Statements

2021-2022

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Financial Statements

2021-2022

CERTIFICATION OF FINANCIAL STATEMENTS

EASTERN WASTE MANAGEMENT AUTHORITY INC

Annual Financial Statements
for the financial year ended 30 June 2022

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 2022 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: 28/09/2022

Financial Statements

2021-2022

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$'000	2021 \$'000
INCOME			
User charges	2	16,579	16,707
Investment income	2	10	12
Grants, subsidies and contributions		81	-
Other	2	932	917
Total Income		17,602	17,636
EXPENSES			
Employee costs	3	6,386	6,089
Materials, contracts & other expenses	3	9,303	9,149
Finance costs	3	246	262
Depreciation & amortisation	3	2,043	1,986
Total Expenses		17,978	17,486
OPERATING SURPLUS		(376)	150
Asset disposal & fair value adjustments	4	7	105
NET SURPLUS		(369)	255
Other Comprehensive Income		-	-
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME		(369)	255

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

Financial Statements

2021-2022

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$'000	2021 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5	2,001	3,168
Trade & other receivables	5	935	661
Inventory		50	-
Total Current Assets		2,986	3,829
Non-current Assets			
Property, Plant & Equipment	6	8,542	8,098
Total Non-current Assets		8,542	8,098
Total Assets		11,528	11,927
LIABILITIES			
Current Liabilities			
Trade & Other Payables	7	1,436	1,609
Provisions	7	778	654
Borrowings	7	1,940	1,925
Total Current Liabilities		4,154	4,188
Non-current Liabilities			
Borrowings	7	6,410	6,423
Provisions	7	114	97
Total Non-current Liabilities		6,524	6,520
Total Liabilities		10,678	10,708
Net Assets		850	1,219
EQUITY			
Accumulated Surplus		850	1,219
Total Equity		850	1,219

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

RE-USE

Why waste it?
When you can
re-use it.



AVOID
REDUCE
RE-USE
RECYCLE

COMPOST

Why waste it?
When you can
compost it.



RECYCLE

Why waste it?
When you can
recycle it.



EastWaste

Financial Statements

2021-2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

	Accumulated Surplus \$'000	Total Equity \$'000
Balance at start of period - 1 July 2021	1,219	1,219
Net Surplus for Year	(369)	(369)
Other Comprehensive Income		
Contributed Equity	-	-
Distributions to Member Councils	-	-
Balance at end of period - 30 June 2022	850	850
 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

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

Financial Statements

2021-2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$'000	2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating receipts		17,400	18,457
Investment receipts		9	7
Employee costs		(6,245)	(6,012)
Materials, contracts & other expenses		(9,613)	(9,243)
Finance payments		(258)	(233)
Net cash provided by operating activities	8	1,293	2,976
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of replaced assets	4	86	124
Expenditure on renewal/replacement of assets	6	(2,305)	(2,452)
Expenditure on new/upgraded assets	6	(244)	-
Net cash used in investing activities		(2,463)	(2,328)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		2,031	2,284
Repayments of Borrowings		(1,791)	(1,826)
Repayment of lease liabilities		(237)	(260)
Net cash provided by (used in) financing activities		3	198
Net Increase (Decrease) in cash held		(1,167)	846
Cash & cash equivalents at beginning of period	5	3,168	2,322
Cash & cash equivalents at end of period	5	2,001	3,168

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

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

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

1 Basis of Preparation

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 the fair value of the asset principally to enable the entity to further its objectives.

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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
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.

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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 recognises 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.

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super and prior to that the Local Government Superannuation Scheme). The Scheme has two types of membership, each of which is funded differently.

**GRAB A
KITCHEN CADDY
FROM COUNCIL
TODAY**

**WHICH BIN
EAGOVAU**



EastWaste



EastWaste

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only Members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with Superannuation Guarantee Legislation (10% in 2021/22; 9.5% 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. 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 2020/21) 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 2021. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

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

8 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'.

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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.

12 New Accounting Standards

The Authority did not apply any new accounting standards during the financial year. There are no new accounting standards, interpretations or amendments which are expected to have a material impact on the accounting policies on the Authority for future periods.

13 Authority Membership

The City of Unley became a Member Council of the Authority in July 2022 and waste collection services commenced for the Council as from 1 August 2022. As a result of The City of Unley becoming a Member Council, additional staff have been employed and trucks ordered to meet the additional services being provided by the Authority.

An amendment to the Authority's adopted Budget for FY2023 was undertaken with the Board and Member Council's in August 2022 in line with the requirements under the Act and the Authority's Charter.

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2 - INCOME

	Notes	2022 \$'000	2021 \$'000
USER CHARGES			
Waste Collection Income		12,662	12,372
Waste Processing Income		3,677	4,640
Administration		240	235
Member Council Waste Collection Rebate		-	(540)
		16,579	16,707
INVESTMENT INCOME			
Interest on investments			
Local Government Finance Authority		10	12
		10	12
OTHER INCOME			
Bin Supply		409	254
Replacement Bins		474	642
Sundry		49	21
		932	917

NOTE 3 - EXPENSES

EMPLOYEE COSTS			
Salaries and Wages		5,115	4,924
Employee leave expense		93	76
Superannuation		443	403
Wages Casual Agency		500	490
Workers' Compensation Insurance		148	113
Other		87	83
Total Employee Costs		6,386	6,089
<i>Number of FTE Employees as at reporting date</i>		<i>61</i>	<i>59</i>

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 3 - EXPENSES (Cont.)

	Notes	2022 \$'000	2021 \$'000
MATERIALS, CONTRACTS & OTHER EXPENSES			
Auditor's Remuneration		9	9
Board Expenses		23	29
Waste Processing Costs		3,676	4,614
Electricity		4	4
Fuel, Gas & Oil		1,529	993
Legal Expenses		91	27
Maintenance		2,323	2,214
Parts, Accessories & Consumables		17	2
Printing, Stationery & Postage		41	36
Professional Services		487	440
Registration & Insurance - Trucks		299	215
Sundry		804	566
		9,303	9,149
FINANCE COSTS			
Interest on Loans		224	234
Interest on Leases		22	28
		246	262
DEPRECIATION & AMORTISATION			
Buildings & Other Structures	6	54	10
Plant, Machinery & Equipment	6	1,733	1,725
Right-of-use assets	6	256	251
		2,043	1,986

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 4 - ASSET DISPOSALS

	2022	2021
Notes	\$'000	\$'000
Proceeds from disposal	86	124
Less: Carrying amount of assets sold	(79)	(19)
Gain (Loss) on disposal	7	105

NOTE 5 - CURRENT ASSETS

CASH & CASH EQUIVALENTS

Cash on Hand and at Bank	1,818	2,995
Deposits at Call	183	173
	2,001	3,168

TRADE & OTHER RECEIVABLES

Debtors - general	901	654
Accrued Income	34	-
Prepaid Expenses	-	7
	935	661

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 6 - PROPERTY, PLANT & EQUIPMENT

	Notes	2022 \$'000	2021 \$'000
Buildings & Other Structures - At Cost		569	325
Accumulated Depreciation		(146)	(92)
		423	233
Plant, Machinery & Equipment - At Cost		18,929	17,227
Accumulated Depreciation		(11,386)	(10,176)
		7,543	7,051
Right-of-use-assets		1,339	1,321
Accumulated Depreciation		(763)	(507)
		576	814
Total Property, Plant & Equipment		8,542	8,098

	2021 \$'000						2022 \$'000
	Carrying Value	Additions		Disposals	Depreciation	Adjustment	Carrying Value
		New/ Upgrade	Renewal				
Buildings & Other Structures	233	244	-	-	(54)	-	423
Plant, Machinery & Equipment	7,051		2,304	(79)	(1,733)	-	7,543
Right-of-use-asset	814	-	-	-	(256)	18	576
	8,098	244	2,304	(79)	(2,043)	18	8,542
2021 (\$'000)	7,652	2,475	-	(19)	(1,986)	(24)	8,098

Financial Statements

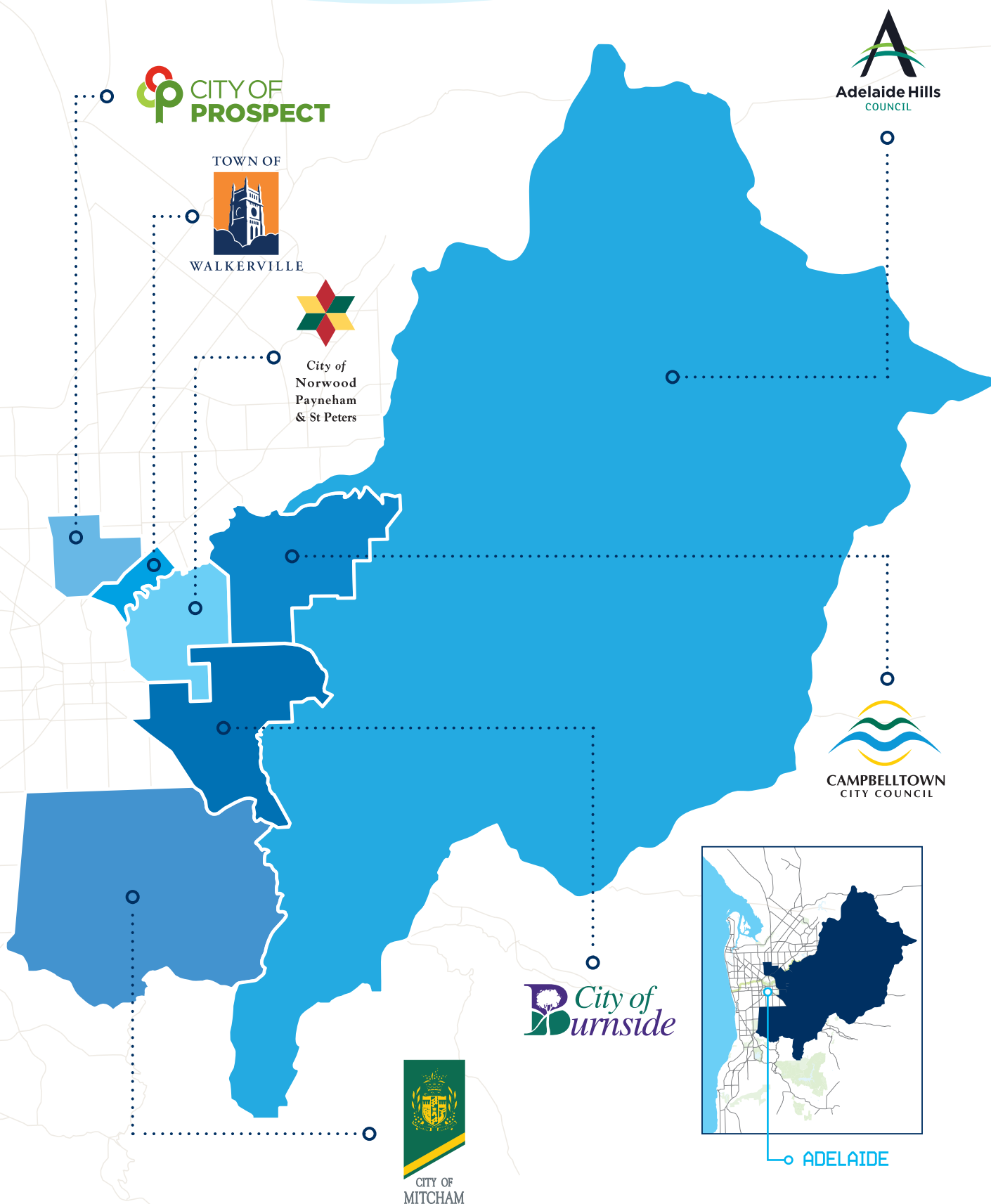
2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 7 - LIABILITIES

	2022 \$'000		2021 \$'000	
	Current	Non-current	Current	Non-current
TRADE & OTHER PAYABLES				
Goods & Services	1,047	-	902	-
Payments received in advance	80	-	-	-
Accrued expenses - other	309	-	707	-
	1,436	-	1,609	-
BORROWINGS				
Loans	1,673	6,050	1,679	5,805
Lease Liabilities	267	360	246	618
	1,940	6,410	1,925	6,423
PROVISIONS				
Annual Leave	388	-	302	-
Rostered-Day-Off (RDO)	25	-	51	-
Long Service Leave	365	114	301	97
	778	114	654	97

East Waste Current Service Area



Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 8 - CASH FLOW RECONCILIATION

	2022 \$'000	2021 \$'000
Total cash & equivalent assets	2,001	3,168
Balances per Cash Flow Statement	<u>2,001</u>	<u>3,168</u>
(a) Reconciliation of Change in Net Assets to Cash Flows from Operating Activities		
Net Surplus (Deficit)	(369)	255
Non-cash items in Statement of Comprehensive Income		
Depreciation	2,043	1,986
Net increase (decrease) in employee benefits	119	(77)
Net increase (decrease) accrued expenses	(12)	24
(Gain) / Loss on Disposal	(7)	(105)
Lease liability adjustment	(18)	-
Waste Rebates	-	470
	<u>1,756</u>	<u>2,553</u>
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(235)	363
Net increase (decrease) in trade & other payables	(242)	(94)
Net increase (decrease) in other provisions	14	154
Net Cash provided by (or used in) operations	<u>1,293</u>	<u>2,976</u>
(b) Financing Arrangements		
Corporate Credit Cards	15	15
Cash Advance Debenture Facility - LGFA	1,000	1,000

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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 1.05% (2021: 0.3%).</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% (2021: 1.7% - 4%).</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

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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

2022	≤ 1 year	Maturity > 1 year ≤ 5 years	> 5 years	Non- Interest Bearing	Total
<i>Financial Assets</i>	\$'000	\$'000	\$'000	\$'000	\$'000
Cash & Equivalents	2,001	-	-	-	2,001
Receivables	-	-	-	901	901
Total	2,001	-	-	901	2,902
<i>Financial Liabilities</i>					
Payables	-	-	-	1,047	1,047
Borrowings	1,940	4,972	1,438	-	8,350
Total	1,940	4,972	1,438	1,047	9,397

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

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

NOTE 10 - CAPITAL EXPENDITURE COMMITMENTS

The Authority has capital expenditure commitments totalling an estimated \$2.02 million as at reporting date.

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 2021	814	814
Additions of right-of-use-assets	-	-
Depreciation Charge	(256)	(256)
Adjustments to right-of-use-assets	18	18
At 30 June 2022	576	576

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2021 \$'000
At 1 July 2021	864
Additions	13
Accretion of interest	22
Payments	(272)
Adjustments to lease liability	-
At 30 June 2022	627
Current	267
Non-Current	360

NOTE 12 - POST BALANCE DATE EVENTS

The City of Unley became a Member Council in July 2022 and waste collection services commenced as from 1 August 2022. As a result of The City of Unley becoming a Member Council, the Authority was required to purchase additional trucks to service the increased number of collection routes. The estimated cost of the new Trucks to be purchased is \$2.5 million.

Financial Statements

2021-2022

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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:

	2022 \$'000	2021 \$'000
Salaries, allowances & other short term benefits	483	462
TOTAL	483	462

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	3,113	160	Provision of kerbside waste collection and hard waste collection services
City of Burnside	2,911	87	Provision of kerbside waste collection and hard waste collection services
City of Mitcham	2,984	312	Provision of kerbside waste collection and hard waste collection services
City of Norwood, Payneham & St Peters	2,841	191	Provision of kerbside waste collection and hard waste collection services
City of Prospect	1,389	67	Provision of kerbside waste collection and hard waste collection services
Corporation of the City of Campbelltown	2,906	66	Provision of kerbside waste collection and hard waste collection services
Corporation of the Town of Walkerville	537	15	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 amounts included in the above total Sale of Goods and Services to Member Councils is net of a rebate paid and settled with Member Councils during 2021/22 totalling \$0.47 million.

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

2021-2022

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 2022, 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 7th September 2022



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Financial Statements

2021-2022

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 2022, 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 2022, 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.



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Financial Statements

2021-2022

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 29th day of September 2022



**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.**

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